

BRIEF STATEMENT OF THE FEDERAL AID ROAD POLICY.

Federal aid for road construction is available to the States under the terms of the Federal Aid Road Act, approved July 11, 1916, and the Federal Highway Act, approved November 9, 1921, and several amendments of these acts.

Since the passage of the Federal Highway Act the Federal appropriations have been expendable only upon roads included in the Federal aid highway system, designation of which by the State highway departments with the approval of the Secretary of Agriculture was required by the Act.

The Federal aid system is limited by the Act to 7 per cent of the total mileage of highways in the several States until such time as the States shall have made provision for the completion and maintenance of the originally designated 7 per cent, when, with the approval of the Secretary of Agriculture, mileage may be added as funds for its construction and maintenance become available. The system, as at present designated and approved, includes approximately 190,000 miles of main interstate and intercounty highways, made up of State portions which in all but three States are constituted of 7 per cent or less of the total State mileage. Additions beyond the 7 per cent limit have been authorized in the States of Delaware, Maryland and Rhode Island.

After deduction of 2½ per cent to cover the costs of Federal administration and necessary highway research, the balance

of all Federal appropriations authorized is apportioned among the forty-eight States and the Territory of Hawaii, in accordance with a rule defined by the law, one-third in the proportion of their respective areas, one-third in the proportion of their populations, and one-third in the proportion of their respective mileages of rural post roads and star routes, as certified annually by the Postmaster General.

The amount thus apportioned to any State is available for expenditure on projects proposed by the State highway department and approved by the Secretary of Agriculture at any time up to the end of the second fiscal year after the year for which it is appropriated. Should the State fail to absorb its apportionment within such period the balance unallotted to definite projects must be reapportioned among all the States according to the rule above described. Thus far, Montana is the only State that has lost any portion of the appropriations apportioned to it for this reason.

The initiation of Federal-aid construction projects rests with the State highway departments, which propose the sections of the Federal-aid system to be improved and the type of improvement. If the proposals of the State departments are acceptable to the Secretary of Agriculture, Federal funds are allotted to the projects up to the limit of the amount apportioned.

Federal participation is limited, under the general rule, to 50 per cent of the cost of construction and not more than \$15,000 per mile, exclusive of the cost of bridges of more than 20 feet clear span. In States containing unappropriated public lands exceeding 5 per cent of the total area of all lands in the State, the share of the United States may be increased to 50 per cent plus one-half the percentage of public lands and the limiting payment per mile may be increased accordingly. Under a recent enactment the amount payable per mile may be increased in any State under certain conditions to \$25,000.

Immediate supervision over the construction work is vested in the State highway departments, but Federal payment is made only upon the basis of work completed to the satisfaction of the Secretary of Agriculture who is guided by the recommendations of the Bureau of Public Roads which bases its recommendations upon inspections by its engineers who are in close touch with the State departments and the work under their supervision.

The States bond themselves to maintain the completed roads, and no Federal money is available for this purpose. Regular inspections by the Bureau of Public Roads determine the adequacy of the maintenance by the States. If repairs are found to be needed the Secretary notifies the States which are required to perform the required work within 90 days. Should any State

fail to do so the Secretary is authorized to have the highway placed in a proper condition of maintenance and charge the cost against the Federal funds allotted to the State. He is directed to refuse to approve other projects in the State until the amount thus paid has been reimbursed by the State, and such amount is then reapportioned among all the States. Thus far it has not been necessary to enforce this provision of the Act upon any State.