

STATEMENT OF RAY A. BARNHART, ADMINISTRATOR,  
FEDERAL HIGHWAY ADMINISTRATION, BEFORE THE  
SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

HEARING ON THE FEDERAL-AID HIGHWAY PROGRAM  
AND THE 1982 BUDGET

FEBRUARY 25, 1981

Good morning, Mr. Chairman and Members of the Committee. It is a pleasure to appear before you again to discuss that which has dominated my activities in recent years, and to which we share a mutual commitment -- our Nation's transportation system, specifically our highway program.

I must tell you gentlemen quite candidly, and I mean not to prejudice our discussion today, that I am most appreciative of the courtesy and consideration which you extended me during my confirmation hearing. You made this newcomer to Washington Government feel at home and welcome, and the tone of that first meeting indicated to me that while we probably shall on occasion have differences of opinion regarding aspects of this program, we shall nonetheless enjoy a most constructive and supportive relationship in our efforts to address the needs of transportation.

You have called me here to examine the Reagan Administration's position as to the future of the Federal-aid highway program, and quite properly expect to be consulted on the specifics of our proposals regarding authorization levels, obligational limitations, allocations, categories, and deferrals or rescissions. In short, you want to be fully apprised of our 1981 legislative program and budget proposals for the subsequent years.

We are, of course, in a "catch 22" situation for you know that I am unable to address many specifics at this time, beyond what was in the statement by President Reagan last week, until he lays out his budget. I can tell you quite honestly that neither our legislative program nor our budget proposal have yet been finalized, though we are working vigorously on both and hope to have them before you on March 10.

In discussing in general terms the package which we will be presenting, I want this committee to understand that it will represent the best professional judgments of the experts within my Administration, tempered, of course, by the economic constraints which must be applied to all of Government. While some people would probably argue that the highway program, because of the Trust Fund, should be treated in a manner unlike most other Government agencies, such is not possible in my estimation. We are a part of Government, and the public perception is such that we cannot be treated differently. I am in total agreement with President Reagan, and regardless of protests by numerous selected interests, I am convinced that the citizenry of this Nation overwhelmingly supports his objectives. Further, I am convinced that those who have a special interest in highway matters, be they contractors, suppliers, or users, that they, too, support him and will support the comprehensive program now under development.

The name of my agency is the Federal Highway Administration, and the emphasis of our program will reflect its title. Our emphasis will be in those areas which are clearly Federal responsibilities. Our legislative proposal will contain a new definition of cost to complete the Interstate, including only those items required to provide a uniform minimum level of acceptable service on a safely operating system. In addition, we are considering undertaking a review of all segments of the Interstate that have not progressed to physical construction to assess their essentiality, cost effectiveness and environmental impact. It is not my intent to now address the merits of individual specific projects, but first to establish a set of criteria which will then be used to evaluate all projected segments. These standards must be developed before there is discussion of individual projects, otherwise we subject the whole review process to attack.

Interstate 3R will be expanded to include reconstruction and will cover all work no longer eligible for Interstate construction funding. The Interstate 4R program will receive increased funding levels. Funds authorized for the 4R program will be limited to Interstate routes designated under 23 U.S.C. 103 and the apportionment formula will be revised.

Legislation to be submitted by the Department will include (1) an extension of the Highway Trust Fund, (2) tax receipts sufficient to fund the proposed authorization levels through 1986, (3) high priority for the Interstate and primary systems, (4) an elimination of certain special categories, (5) a budget savings of \$12.6 billion through fiscal year 1986, and (6) an authorization bill for fiscal years 1982 through 1986.

The proposed budget totals in millions of dollars follow:

	<u>82</u>	<u>83</u>	<u>84</u>	<u>85</u>	<u>86</u>
Budget Authority	8751	9324	9683	9816	10438

The budget figures released in the President's February 18 message included Federal-aid highways and Interstate transfer authorizations. The above totals, in addition, include authorizations for Appalachian Highways.

It should be noted that some reordering of priorities among the Federal-aid highway programs will be made, together with some categorical consolidations. Even though some of our Federal-aid budget figures are lower, it is our intention to continue to support those essential highway programs at legitimate levels within the constraints placed on us. We believe we can carry out our program goals within these constraints while still forwarding important national goals.

As you have read in the papers and noted in the President's Economic Address, there is a Government-wide personnel reduction associated with the proposed budget reductions. The Federal Highway Administration, the same as all other agencies, is expected to absorb some staffing cuts, and we have not as yet determined where the reductions will be made.

In summary, I and the people in my agency support the program outlined by President Reagan. We are committed to making it work. We are confident that prudent management of the sums set aside for the Federal-aid highway program will be sufficient to protect the investment of the American people in our highway network and to improve that network where it is deficient. We will review our procedures, our regulations, with a goal of relinquishing unnecessary Federal control and involvement in those areas where State and local authority should be supreme, consistent with the charge given us by the Congress.

I will be glad to answer your questions to the extent that I am able, understanding that our proposal is as yet incomplete. Further, I pledge to you that at the earliest possible date, my administration will be calling upon you and your staffs for assistance and consultation so that we might together develop a highway program worthy of this country.