

"Yes sir. We are in the process of studying that at the moment, and I assure you we are not saying this as a delaying tactic. We are very diligently working on this, but as I tried to outline in my testimony, this tends to become more complicated the more we know about it. I am confident that at the next session of the Congress we will be presenting proposed legislation for consideration by these committees to deal with these policy problems."

As I mentioned, that was in June of 1966, nearly two years ago. Can you tell me the outlook for recommendations concerning legislation on toll facilities?

Answer: The effort to develop policy recommendations with respect to the very complex question of toll facilities in the U.S. is still in process.

As you know, various ways of approaching the question of tolls have been suggested. Among them is the idea that the Federal Government should reimburse States for toll facilities on the Interstate System so that they can be made toll free. This notion is embodied in S. 2888 and H.R. 14962. Under those bills, the Secretary of Transportation would determine the amount of reimbursement to each State which in no case would exceed the original cost and which would be used to liquidate the cost of toll facilities including outstanding bonded indebtedness. One problem with this approach is the total reimbursement to the States is estimated to be nearly \$3 billion. In addition to the financial enormity of the problem, there are such problems as the fact that in some States the toll facilities that would be involved are covered by the same bond financing as other transportation facilities not on the Interstate System. Thus, major legal and administrative problems would be presented in implementing such legislation or others of a similar purpose and intent.

As you can appreciate the question of how to deal appropriately with this issue has many ramifications and implications for the Nation's transportation system. In any event, we hope and anticipate that by the next session we will have been able to analyze thoroughly all aspects of the toll facilities question. At that time, we will have determined whether and in what form legislative recommendations should be made to the Congress.

2. Under the provisions of section 209(f) of the Highway Revenue Act of 1956, amounts in the Trust Fund are available only for meeting those obligations "which are attributable to Federal-aid highways (including those portions of general administrative expenses of the Bureau of Public Roads payable from such appropriations)." Let me emphasize the phrase "general administrative expenses of the Bureau of Public Roads" which exists as a separate bureau within the Federal Highway Administration.

The budget request for fiscal year 1969 shows an item of \$11,468,000 to be appropriated from the Highway Trust Fund for "support of Federal Highway Administration."

(a) The Federal Highway Administration includes two bureaus in addition to the Bureau of Public Roads: The National Highway Safety Bureau and, the Bureau of Motor Carrier Safety. If Highway Trust Fund revenues are used for the "support of the Federal Highway Administration," Highway Trust Fund revenues are being used to pay at least part of the cost of administration of these two bureaus.

Is that correct?

Answer: That assumption is not correct. The Federal Highway Administration is supported by funds appropriated for Traffic and Highway Safety and Motor Carrier Safety as well as by the Highway Trust Fund. In fiscal years 1968 and 1969 each of the three appropriation accounts supports precisely the same number of positions that were budgeted separately for the same functions before the activities were consolidated into the Federal Highway Administration. Should the staff requirements of the Federal Highway Administration change in the future, the increase or decrease will be reflected in a pro-rata adjustment among the three Bureaus and among the three appropriation accounts.

(b) How can monies from the Highway Trust Fund be legally used for "support of the Federal Highway Administration" when, by law, the Fund is available only for expenditures attributable to Federal-aid highways and for the administrative expenses of the *Bureau of Public Roads*?

Answer: That portion of the Highway Trust Fund being used to support the Federal Highway Administration is providing services required by the Bureau of Public Roads. As indicated above, each Bureau of the Federal Highway Administration's proposed legislation to extend the life of the Highway Trust Fund, charged to the Highway Trust Fund is solely for administrative expenses of the Bureau of Public Roads even though the services are provided through a centralized organization.