Mr. Kluczynski. There being no objection, the statement of Mr. Holmes will be put in the record.

(The prepared statement follows:)

STATEMENT OF ROBERT S. HOLMES, PRESIDENT, AMERICAN ROAD BUILDERS ASSOCIATION

Mr. Chairman and members of the committee, my name is Robert S. Holmes, and I am President of the American Road Builders' Association, with head-

quarters in Washington, D.C.

We are a federation of businessmen and engineers representative of all segments of the highway industry and highway engineering profession. Our members include highway contractors, equipment manufacturers and distributors,

producers and suppliers of highway materials, public and private engineers, highway administrators, and educators.

I wish to direct my remarks this morning primarily to the subject of the continuation of the programs for the improvement of the Federal-aid primary and secondary systems and the urban extension thereto, commonly referred to as the ABC Systems.

Certain facts seem self-evident.

First, there has been no increase in Federal-aid ABC authorizations since 1964. Second, the cost of improving the ABC highways has increased substantially since then.

Third, the needs of the ABC Systems are extensive and urgent.

In the light of these facts, the American Road Builders' Association is urging that the authorization level for the ABC Systems be increased to \$1.5 billion for each of the fiscal years 1970 and 1971.

When the distinguished Chairman of the Public Works Committee introduced the legislation which became the Federal-Aid Highway Act of 1956, he stated the view of the Committee that the authorizations for the ABC program should be increased in annual increments until an authorization level of \$1 billion was reached. This was reached in 1964.

The legislative history shows a Congressional intent to keep the ABC program in balance with the Interstate program, in view of the fact that the ABC highways serve as feeders and connectors with the Interstate System. But ABC authorizations have not been increased in proportion to the increase in Interstate

authorizations since 1984.

The 1938 Interstate Cost Estimate, recently submitted to Congress by the Department of Transportation, contains ample evidence of the increased cost of building highways. The estimate, of course, does not pertain directly to the ABC programs, but a large share of the itemized cost increases identified therein are applicable to the ABC program. This is true of the unit price increases, which added almost \$1.9 billion to the estimated cost of the Interstate program between 1965 and 1968. It is true also of the price increase attributable to heavier design of roadway base, surface and shoulder areas to accommodate heavier traffic volumes and increased load factors, reflecting changes in design knowledge and procedures. It is true of the additional safety features and the added landscaping, erosion control features and additional rest areas.

For it is a fact that the demand for higher standards on the Interstate System is matched by a similar demand for high quality construction on the ABC roads. The Department of Transportation's 1968 National Highway Needs Report

The Department of Transportation's 1968 National Highway Needs Report points out that "with the rising importance of urban areas in our national life and the complexity and high costs of solving urban transportation problems, more extensive assistance by the Federal government toward the solution of internal urban transportation problems appears warranted in the national interest and as a proper major focus for the Federal highway program in at least the next two decades."

Both the Department of Transportation report and the preliminary report on highway needs submitted to this Committee last year by the American Association of State Highway Officials indicates that a greatly expanded urban Federal-

aid program will be needed in the years ahead.

It is evident that the post-Interstate Federal-aid program will have to be a program heavily oriented toward improvements in the ABC highways, both rural and urban. We would have a great deal of work to do if we only aimed to bring the ABC roads up to standards adequate for today's traffic.