proximately 124,625 pounds. This is almost 18 tons greater than would be permitted either by the original recommendations of the Bureau of Public Roads or by the policy position of the American Association of State Highway Officials. However, under this bill, without a length limit, gross loads totaling 150,000 pounds or more could be legally obtained.

To ignore the findings of these officials of the Bureau of Public Roads and State Highway Departments, with regard to the load carrying capacity of our highway system, is to invite premature destruction and disaster to our roads and bridges. The sound and logical course would be to make a current and comprehensive evaluation of the sizes and weights of vehicles that are to be permitted to operate over our roads and streets on the basis of the additiional and new economic and safety considerations injected by the proposals of S. 2658.

In conclusion, we urge this Committee to withhold any favorable action on S. 2658 and not to treat of it separate and apart from the question of economic impact and adequate user charges.

APPENDIX

RELATIONSHIP OF HIGHWAY COST ALLOCATION STUDY TO COMPETITIVE ASPECTS OF HIGHWAY TRANSPORTATION

Competing carriers are not unaware that the network of modern interstate expressways will expand the potential radius of trucking operations and will enable motor carriers to operate more economically and efficiently along many intercity routes. James C. Nelson in the Brookings Institute Treatise, "Railroad Transportation and Public Policy," discusses its significance to the railroads as follows:

"More widespread and intense bus and truck competition with the railroads will almost certainly be a principal long-term effect of greatly enlarged Federal expenditures on highway and of concentration of those expenditures on the key Interstate System of competitive routes. As trucking costs fall and trucking speeds increase on improved highways, the distance range of profitable trucking with increase, and it will become profitable to haul less highly rated commodities by truck." (Final Report of the Highway Cost Allocation Study, House Document No. 54 of the 87th Congress, 1st Session, dated January 6, 1961, page 244.)

THE NEUTRALITY STANDARD

In its report on "Carried Taxation" (page 46) published in 1944, the Board of Investigation and Research defined a standard of neutrality in taxation. In a section dealing with the comparative tax burdens of competing carrier groups a list was given of some of the more common concepts of proper tax payments by business concerns. The fourth and last of these concepts was defined and commented upon as follows:

> "4. The amount of taxes that would be paid if a given sum were to be raised from the subjects of comparison in such a fashion as to minimize the effect of Government upon the direction and extent of business enterprise (the neutrality standard).
>
> "With minor qualifications the staff accepts the last of these standards as the text of overtaxation implied by the events that occasioned the congressional directive to study the extent to which taxes are imposed upon * * * carriers.' "

"Although the problem of the Board (that of comparing the complete taxpayment structures of the several carrier groups) was a different one, it is believed that the standard of neutrality can reasonably be applied to the problem of taxation for the support of the Federal-aid systems insofar as it affects the competing carrier groups. Competition between the railroads and the motor carriers occurs in through-traffic on main highways paralleling railroad routes. It exists between passenger cars and the railroads on the same through routes. Competition exists between private passenger cars and public transit in through traffic on main metropolitan arteries." (Final Report of the Highway Cost Allocation Study, House Document No. 54 of the 87th Congress, 1st Session, dated January 6, 1961, page 245.)

"Even so, there is a definite indication in the results of all three allocation studies that the heavier trucks and combinations (particularly the latter) should be paying considerably more, in relation to the payments by the lighter vehicle groups, than they do now. Except for the motor-fuel taxes, the Federal excise taxes now going into the highway trust fund are not similar to the graduate