

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

DATE: December 2, 1970

REPLY TO  
ATTN OF: ESTP (Transportation)

SUBJECT: 1970 Highway Act

• Mr. Rice

1. DOT and OMB are in agreement on all points.
2. We transmitted most of the material contained in the attachment to the House committee staff (minority) Wednesday afternoon. Items not transmitted deal with our positions on the Senate sections and on the structure of the urban system (DOT agrees with us on these points).
3. EST strongly urges that an official letter be sent to the conference committee even though we understand the minority staff of the House committee and DOT prefer no formal letter.

*Roger L. Hildebeidel*

Roger L. Hildebeidel  
Budget Examiner

*Roger S. Adkins*

Roger S. Adkins  
Assistant Chief

Eno  
Center for  
Transportation

DRAFT  
12/2/70

Honorable Jennings Randolph  
United States Senate  
Washington, D. C. 20510

Dear Senator Randolph:

We are concerned with the outcome of the conference committee action on the "1970 Federal-aid Highway Act" (S. 4418). As you know, the Administration submitted in June two draft bills; one was a proposed 1970 Federal-aid Highway Act, and the other was a proposed Highway Trust Fund Extension Act. These bills were in accord with the President's program and the Administration believes that the principles upon which they were based continue to be sound from both fiscal and programmatic points of view. We believe that the final 1970 Highway Act should retain as much resemblance to the Administration bills as is possible at this stage of the process.

Attached is a summary of the Administration's position on the key sections of the House and Senate passed bills. We would like to emphasize our position on five key parts of the bills.

First, the authorizations for the Interstate, ABC, and other highway programs should not exceed the lowest amount contained in either the House or Senate passed bill, and the new Federal-aid Urban System should be funded as a part of the normal authorization for Federal-aid Urban Extensions.

Second, we recommend that Title III of the House version, which extends the life of the Highway Trust Fund and its supporting revenues for 5 years beyond the existing expiration date, be incorporated in the final bill. We further recommend that Title III be amended to make the Highway Trust Fund available to finance the highway beautification program, forest highways, public lands highways and highway safety programs (authorized by sections 402 and 403 of Title 23), and all prior year unexpended balances of these

programs as well as the new territorial highways program.

Third, with regard to bridge replacement we support the House bill, Section 206, but the Federal share should not exceed the higher of either 75% or the normal ABC matching share.

Fourth, we recommend the deletion of regional transportation planning and commissions (Senate bill, Section 21 and 22), and also the economic growth center development highway (House bill, Section 127).

Fifth, with regard to D. C. highways we support the Senate version.

We hope that the conference and the members of both Houses will seriously consider the Administration's recommendations contained in this letter and its attachment. If the final bill incorporates these recommendations, we are confident that the Administration will approve the Federal-aid Highway Act of 1970.

Sincerely,

Administration Views on the "Federal-aid Highway Act of 1970"

1. Interstate Authorization Amounts and Apportionment Factors (House Sec. 102 and 103; Senate Sec. 2 and 3)

We favor the Senate provision of \$9,775 million and use of the same apportionment factors for 1972, 1973 and 1974.

2. Extension of time for completing the Interstate System (House Sec. 104; Senate Sec. 4)

We favor the Senate bill extending the completion date to 1976.

3. Authorization amounts for other highway programs (House Sec. 105; Senate Sec. 6)

We favor the House authorizations for ABC and TOPICS programs (paragraphs (1), (2), and (4) of Sec. 105). We recommend that the new Federal-aid Urban System be financed through the Urban Extension authorization of \$275 million in paragraph (1)--with the division of funding between urban extensions and the new urban system to be administratively determined. Thus, the total authorizations for the ABC, TOPICS and new Urban System (paragraphs (1), (2), (3) and (4)) would equal \$1,425 million in each fiscal year.

We prefer the House authorization for public lands development roads and trails (paragraph (8)).

For all other authorizations, park roads and trails, parkways, Indian roads and bridges, highway safety and highway beautification, we prefer the Senate authorizations (paragraphs (7) through (16) of Senate Section 6). We also strongly support financing out of the Highway Trust Fund for highway beautification, highway safety, forest highways and public lands highways.

4. Establishment of a new Federal-aid Urban Highway System (House Sec. 106; Senate Sec. 7)

We prefer the House version.

