

Primary-Secondary-Urban Systems: AASHO recommends that the remaining 85% of the Trust Fund be distributed as follows: 25.5% to the present urban system in cities over 5,000 population; 38.25% to the present Federal-Aid Primary System and 21.25% to the present Federal-Aid Secondary System.

The Iowa Highway Commission generally supports this position, which gives added recognition to the increasing highway needs in urban areas. However, it feels that more funding must be provided for the massive requirements of the Primary Freeway-Expressway supplement to the Interstate System, and thus suggest a split of 45% to the Primary System, 20% to the Secondary System and 20% to the Urban Extensions. (See table below.)

ALTERNATE SYSTEM ALLOCATIONS

	Present	AASHO	Iowa
Interstate.....	77.25	5.00	5.00
Primary.....	10.24	38.25	45.00
Secondary.....	6.83	21.25	20.00
Urban.....	5.68	25.50	20.00
Metropolitan area.....		10.00	100.00
Total.....	100.00	100.00	100.00

d. Fund Transfer: AASHO recommends that 50% fund transfer be allowed to permit greater flexibility among the ABC components.

Iowa disagrees with the AASHO recommendation on fund transfer. We believe flexibility should be allowed through allocation of state funds, but that federal allocation should be fixed.

C. Apportionment Among States

The official AASHO position in regard to apportionment among states has not been made known at this time.

The Iowa State Highway Commission position is that the interstate funds be apportioned on the basis of mileage, supported by needs, as stated in item 3a. Funds for the proposed new metropolitan arterial system should be apportioned on the basis of the ratio of each state's metropolitan area population. The Federal-Aid Primary funds should be apportioned on the basis of 25% area, 25% total population, and 50% Federal-Aid primary mileage. Funds for the Federal-Aid Secondary System should be apportioned on the basis of 25% area, 25% total population, and 50% Federal-Aid secondary mileage.

D. Apportionment Procedure

AASHO recommends that the apportionment procedure be improved by the Congress by requiring apportionment be made between September 15th and September 30th preceding the commencement of each fiscal year. AASHO also recommends a new subsection to Section 104 which would prevent any withholding from obligation except to assure that funds will be available to meet reimbursement to the states.

The Iowa State Highway Commission supports this recommendation but wishes to further recommend that the legislation be written to prohibit in the future any penalty provisions jeopardizing Federal-Aid apportionments as a means of obtaining compliance by the states with other highway related programs.

E. Miscellaneous Items

1. The Iowa State Highway Commission supports the AASHO position that maintenance of Federal-Aid Systems should remain with the states.

2. The Iowa State Highway Commission supports the continuation of the one and a half percent planning and research funds and also supports continuation of the option to use an additional one-half percent of apportioned funds for this purpose.

3. The Iowa State Highway Commission agrees that Federal funds should be made available for advanced planning and engineering.

4. The Iowa State Highway Commission supports the establishment of a Federal revolving fund for advanced purchase of right-of-way.

5. The Iowa State Highway Commission position in regard to funding of beautification and safety improvement programs is that these programs should continue not to be financed as part of the Federal Highway Trust Fund.