



DEPARTMENT OF TRANSPORTATION

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President Nixon today signed into law the Federal-Aid Highway Act of 1973 -- a three year, \$23 billion highway and mass transportation construction program.

Secretary of Transportation Claude S. Brinegar said of the legislation, "This Act represents a splendid example of constructive cooperation between the Nixon Administration and Congress.

"The Act's most significant feature," the Secretary said, "is that it provides immediate flexibility in transportation decision-making to urban areas."

The Act authorizes some \$6 billion over the next three years for urban transportation uses under three separate provisions:

-- It provides an additional \$3 billion from general funds in contract authority for the Urban Mass Transportation capital grant program and raises the Federal share of project cost from two-thirds to 80 percent.

-- It authorizes \$800 million per year for urban systems -- either highway or mass transit. In Fiscal Years 1974 and 1975, urban highway construction would be funded from the Highway Trust Fund; mass transit capital expenditures from the General Fund. In the second year, up to \$200 million would be authorized from the Highway Trust Fund for bus projects and in FY 1976, any authorized urban transportation option will be funded from the Highway Trust Fund. These provisions for the first time give local officials discretion in selecting transportation alternatives.

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-- With the Secretary's concurrence, the Act permits cities and States to substitute in an urban area a mass transit project for an Interstate Highway project. Funding for the transit substitution would be made from the General Fund and a State's entitlement for Highway Trust Funds would be reduced by an equal amount.

"This breakthrough in attaining flexibility for urban transportation is not at the expense of rural America nor is it weighted in favor of our cities," Secretary Brinegar said. "To the contrary, the great bulk of the Highway Trust Fund continues to be directed toward the completion and improvement of our Interstate and rural highway programs."

The Act authorizes for the three-year period \$8.75 billion for the Interstate program and \$3.3 billion for rural primary and secondary highways.

The 1973 Highway Act creates a number of new programs. Among these are:

-- Priority Primary Routes -- \$600 million is authorized from 1974 through 1976 for upgrading selected routes on the existing Federal-aid Primary System.

-- Special Urban High Density Traffic Program -- \$50 million per year is authorized for construction of highways to connect to the Interstate System in urbanized areas of high traffic density. The program limits each state to one ten-mile link funded on a 90-10 basis.

-- Economic Growth Center Development Highways -- \$225 million is authorized for highway projects designed to promote economic growth and development in communities with populations below 100,000.

-- Bicycle Transportation -- Up to \$40 million annually is made available from existing highway programs for bicycle path construction in conjunction with highway projects.

-- Rural Highway Public Transportation Demonstration Projects -- \$30 million is made available for highway related public transportation programs in rural areas.

-- Incentives for Compliance with Highway Safety -- \$94 million is authorized for incentive grants to states enacting compulsory seat belt use laws, and up to \$47.5 million in grants to states making the most significant progress in reducing traffic fatalities.

-- Provisions affecting the elderly and the handicapped -- The Act contains three provisions to assist the elderly and handicapped:

1. The Secretary must assure that transit projects financed from the Urban Systems Fund can be effectively used by elderly and handicapped persons.

2. The Act amends the Urban Mass Transportation Act to allow both public agencies and private non-profit organizations to apply for grants for transportation needs of the elderly and handicapped.

3. The Act authorizes up to \$65 million to pay 80 percent of the cost of installing elevators in transit stations of the Washington, D.C., Metro system.

The Act increases the emphasis on safety in highway construction programs, and continues or establishes six separate highway safety construction programs. These and their three-year authorizations are:

Highway Railroad Grade Crossing -- \$175 million

Bridge Replacement -- \$175 million

High-Hazard Locations -- \$200 million

Roadside Obstacle Elimination -- \$175 million

Pavement Marking -- \$175 million

Safer Roads Demonstration -- \$250 million.

The Act transfers from the Department to Congress final authority for promulgating uniform safety standards by requiring that any new standards or revisions to existing standards may not be enacted without enabling legislation approved by Congress.

"This latter provision," Secretary Brinegar said, "places in jeopardy the Department's ability to manage its programs directed toward improving the quality of safety in the Nation's highways and vehicles."

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Authorizations - 1973 Highway Act

(\$ in millions)

	<u>1974</u>	<u>1975</u>	<u>1976</u>
Federal-aid Highways			
Interstate	2,650	3,050	3,050
Rural Primary	697	715	715
Rural Secondary	390	400	400
Urban System	780	800	800
Urban Extensions	<u>290</u>	<u>300</u>	<u>300</u>
Subtotal	4,807	5,265	5,265
Other DOT Programs	466	493.5	613.5
Safety - Title II	461	763	801.5
Other Agency Programs	315	330	330
Total (excluding UMTA)	6,049	6,851.5	7,010
New UMTA Contract Authority	3,000		

The 1973 Highway Act represents a significant break with past practice. Under the legislation, State and local officials will be permitted to opt for mass transit or highways as solutions to urban transportation problems. The major features of the bill are discussed below:

Urban System Flexibility (Section 121) - This Act immediately permits mass transit projects or highway projects to be constructed as elements of the Federal Aid System. In the first year, approved transit projects so developed would be funded out of general funds. In the second year, up to \$200 million out of the Highway Trust Fund will be available for bus projects. In the third year, FY 1976, the full \$800 million is available for any type of transit projects funded by the Trust Fund. During the first two years, any transit projects financed by general revenues are subtracted from the Trust Funds available for highways or bus projects, and thus the total available in any year for urban system projects does not change regardless of the mix of highway or transit projects.

