The Governors' Special Highway Committee Summary and Recommendations

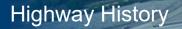
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The Governors' Special Highway Committee Summary and Recommendations

After Vice President Richard M. Nixon, speaking on President Eisenhower's behalf, invited the Governors to suggest ways of improving the Nation's highway network, the Governors Conference appointed a Special Highway Committee headed by Governor Walter Kohler, Jr., of Wisconsin. The Committee presented its report to the President at the White House on December 3, 1954.

The report contained the following Summary and Recommendations:

- 1. It is generally agreed by competent authorities-State and Federal-that an adequate highway construction program for present and future needs, for the next 20 years, will require the expenditure of approximately double that which can be anticipated at present and projected rates of expenditure-Federal, State, and local.
- If such a program is to be undertaken, then, for purposes of financing, the various highway systems should be divided into three categories-the Interstate System, including essential urban access roads, other Federal-aid systems, and the State and local systems.
- 3. Since the National Government has a major and overriding interest-military and civil-in the above Interstate System, the National Government should assume primary responsibility with State participation, for financing the construction of said Interstate System. In the allocation of Federal funds, due credit should be given for the funds expended by those States that have constructed or do construct satisfactory sections of the Interstate System either from public- or toll-road revenues.
- 4. The necessary Federal funds of approximately \$25 billion for financing the construction of the above Interstate System during the next decade could be secured from general revenue; the issuance of bonds or other securities in anticipation of future general revenues; the establishment of a national road financing authority. The National Government received in fiscal year 1953 approximately \$979 million from the motor fuels and lubricants taxes and \$1.4 billion from the motor vehicle excise taxes.
- 5. The States or their political subdivisions, as each State may determine, will be responsible for the actual construction, maintenance, administration, and policing of the above Interstate System.
- 6. The State and their localities are now contributing for road-construction purposes at the rate of \$32 to \$33 billion over a 10-year period. Estimated increase in revenue from anticipated increased use of highways would raise this gross figure to at least \$39 to \$40 billion. The States and their localities will continue to have primary responsibility for the construction of all other systems, with the proviso that so long as the National Government levies excise taxes on motor fuels, lubricants, and motor vehicles, it will continue to make allocations to the States for highway construction on the above other Federal-aid systems, at least at the rate obtaining under the Federal-Aid Highway Act of 1952 and in accordance with existing formulas.