

# Condition and Needs of Indiana State Highway System

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There isn't anything wrong with our highways that money can't cure. In the Commission's early history it had to depend solely upon the income derived from inheritance tax and an appropriation from the State's general fund. Then in 1919 a state tax of 10c per \$100 taxable property was added and the new Highway Act provided that all funds collected from motor vehicle registration and licenses were to be used for the development of the highway system. These funds became available for our use in 1920.

It was soon very obvious that these funds were insufficient to do the job which the General Assembly had laid out for the State Highway Commission, and in 1923 the legislature enacted the first gasoline tax law, providing for a tax of 2 cents per gallon. From these funds the State, beginning Oct. 1, 1924, paid to the counties a million dollars a year for the upkeep of county roads. By the time the next General Assembly was convened it was apparent that even with the 2 cent gas tax the money was not adequate, and the gas tax was increased to 3 cents a gallon.

Then, in 1929 the legislature increased the gas tax to 4 cents which is still in effect today. From this 4 cent tax, three-quarters of the net proceeds were allotted to the State Highway Commission and the remainder to the counties and the cities. As a consequence, the highway commission was getting the benefits of only a 3 cent gas tax.

Then, in 1932 another legislative enactment further reduced the Highway Commission's share of the motor vehicle funds to  $\frac{1}{2}$  of the total net collected, the balance going to the cities and counties. Then came the depression when all units of government were hardpressed and the legislature passed an act that transferred two million dollars from the State Highway Fund to the General Fund. In 1937, an act created the Motor Vehicle Highway Account, and to this account were credited all registration fees, fuel taxes, license fees, weight taxes, etc. After deducting the expenses of collection, a small appropriation

was given to the Department of Public Safety for policing the highways. \$1,250,000 was given to the State General Fund, \$2,000,000 to cities and towns, one-third of the remainder for counties; and the balance went to the State Highway Commission.

In 1941 legislation was enacted that continued to divert \$1,250,000 to the State General Fund, and increased the share for cities and towns to \$3,000,000 and gave \$12,200,000 to the counties with the State Highway Commission receiving the remainder.

In 1943 legislation wiped out the diversion of motor vehicle fees to the General Fund, and the cities and towns and counties continued to receive the same as before and the remainder went to the State Highway Commission. This, in effect, placed the State Highway Commission in the position of a residual legatee and since the act remained in effect throughout the war when gas rationing was in effect, the State Highway Commission's revenues were reduced from a high of \$22,111,801 in 1941 to a low of \$13,522,969 in 1945. The state was unable to do a good job with these reduced revenues and highways suffered as a consequence.

In 1945 it became obvious to the General Assembly that the State Highway Department could not operate long as a residual legatee and emergency legislation was passed to guarantee the Highway Commission sufficient funds for its successful operation. But this act was amended again in 1947 by temporary legislation which finally culminated in new legislation in 1949, allocating 15 per cent of the motor vehicle funds to cities and towns, 32 per cent to counties and 53 per cent to the State Highway Commission. This was, in effect, a reduction from the previous year which had provided approximately 63 per cent of the motor vehicle revenues to the State Highway Fund.

### EARLY DEVELOPMENT OF THE SYSTEM

Following the enactment of the 1919 State Highway Commission law, the commissioners laid out a system of highways in accordance with the terms of the statute. Every county seat was connected with every other county seat and state highways were designated to serve every city of 5,000 or more. To do this, 3,191 miles of highways were taken over by the State Highway Commission for maintenance before the end of 1919. And as additional revenues were provided, the state highway commission was required to include additional mileage in its system. By 1929, 5,065 miles were under state maintenance. Ten years later, this had been increased to 9,769 miles and in 1949, the State Highway Department was maintaining 10,529 miles.

As more miles were added to the State system, reductions were being made in the mileage maintained by the counties. During much of this period the State Highway Department had no responsibility either for the construction or maintenance of streets through cities of 3,500 or over, and then when they became the responsibility of the Highway Commission it was an added responsibility with a corresponding decrease of the responsibilities of the counties, cities and towns. Only the increased volume of traffic has enabled the State Highway Commission to function at all.

The trucking industry is vital to our economy and good highways are vital to the trucking industry. It should not be impossible to achieve a degree of cooperation with the result that the state would provide adequate highway facilities for the construction of which the trucking industry would pay its fair share.

Following a consistent pattern one legislature after another has increased the legal load limit of trucks on our highways. During hearings on legislation the charge was frequently made that our highways are not designed properly to carry the loads, and it is understandable why roads built in the 1920's proved to be inadequate in the 1930's and began to wear out in the 1940's.

In those early days gravel and macadam roads were often regarded as a luxury and the State Highway Commission was besieged to build any kind of a road that would take the communities out of the mud, and many existing county roads were taken over for state maintenance to comply with the law.

Funds were limited and the Commission had to spread itself thin in order to keep the entire state satisfied. Then, when the communities had been taken out of the mud and given so-called year-round roads, and when automobile traffic became heavier, dusty highways became a problem and again pressure was put on the Commission. Obviously, gravel and macadam that had been constructed in the first era could not be torn up and reconstructed, so they were made dustless by the application of dust preventatives. Then higher types of pavement followed. Those early roads were not constructed for heavy traffic and high speed and the original design did not lend itself to the modern type of road but it was still a question of making the funds reach to all parts of the state.

### MORE FUNDS NEEDED

The fact that the state highway system carries approximately 75 percent of all of the traffic has not impressed the General Assembly sufficiently to levy taxes adequate for the support of State Highways,

county highways and city streets, and so narrow bridges remain on our highways, and road surfaces are deteriorating.

Every segment of the taxpaying public thinks every other segment should be taxed more to provide the funds necessary to build and maintain our highways. But the people of Indiana are again becoming state-highway minded. Narrow bridges frighten them; broken pavements anger them; long slow-moving trucks annoy them; traffic accidents and deaths appall them; and so they decide something must be done about it. They think of the money they, themselves, have contributed to the building of these roads. They are shocked when they are told that the upkeep of their investment in state highways, in excess of one-half billion dollars, is neglected because of lack of funds. They know that if this investment is to pay dividends the property must be kept in first class condition. They know it is less costly to keep a road good than it is to rebuild it and so they may be depended upon to meet the issue squarely and to protect their investment in their highways.