

ciation of State Highway Officials presented at this committee this morning regarding the drafting of appropriate legislation to guarantee the integrity of the highway trust fund.

We strongly support that.

We have no specific language to offer; but we believe, in the wisdom of this great committee, it can and should be done.

Second, in response to the question asked by Chairman Fallon, my engineering staff has made a little research that might help you, Mr. Fallon, and we tried to give here an overall picture of just what this cutback means.

And, as you witnessed from the testimony presented here, it varies from nothing to extreme hardship.

I would like the record to show that that is so.

Mr. Chairman, for the calendar year 1968, under the cutback program as we now stand, this is the reduction of obligations of \$600 million, it is estimated that the total work available in 1968 will be \$8.9 billion.

So we still have a substantial program nationwide, in spite of this cutback.

Now, that total is arrived at in this manner: There is \$4.1 billion of work carried over from contracts awarded prior to the cutback and freeze; that plus the freeze level will give us a total program in 1968 of \$8.9 billion.

Now, without the cut, and assuming that those States with unobligated balances could place these amounts under contract in 1968, there is a potential maximum of \$10.6 billion as compared to \$8.9 billion.

Now, that is a maximum potential, and analysis of it would indicate that all States could not put their money under contract, which my engineers estimate would probably give us a level, were it not for the cutback during the calendar year of 1968 of construction activity on the Federal-aid system of \$9.7 billion; or, in other words, overall the cutback would represent a loss in construction activity and progress of approximately \$1 billion.

Mr. KLUCZYNSKI. Does that complete your statement, Mr. Miller?

Mr. MILLER. May I file this for the record, please, Mr. Chairman?

Mr. KLUCZYNSKI. Without objection, so ordered.

(Table referred to follows:)

Calendar year 1968—Program under the cutback

	<i>Billions</i>
Uncompleted work under contract, Jan. 1, 1968.....	\$4.1
Estimated 1968 obligation limitation (including matching funds).....	4.8
Total work available, 1968.....	8.9

Theoretical maximum work possible, calendar year 1968 (no cutback)

	<i>Billions</i>
Uncompleted work under contract, Jan. 1, 1968.....	\$4.1
Balance available for reimbursable obligations, Dec. 31, 1967 ¹	1.2
Estimated 1968 Federal-aid allocation ¹	5.3
Total	10.6
Practical level of construction work which could be performed during calendar year 1968.....	9.7

¹ Includes matching funds.

NOTE.—Presented as a part of the American Road Builders' Association testimony before the Subcommittee on Roads, Committee on Public Works, U.S. House of Representatives, Feb. 21, 1968.