5. Sense of Congress provision prohibiting impoundment or diversion of highway trust funds and prohibiting expenditure of highway trust funds by any agency other than the Federal Highway Administration (House Sec. 107)  
We ~~strongly~~ oppose this provision.
6. Increase the Federal cost share to 70% starting July 1, 1973 (House Sec. 108)  
We oppose this provision.
7. Equal opportunity training (House Sec. 110; Senate Sec. 27)  
We favor the Senate version with a minor amendment to provide that DOT will carry out this program in cooperation with , instead of through, the Secretary of Labor.
8. Public Transportation (House Sec. 111)  
We oppose this provision.
9. Virgin Islands Highways (House Sec. 112; Senate Sec. 30)  
We favor the Senate version with an amendment to reduce amount for American Samoa to \$500,000 in each year. We strongly support financing from the Highway Trust Fund.
10. FHWA reorganization (House Sec. 114)  
We support the provision with amendment to limit the Level II compensation to the incumbent Administrator, and to delete Senate confirmation for the Deputy Administrator.
11. National Highway Institute (House Sec. 115)  
We oppose this provision.
12. Markland Dam (House Sec. 116)  
We have no objection to this provision.
13. Replacement housing (House Sec. 117; Senate Sec. 28 § 142)  
We support the Senate version of this provision.
14. Future Federal-aid Highway Program (House Sec. 121)  
We oppose this provision.

15. Highway Beautification authorizations (House Sec. 122; Senate Secs. 17, 18, 19, and 20).

We support all of the Senate provisions.

16. Highway Beautification Commission (House Sec. 123)

We have no objection to this provision if the Senate version of the Beautification amendments (Secs. 17, 18, 19, and 20) is accepted.

17. Elimination of certain segments of the Interstate System from eligibility for 90-10 funding if not scheduled by January 1973 (House Sec. 124; Senate Sec. 8)

We favor the Senate provision.

18. Highway Demonstration projects (House Sec. 126)

We have no objection to this provision.

19. Economic growth center development highways (House Sec. 127)

We oppose this provision for a new highway category and the \$100 million authorization for each of 1972 and 1973.

20. District of Columbia (House Sec. 129; Senate Sec. 36)

We support the Senate provision.

21. Toll Roads (House Sec. 130)

We have no objection to this "sense of Congress" provision.

22. Highway project priorities (House Sec. 133; Senate Sec. 10)

We support the House version.

23. Highway safety provision (House Sec. 202)

We support the House reorganization plan, except to delete the provision for Senate confirmation of the Deputy Administrator. However, we strongly oppose the House bill provisions which prohibit new standards after December 31, 1970, and which legislatively divide the present highway safety standards between the Federal Highway Administration and the new

Safety Administration.

We support the Senate version on highway safety authorizations (Senate Sec. 6, paragraphs (10), (11), and (16)).

24. Bridge replacement (House Sec. 206; Senate Sec. 28, § 143)

We favor the House version with an amendment to reduce the minimum Federal share from 90% to 75% of project cost.

25. Elimination of Highway-Railroad Grade Crossings (House Sec. 207)

We oppose this provision.

26. Demonstration Project--Rail Crossings (House Sec. 208)

We have no objection to this provision.

27. Safety Demonstration Projects (House Sec. 203)

We oppose this provision and favor the Senate authorization (Senate Sec. 6, paragraph (11)).

28. Projects for High Hazard Locations (House Sec. 205)

We oppose this provision and the \$200 million authorization for each fiscal year 1972 and 1973.

29. House bill Title III

We support Title III which extends the Highway Trust Fund and its revenues for 5 years beyond the current expiration date of September 30, 1972, with an amendment to provide for Highway Trust Fund financing of the highway beautification, forest highways, public lands highways, and highway safety (both Sec. 402 and 403 of Title 23)) programs

(including unexpended balances of prior authorizations as of June 30, 1971).

30. Economic, Social, Environmental and Other Impacts (Senate Sec. 9)

We support this provision with an amendment to subsection (a)(2) which would make this subsection effective only upon issuance by the Secretary of the guidelines required by subsection (c).

31. Public Hearings (Senate Sec. 12)

We support this provision.

32. Federal Participation in the Improvement of Toll Roads (Senate Sec. 14)

We oppose this provision.

33. Urban Transportation Planning in Designated Congested Corridors (Senate Sec. 21)

We oppose this provision.

34. National Transportation Planning Regions and Regional Commissions (Senate Sec. 22)

We oppose this provision and the \$100 million authorization provided for each fiscal year 1971 and 1972.

35. Fringe and Corridor Parking Facilities (Senate Sec. 24)

We oppose this provision and support an amendment which would make fringe parking a permanent part of the TOPICS (traffic operations projects in urban areas) program.

36. Additions to the Interstate System (Senate Sec. 26)

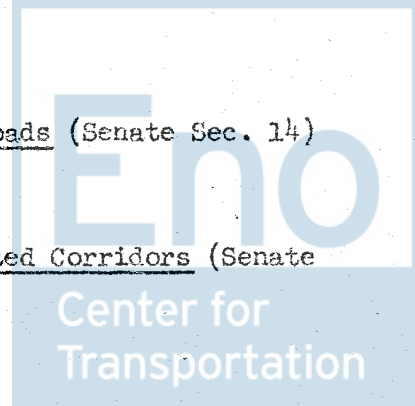
We strongly oppose the provision which would add more mileage to the Interstate System, even though no additional Federal Interstate financial responsibility would be created.

