

section 209, which relates to management of the Trust Fund. It seems to me that failure to mention these subsections raises the implication that they do not apply. Would you comment on this?

Answer: If the conclusion is that section 209 applies in its entirety, nothing further is needed.

(c) As I read the bill, if 209(g) is applicable in its entirety, portions of the amount equal to 2% of the apportionments to be allocated to a State that is construed to be "authorized to be appropriated for the construction, reconstruction, or improvement of the Interstate System" could not be made available if the Highway Trust Fund is inadequate to permit the apportionment of all authorizations. In other words, this right-of-way fund would not take precedence in its entirety over Interstate System authorizations. Is that correct?

Answer: Yes.

3. Subsection (b) of section 9 contains the following sentence.

"Within six months subsequent to the allocation to a State of funds under this subsection, the State shall demonstrate to the satisfaction of the Secretary that it will obligate such funds for the purposes of this subsection."

I have read the bill several times with considerable care and have been unable to find any statement as to the "purposes of this subsection." Would you please tell me what a State would have to demonstrate to the Secretary that it did not have to demonstrate under subsection (a), for example, which is a modification of the advance acquisition section which has been in the law for several years and was included by an amendment which I offered?

Answer: The reference to "subsection" should be changed to read "section".

4. Subsection (c) of section 9 states that before any funds may be made available to a State pursuant to this section, the State Highway Department must enter into an agreement which shall provide for the reimbursement for the costs of such rights-of-way and for the actual construction of a road on such rights-of-way within a period of 7 years. As I read it, this subsection would require the State to reimburse the Federal Government for 100% of the funds advanced even though a road is actually constructed thereon within 7 years, and even though the project is one in which the Federal-aid funds would normally participate in the cost of right-of-way acquisition at the applicable pro rata share. Can you explain this to me? Should the reference be to "subsection (b)" rather than "this section"?

Answer: First Part—Subsection (c) of section 108 [9] is intended to require an agreement by the State to reimburse the Federal share of costs of the right-of-way and to commence actual construction within seven years whether the financing is under section 108(a) with 100 percent financing from the State's funds or under section 108(b) with 100 percent financing from Federal-aid funds provided by the proposed additional 2 percent allocation from the trust fund. Under section 108(d) Federal participation in projects financed under section 108(a) cannot exceed the Federal pro rata share applicable to the class of Federal funds involved, thus the State is reimbursed for applicable Federal share which the State originally supplied. For projects financed under section 108(b) the applicable provision as to Federal participation is in section 124(c) which requires, before actual construction commences on rights-of-way acquired, repayment by the State of its pro rata share of the project costs for credit to the trust fund.

Second Part—No, for the reasons given in the first part.

5. As I read this bill, the money paid back by a State would not go into any advance right-of-way acquisition fund and, in fact, it is not a revolving fund such as you recommended be established in your report entitled "Advance Acquisition of Highway Rights-of-Way Study". Is that correct?

Answer: Yes. The funding procedure for advance acquisition of right-of-way is patterned after that for emergency relief in section 125. Section 124(b) provides for appropriation of not to exceed \$100 million from the trust fund to establish the fund and for replenishment on an annual basis. Under section 108 (b) the repayment by the State of its pro rata share goes to the trust fund not to a so-called advance acquisition fund. When projects are under section 108(a), the Federal pro rata share would be provided as at present.

6. Do you agree that the language of this section is garbled, and that it should be rewritten?

Answer: No, see the answer to Question 5, above.

7. Are you familiar with H.R. 16622, introduced for myself and the other Minority Members of the Committee on Public Works, relating to an advance