

the program and we believe that this should still be the requirement and that the State highway commission should be allowed to exercise their basic responsibilities and be accountable to the public. We are not suggesting that we should be allowed to operate without any controls for such regulations are essential to protect the Federal interest in the Nation's highways, and to coordinate a joint venture program.

We have not known too much about how the recent Reorganization Plan No. 2, involving an agreement between the Department of Transportation and the Department of Housing and Urban Development, might affect the urban transportation planning process, as contained in section 134, title 23, United States Code: Highways.

We have studied such material as is available to us and, at the present time, have a special committee in AASHO studying the matter now and in the coming weeks to help us develop a policy position on the subject.

We did, however, find the letter from Mr. Cecil Mackey of the Department of Transportation to Chairman Fallon, and Secretary Boyd's recent statements before your committee assuring, but in some degree seemed to conflict with our understanding of some of the agreements between the two Federal agencies.

We would hope that the role of HUD, which we agree has a part in urban planning, would be only advisory to the Department of Transportation as it might affect the approval of highway proposals.

The State highway departments and the Bureau of Public Roads have been the pioneers in developing highway planning techniques and procedures.

The State highway departments have insisted, over the past half century, in dealing with one Federal agency only. If other Federal agencies have an interest in the project or the program, we depend upon the Federal agency administering our program to deal with the other Federal agencies at an interagency level, but that these other agencies would have no direct veto authority over the States' proposals.

Planning is the fundamental tool which the State highway commissions must utilize to carry out their assignments of creating, building, maintaining, and operating a State highway system.

Recently, we sent to you a resolution adopted by our executive committee regarding some complications that we were having in regard to the bidding procedures in the highway program in complying with the equal employment opportunity program.

We believe that the objectives of the Federal equal employment opportunity program can be accomplished without eroding the competitive bidding process that has been used over the years in the highway program, and without adding to the cost of the highway program.

Highway bidding procedures developed over the past 50 years are very precise, sophisticated, and competitive. They are definitely in the public interest and we feel they must be protected.

In this regard, we believe that the matter has now been straightened out due to the efforts of Congressman Cramer and others. Much of the problem was brought about by attempting to apply the same type of negotiation with low bidders used in supply-type Government contracts to the highway program type of bidding.