

April 8, 1960

MEMORANDUM FOR THE RECORD

Meeting in the President's Office - Interim Report on the Interstate Highway Program - April 6, 1960, 10:35 AM.

Present: Mr. Frederick H. Mueller, Secretary of Commerce
Mr. Bertram Tallamy, Federal Highway Administrator
General John S. Bragdon
Mr. Robert Merriam
Colonel John A. Meek



General Bragdon presented the highlights of the Interim Report, using seventeen charts.

He emphasized the President's original concept of a new program of great scope and time limit making it a rounded-out entity and that it be self-liquidating; the different concepts as to extent of local needs and the great sums involved. He stated that a minimum of \$5 billion could be saved through revised criteria, and \$3 billion through permissive tolling; that these savings capabilities would be almost completely lost if delayed a year. He recommended freezing the program to 39,300 miles at the 90-10 sharing proportion.

In view of present background, General Bragdon boiled down his immediate recommendations to:

- (1) Send to the Congress the proposal for permissive toll roads on the Interstate. This would be the only legislation at this time.
- (2) Quietly, and insofar as possible, administratively implement the revised criteria cited in the Report.

Messrs Mueller and Tallamy opposed this latter item, saying it could only be done by telling the States outright of such a policy, and the States would rise up in arms. They considered the present law prevented them from such action - - this, in spite of the legal opinion of the Attorney General.

The President remarked that, after several promises, he was obtaining a Yellow Book (he had reference to the 1955 Yellow Book by the Bureau of Public Roads showing the designation of urban routes and areas); that this book, he had been told, gave the legislative history of the Interstate System. He said he had not read it but that was what the staff had told him. (Mr. Mueller gave him a book at this time.) The President went on to say that the staff had also advised him that in the course of the legislation through the Congress, the point had been made that cities were to get adequate consideration on a "per person" basis in view of the taxes they paid; in fact, that they were to get more consideration since they paid much more in taxes per person and in total than persons in rural areas.

The President added that this was what the Congress had been told, and that he was given to understand that this, together with the descriptions in the Yellow Book which they had before them when considering the legislation, were the prime reasons the Congress passed the Interstate Highway Act. In other words, the Yellow Book depicting routes in cities had sold the program to the Congress.

The President referred to a previous conversation with General Bragdon. He went on to say that the matter of running Interstate routes through the congested parts of the cities was entirely against his original concept and wishes; that he never anticipated that the program would turn out this way. He pointed out that when the Clay Committee Report was rendered, he had studied it carefully, and that he was certainly not aware of any concept of using the program to build up an extensive intra-city route network as part of the program he sponsored. He added that those who had not advised him that such was being done, and those who had steered the program in such a direction, had not followed his wishes.

Mr. Tallamy interjected that the interstate concept was nothing new - that it had been developed as far back as 1939. The President stated that, while that might be so, he had not heard of it and that his proposal for a national highway network was his own; furthermore, that there was a tremendous difference between the present 90-10 Federal sharing type of program and any that had been considered 18 or 20 years ago.

In conclusion, he reiterated his disappointment over the way the program had been developed against his wishes, and that it had reached

the point to where his hands were virtually tied. He also observed that Public Works per se was considered one of the biggest "grabbags" for Federal Funds, and that fact was one of the reasons he had directed an independent review to be made of the Highway Program by someone who would bring him the facts.

The meeting was closed about 11:20 AM due to other appointments.

Later Mr. Merriam advised that he would check with the President as to further actions.