37. Interest Payments for Replacement Housing (Senate Sec. 32)

We strongly oppose this provision to provide payments for interest differentials on mortgages.

38. Alaskan Assistance (Senate Sec. 35)

We oppose this provision and the authorization of \$20 million for each fiscal year 1972 and 1973.





Attached is a paper which discusses the Administration's position on the major sections of the House passed "Federal-aid Highway Act of 1970." This analysis does not deal with the Senate passed version of the "Federal-aid Highway Act of 1970." We would expect that the Administration will transmit its official views on the two bills at a later date.

The attached analysis does not address section 105 with regard to the differences between the House and Senate versions in the structures for funding the ABC and new Federal-aid Urban Systems. We will try to provide our views on this matter as soon as possible. However, we are opposed to authorizing more than a total of \$1,425 million in each of 1972 and 1973 for the ABC, TOPICS and Federal-aid Urban Systems.

This was hand  
carried to  
Mr. Cosselman  
2:15 pm  
12/2/70

Views on House passed "Federal-Aid Highway Act of 1970"

1. Interstate Authorization Amounts (Sec. 102 and 103)  
Favor Senate.
2. Extension of time for completing the Interstate System (Sec. 104)  
Favor Senate.
3. Authorization amounts for other highway programs (Sec. 105)  
Favor Senate levels, except favor a separate authorization for TOPICS, and House levels for paragraph (8). Question open on structure of ABC-Urban authorization (paragraphs (1), (2) & (3)). Favor Trust Fund financing for Beautification, Forest Highways, Public Lands Highways, Highway Safety (Sec. 402 and 403).
4. Establishment of a new Federal-aid Urban Highway System (Sec. 106)  
Prefer Senate version.
- 5A. Prohibiting impoundment or diversion of highway trust funds (Sec. 107)  
Prohibiting expenditure of highway trust funds by any agency other than the Federal Highway Administration (FHWA).  
Opposes.
6. Increase Federal cost share to 70% (Sec. 108)  
Opposes.
7. Equal opportunity training (Sec. 110)  
Favor Senate, with minor amendment.
8. Public transportation (Sec. 111)  
Opposes.
9. Virgin Islands Highways (Sec. 112)  
Favor Senate with amendment to reduce amount for Samoa to \$500,000 in each year.

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10. FHWA reorganization (Sec. 114)

Support with amendment to limit the provision of paragraph (2) to the incumbent Administrator, and delete Senate confirmation for the Deputy Administrator.

11. National Highway Institute (Sec. 115)

Opposes.

12. Markland Dam (Sec. 116)

No objection.

13. Replacement housing (Sec. 117)

Support with provision that DOT will consult with HUD.

14. Future Federal-aid Highway Program (Sec. 121)

Opposes.

15. Highway Beautification authorizations (Sec. 122)

Support Senate version.

16. Highway Beautification Commission (Sec. 123)

No objection if Senate version of the Beautification amendments is accepted.

17. Elimination of certain segments of the Interstate System from eligibility for 90-10 funding if not scheduled by January 1973. (Sec. 124)

Favor Senate provision.

18. Highway Demonstration projects (Sec. 126)

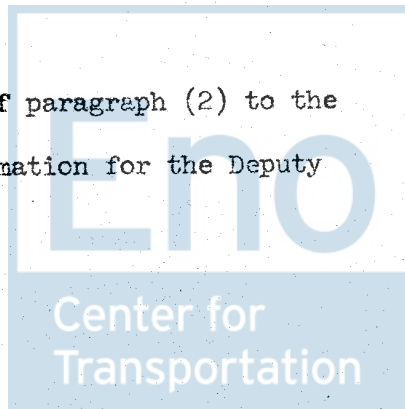
No objection.

19. Economic growth center development highways (Sec. 127)

Opposes.

20. District of Columbia provision (Sec. 129)

Support the Senate.



21. Toll Roads (Sec. 130)

No objection.

22. Highway project priorities for airports (Sec. 133)

Favor House.

23. Highway safety provision (Sec. 202)

Support the House reorganization plan except for Senate confirmation of the Deputy Administrator. Strongly oppose the prohibition against new standards after 31 December 1970 and the legislative split of standards between the FHWA and the NHSB.

Support the Senate version on authorizations.

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24. Bridge replacement (Sec. 206)

Favor House version with amendment to reduce the minimum  
Federal share from 90% to 75%

25. Elimination of Highway-Railroad Grade Crossings (Sec. 207)

Oppose

26. Demonstration Project--Rail Crossings (Sec. 208)

No objection

27. Safety Demonstration Projects (Sec. 203)

Favor Senate version

28. Projects for High Hazard Locations (Sec. 205)

Oppose

29. Title III

Support with the addition of Highway Trust Fund financing for  
highway beautification, forest highways, public lands highways, and  
highway safety (both Sec. 402 and 403 of Title 23).

