

Mr. CRAMER. Now, this advance acquisition of right-of-way, do you contemplate \$100 million as the annual authorization for advance acquisition?

Secretary BOYD. Yes, sir.

Mr. CRAMER. That too will come out of the trust fund?

Secretary BOYD. Yes, sir; but for later reimbursement.

Mr. CRAMER. Now, are you setting up a revolving fund concept or just reimbursement to a general trust fund?

Secretary BOYD. We contemplate a revolving fund.

Mr. CRAMER. Well, the language you submitted I would suggest does not accomplish that. The reason I suggest that is I drafted a bill, and introduced it, that does specifically set up a revolving fund, and your language in my opinion does not accomplish that.

Mr. BRIDWELL. Mr. Cramer, we would be glad to look at the language of the bill you introduced. The concept, of course, is to authorize an amount, and when any land acquired in advance of project status, goes to project status, the land acquisition cost is transferred to the project cost and that amount credited to the advance acquisition fund.

Mr. CRAMER. Does the revised section 108(a) pertaining to right-of-way acquisition authorize the advance of cash Federal funds to the States, or does it merely authorize the obligation of a portion of Federal-aid funds to the right-of-way acquisition?

Mr. BRIDWELL. Mr. Cramer, no. I think the language specifies that 2 percent in addition to the apportioned amounts will be available to the States up to a period of 6 months, and that if a State does not choose to use that additional 2 percent within the 6 months, then it can be allocated to other States which do request it.

Mr. CRAMER. I think you are talking about 108(b) and my question was with reference to 108(a).

Mr. BRIDWELL. I believe my response is the same. It is an additional amount equivalent. On line 19 of the bill, Mr. Cramer, it says:

an additional amount equivalent to 2 per centum of the aggregate sums apportioned to it under section 104.

Mr. CRAMER. Subsection (b) says:

... addition to funds available under subsection (a) of this section.

I am talking about subsection (a), which is the found which the 2 percent is in addition to.

The reason I am concerned is that subsection 108(a) is the revision of the amendment that I wrote into the law some time ago providing for 7-year acquisition of right-of-way. It says:

(Provision referred to was read by Mr. Cramer.)

Mr. BRIDWELL. Well, it is obligational authority in the same sense that obligational authority is really what is apportioned to the States, and this obligational authority can be liquidated in the same sense that obligational authority can be liquidated for a contract.

Mr. CRAMER. The reason I asked the question is why do you require reimbursement on line 8, page 11, subsection (c), "Before any funds may be made available to a State pursuant to this section," meaning (a) and (b), "the State highway department shall enter into an agreement with the Secretary which shall provide for the reimbursement