

UTILIZATION OF ADDITIONAL HIGHWAY FUNDS
PROVIDED BY 1969 LEGISLATURE

(Panel Discussion—Part II)

Comments by an Indiana State Highway Commission Member

R. H. HARRELL

Executive Director

Indiana State Highway Commission

EVENTS LEADING TO 7- AND 8-CENT GAS TAX INCREASE

Background information and events leading up to the need for added highway money, controls that were written into the law, and roads that were singled out to receive priority for construction are considered first.

Soon after Congress approved the Interstate System and its construction in the late 1950's, it was evident that Indiana's six-cent gas tax would not yield enough revenue to match the interstate 90-10 money and still have funds to construct primary, urban, and secondary roads and to maintain our present system of state highways.

The Indiana General Assembly recognized this fact and in 1965 authorized a comprehensive study of the future needs and financing of all public roads and streets in the State of Indiana. A report with recommendations was directed to be presented to the 1967 General Assembly for action.

By 1967 the needs study, with recommendations, was complete enough to be presented to the General Assembly, but had not been presented early enough to get public reaction to the recommendations. The lawmakers did not write the recommendations into law at that time but did authorize a continuation of the needs study and specified that public hearings be conducted in all areas of the state.

Borrowed Highway Funds Returned to the Highway Commission

For many years there had been organized public pressure on state government to return funds to the highway account that had been transferred or loaned to the state general fund in earlier years for use on other than highway financing. The 1967 General Assembly

recognized that the highway needs were great, and did authorize return of \$14,389,470 of the borrowed funds to the Indiana State Highway Commission. The bill that provided for the return of the money specified that it be used solely for engineering, land acquisition, and construction, with or without federal participation, on state highways.

RETURNED MONEY SPENT ON WIDENING BRIDGES AND FOR SURVEYS AND FINAL DESIGN PLANS

After receiving this \$14.4 million, the highway commission, in May of 1967, passed a resolution directing that about \$6.9 million of the money be spent to widen narrow bridges on the state system, and \$7.5 million be spent for surveys and final design plans on roads recommended earlier in the needs study as highways having the greatest need for new construction. These roads have become known as the 157 miles of "killer highways" when referred to by the Press.

Roads Improved With Returned Money

The commission action spelled out the following roads on which plans were to be developed:

- | | |
|--------------|--|
| US 31 | Certain areas between I-465 and South Bend. |
| SR 37 | From old 37 south of Bedford to Indianapolis. |
| US 41 and 63 | Certain sections on US 41 and 63 from Vincennes to US 52 northwest of Lafayette. |
| SR 912 | Between Michigan Avenue and Indianapolis Blvd. in East Chicago. |
| US 24 | Between Peru and Wabash. |

OVER \$26 MILLION OF NEW TAX REVENUE SPENT FOR NEW ROAD AND BRIDGE PROJECTS

Senator Kruse has ably explained the action of the 1969 General Assembly in approving the tax increase and I will now report on what has been accomplished by the commission since the increase in revenue was authorized.

Receipts from Special Primary Bonus Fund as of April 1, 1970
Totals 24.3 Million Dollars

1969	
June (for 2 Months)	\$ 4,659,153.33
July	—0—
August	2,438,139.47
September	2,554,139.73
October	2,482,488.91
November	2,302,689.42
December	2,564,113.74
	Total—\$17,000,724.60
1970	
January	1,984,101.00
February	2,977,103.00
March	2,314,310.00
	Total—\$ 7,275,514.00
	Grand Total—\$24,276,238.60

Starting in February the monthly payments are increasing for a few months because of the added tax on license plates for certain vehicles. It is a little early for us to be sure but we think the tax will yield about \$36.5 million on an annual basis.

As Senator Kruse stated, the 1969 legislation specified that the money should be spent on the federal-aid state primary highway system for engineering, land acquisition, and construction and not directly or indirectly for the payment of wages, salaries, or compensation of state or commission employees.

To this date, bids have been received on 27.2 miles of primary, controlled access, highways, and the bridges in the limits of this mileage, plus two major bridge replacement projects. The bid price of these contracts totals \$26.09 million.

So one can see, even at this early date, contracts let are ahead of the money posted to the primary road account.

