

1. **Functional classification of all highways and streets:** All streets and highways should be classified as to their primary function. This is the cornerstone of the study, and should be the first step taken. Local communities should be involved in the classification of their streets and highways. The term "functional classification" as used here means dividing all roads and streets into classes providing similar services to traffic and land use—each class ranked by its importance to the economic and social welfare of the State, region or urban area, to the driver, and to land use.

Such classification will provide a sound basis for recommending highway systems or subsystems and for assigning governmental responsibilities for each. It will provide a guide for standards of improvement suitable for the services afforded by each functional class. It will provide a major basis for equitable allocation of available highway funds.

2. **Cost analyses for needed improvements:** Costs of warranted improvements—operational as well as physical—should be developed on a long-range basis for each system. Upgrading improvements should receive equal consideration with new construction. The status of each road should be compared with standards of service applicable to each functional class. Such standards should be agreed upon by the governmental agencies involved and should be applied on a nationally uniform basis. Review of data assembled at State and local levels as to accuracy, uniformity, and agreement with principles and standards, can most logically be correlated by the U.S. Bureau of Public Roads.

3. **Determination of methods of financing:** Means of financing total needed improvements should be so established as to equitably relate cost requirements to benefits with due consideration of financial resources of those benefited. Current financing methods should be re-appraised.

4. **Allocation of funds for improvements:** Formulas for future allocations of funds for Federal-aid highway systems should be based on, and closely related to, the costs of all improvements required to provide the accepted level of service for each functional class involved. This principle should apply to allocation of Federal aid to the States and in turn by States to local governments.

FUTURE FEDERAL-AID SYSTEMS

While final decisions should await the proposed report on the above-mentioned study of future highway transportation needs, there appear to be clear indications of need to review and redefine Federal-aid highway systems. The institute urges that the Congress consider the following:

1. **Interstate System:** The Institute of Traffic Engineers supports the concept that the Interstate System should retain its identity and mileage limitation. The future program should provide for design changes and reconstruction to increase capacity and safety where needed and feasible.

2. **Primary system:** The Federal-aid primary system should be appropriately adjusted to future needs as developed by the above-mentioned nationwide study. In most States, there seems little doubt that this means a large shift of emphasis to urban needs.