Interstate Transfer (Section 137) - The Act modifies Interstate transfer authority in two regards. First, it adds 300 miles for Interstate routes that can be used to permit route transfers on a dollar-for-dollar rather than a mile-for-mile basis.

More significantly, the Act permits cities and States to substitute a mass transit project out of general funds for an Interstate project. A State's entitlement to Trust Funds for the Interstate System would be reduced by an amount equal to the estimated cost of the cancelled Interstate project.

Earmarking of Urban Systems Funds (Section 157) - For the first time a State is required to allocate a portion of the urban system authorization among urbanized areas of 200,000 population or more. Prior to this, the State had total discretion as to how urban funds were distributed. The effect of this will be to strengthen the role of local officials in the transportation planning and development process.

Urban Planning Funds (Section 112) - For the first time highway funds are allocated directly to metropolitan area planning agencies for the urban transportation planning process. This is in addition to funds currently made available to States for planning and research.

UMTA Amendments (Section 301) - The Act provides an additional \$3 billion in contract authority for the UMTA program and raises the Federal share of capital project costs from 66 2/3 percent to 80 percent. Under the 1970 UMTA Act, \$3.1 billion in contract authority was provided as the first portion of a \$10 billion 12-year commitment. This additional authority marks the second authorization honoring that commitment.

Rural and Intercity Transportation - In addition to the major breakthrough in urban transportation, the Act continues funding the rural and intercity highway programs at a substantial level. Approximately \$12 billion is authorized during the three-year period 1974-1976 for the Interstate System and for rural primary and secondary roads.

The Act authorizes continuation of funding for State and community highway safety programs administered by the National Highway Traffic Safety Administration (NHTSA) and the Federal Highway Administration (FHWA). The three-year funding totals are as follows:

NHTSA -- \$375 million

FHWA -- \$ 90 million

In addition, funds are authorized for continuation of highway safety research and demonstration programs.

The Act continues or establishes six highway safety construction programs. These and their three-year authorizations are:

Highway Railroad Grade Crossing -- \$175 million.

Bridge Replacement -- \$175 million

High-Hazard Locations -- \$200 million

Roadside Obstacle Elimination -- \$175 million

Pavement Marking -- \$175 million

Safer Roads Demonstration -- \$250 million

The Act transfers from the Department to Congress final authority for promulgating uniform safety standards by requiring that any new standards or revisions to existing standards may not be enacted without enabling legislation approved by Congress.

The Act provides funds for incentive grants to States where (a) seat belt use laws are enacted (\$94 million) or (b) significant progress is made in reducing fatalities (\$47.5 million).

In addition to the major features cited above, there are a number of new programs:

Priority Primary Routes (Section 126) - \$600 million is authorized from 1974 to 1976 for upgrading selected routes on the existing Federal-Aid Primary System.

Special Urban High Density Traffic Program (Section 125) - \$50 million per year is authorized for this program. This can be used to construct not more than one ten-mile route in each State with the Federal government paying 90 percent of the costs. This is designed primarily to develop highways serving industrial areas.

Economic Growth Center Development Highways (Section 122) - \$225 million is authorized for highway projects designed to promote economic growth and development in communities with population below 100,000.

Certification Acceptance (Section 116) - This provision permits States to substitute their procedures for Federal project approval procedures and is aimed at eliminating red tape, while still ensuring that broad Federal, social, environmental and economic objectives will continue to be met.

System Realignment (Sections 109, 148) - The Act realigns Federal-aid systems consistent with a new functional classification scheme. The urban systems would include all arterial and collector routes and would equal approximately 30 percent of total road mileage in urban areas. The rural roads on Federal-aid systems would be limited to arterials and more collector routes. The net effect of the realignment is to rationalize the Federal-aid network and reduce the total system mileage by one-third, from approximately 900,000 miles to 600,000 miles.

Bicycle Transportation (Section 124) - Up to \$40 million per year may be used for bicycle path construction in conjunction with highway projects. Under this provision, bicycle paths do not have to be constructed in the highway right-of-way.

Highway Beautification - No provisions affecting the beautification program were included in the Act. It is expected that the Congress will take action after the report of the Highway Beautification Commission (due December 31, 1973).

Rural Highway Public Transportation Demonstration Program (Section 147) - The Act makes \$30 million available starting in FY 1975 for highway related public transportation investments in rural areas.

Provisions affecting the elderly and the handicapped - The Act includes three provisions which will affect the elderly and the handicapped:

- (a) Metro Accessibility (Section 140) - The Act authorizes up to \$65 million to pay 80 percent of the cost of installing elevators in Metro Stations in Washington, D.C.
- (b) UMTA Amendments (Section 301g) - The Act allows private non-profit organizations in addition to public agencies to apply for grants to provide services meeting the needs of the elderly and the handicapped.
- (c) Project Standards (Section 165b) - The Act requires the Secretary of Transportation to assure that transit projects financed under the highway program can be effectively used by elderly and handicapped persons.

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