SECTIONS OF ROADS ON WHICH BIDS
HAVE BEEN RECEIVED

<i>Road</i>	<i>Date Bid</i>	<i>Bid Amount</i>	<i>Miles</i>	<i>Description</i>
Br. 20	6/24/69	\$ 724,444		Bridge over Penn-Central RR, 0.6 mi west of Porter-LaPorte County line.
Rd. 30	3/24/70	6,575,046	3.7	Road from County Road 150 to 0.5 mi. east of Warsaw.
Rd. 37	11/18/69	5,281,988	5.4	From SR 54 to 1.4 mi. south of Lawrence-Monroe County line.
Rd. 41	3/24/70	3,790,227	5.2	Frim 1.4 mi. north of SR 67 to Emison.
Rd. 41	10/21/69	2,406,263	8.6	From 0.2 mi. north of SR 352 to US 52.
Br. 67	2/24/70	1,001,592		Bridge over Eel River at north edge of Worthington.
Rd. 46	1/20/70	3,087,253	1.25	From 1.2 mi. northwest of Bloomington to present SR 37 1.0 mi. north of Bloomington plus bridges.
Rd. 37		3,220,963	3.1	In Monroe County on SR 37 between SR 45 and SR 46.
		\$26,090,776	27.2	

**“KILLER HIGHWAYS” TO RECEIVE
ADDITIONAL ATTENTION**

In the next seven months our goal is to receive bids on an additional 26.3 miles of “killer highways” plus some major bridge construction projects.

Sections of roads on which bids will be received in the next seven months are:

<i>Road</i>	<i>Date of Bids</i>	<i>Miles</i>	<i>Description</i>
Rd. 31	4/23/70	4.9	From the Howard-Miami County line to 0.5 mi. south of jct. with SR 218 north of Kokomo. This will close the gap of dual-laneing US 31 from Carmel to 8 mi. north of Peru.
Rd. 37	August	8.1	From 1.4 mi. south of Lawrence-Monroe County line to 0.1 mi. south of Dillman Rd. at Bloomington.
Rd. 37	Abt. Sept.	6.9	From SR 45 to present SR 37 about 3.7 mi. north of bypass.
Rd. 41	Abt. June	6.4	From Emison to 1.5 mi. south of Knox-Sullivan County line.
Br. 24	Abt. Aug.		Bridge 5.6 mi. west of US 31 over the N & W Railroad west of Peru.
Br. 57	October		Bridge over White River 4.6 mi. north of SR 356, south of Washington, Indiana.
<hr style="width: 10%; margin: 0 auto;"/> 26.3			

PROBLEMS OVERCOME IN A SHORT TIME

I have listed the projects on which we have received bids and also projected the roads on which we hope to advertise for bids in the next seven months.

Now I will give you an idea of some of the problems we have had to overcome to get this program in gear as fast as we have. A normal federal-aid financed primary construction project is requiring about two years to clear right-of-way, from the time the right-of-way plans are delivered to the land acquisition department until the right-of-way is cleared to let contracts.

Thanks to our capable land acquisition division we have been able to cut this time down to a year on these projects, and in a number of cases to six months.

Even though plans were substantially complete on many of these projects we have had to revise geometrics, add some bridge separations and in other cases make centerline changes to improve alignments and

cut down costs for land. This has all been done with a minimum of delay.

After we have once had a reasonable length of time to acquire right-of-way (and this problem is pretty well behind us, we do not plan on having problems that we cannot overcome in advancing projects for lettings as fast as money is credited to the primary road account.

THANKS EXTENDED TO THOSE WHO WORKED TO GET EXTRA FUNDS

I would like to divert for a moment to say that Indiana is fortunate in having a capable highway commission, under the leadership of Chairman Steele, in addition to having a loyal, dedicated group of engineers, designers and construction personnel.

We, as road and street people, should pay tribute to the many people in the General Assembly, those civic organizations, professors here at Purdue, the entire road construction industry, and many others who had the courage and worked so hard to get the long overdue increase in road funds approved.

HIGHWAY COMMISSION LOOKS TOWARD RECORD LETTINGS

As a final note I am happy to report that last year was a banner year for any first year of a new administration and again thanks to the added revenue this year will see the largest single calendar year of road contract lettings in the 50-year history of the Indiana State Highway Commission.