STATUS OF THE APPALACHIAN PROGRAM

by

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For those of you who may not be familiar with the Appalachian Program, I would like to present a few general comments relative to the history of the legislation and contents of the original Appalachian Regional Development Act. At the request of the late President John F. Kennedy, the President's Appalachian Regional Commission was formed in 1963 and consisted of a representative designated by each of the governors in the Appalachian states. In 1964, the President's Appalachian Commission transmitted to President Johnson its first report on Appalachia.

Appalachia is frequently referred to as "a region apart", and its history has often been called "the legacy of neglect". It is a mountainous region with ridges and twisted spurs and valleys that encompass approximately 165,000 square miles. The 15.3 million people residing in this area had a per capita income of $1,400 in 1960. The annual per capita income of approximately one million people living in Kentucky's Appalachian counties was $841; during the same period this low income emphasizes the need for seeking a solution to the problems existing in Appalachia.

The Appalachian Regional Development Act was signed into law on March 9, 1965. The purpose of the Act was to assist the Appalachian region in meeting its special problems, to promote its economic development, and to establish a framework for joint State and Federal efforts to provide the basic facilities essential to stimulate the growth of this region.

The majority of us work with only one part of the Appalachian Act, Section 201, which established an Appalachian Developmental Highway System. I think, however, it is very important that we fully understand that the Appalachian Developmental Highway System is only one part of the Appalachian Program. In addition to the provisions of Section 201, the following programs were included in the Act: Health Facilities; Land Stabilization, Conservation and Erosion Control; Timber Development; Mining Area Restoration; Water Resources; Vocational, Educational Facilities; Sewage Treatment Work; Supplements to Federal Grant and Aid Programs; and Grants for Local Development Districts and Research. This regional, multi-program legislation was so diverse and unusual that it was difficult to determine which committee of Congress should work with the Bill.
The above information provides a brief but total picture of the Appalachian Program which was established by the 1965 Act. Section 201, which created Appalachian Developmental Highway System, is the most important part of the act as it relates to the Kentucky Department of Highways. The total Appalachian Developmental Highway System provides for a regional network of highways not to exceed 2,350 miles and construction of local access roads not to exceed 1,000 miles. The Appalachian Developmental Highway System was jointly established and agreed upon by the Appalachian Regional Commission and the respective Appalachian states. The Bill authorized an appropriation of $840 million of Federal funds for the improvement of the Highway System. The Appalachian Regional Commission passed a resolution indicating that Federal funds would be made available for design, right-of-way and construction of two-lane roads on a 70/30 ratio (70 percent Federal and 30 percent State). On four-lane roads, the Federal funds would be 70 percent of the design and right-of-way costs and 50 percent of the construction costs.

Initially, estimates were made by all Appalachian states of the amount of money which would be needed to improve the Appalachian Developmental Highway System. These indicated a total program of $2.2 billion. The authorized $840 million, plus the State-matching funds would finance a program of approximately $1.1 billion. It is apparent from these figures that improvement of all the miles on the Highway System would not be possible with the funds authorized in the original Act.

On October 11th of this year, Congress passed the Appalachian Development Act Amendments of 1967. This legislation increased the total number of miles on the Highway System from 2,350 to 2,700 miles. The local access road mileage was increased from 1,000 to 1,600 miles. It should be noted that, despite the increased mileage, no additional Federal funds will be available to Kentucky or any other of the Appalachian states. Kentucky's appropriation for the improvement of the Appalachian Developmental Highway System will be approximately $190 million. The appropriation for access roads in Kentucky for the total six-year program is approximately $1.6 million. Because of the limited funds, the Appalachian Regional Commission passed resolutions, especially on the access road program, limiting the amount of Federal participation to $100,000 per mile. Originally, Federal participation was limited to only $70,000 per mile. It is obvious that this restriction places quite a burden on the states for providing additional money to construct local access roads.

After passage of the original Act in March of 1965, Kentucky started construction on its first Appalachian project on July 6, 1965. This was the KY 15 project from Whitesburg to Isom. The current status of the program is depicted in Table 1.
TABLE 1
STATUS OF APPALACHIAN PROGRAM IN KENTUCKY

<table>
<thead>
<tr>
<th></th>
<th>Started (miles)</th>
<th>Completed (miles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>72.9</td>
<td>40.8</td>
</tr>
<tr>
<td>Right of Way</td>
<td>124.3</td>
<td>72.9</td>
</tr>
<tr>
<td>Design</td>
<td>253.4</td>
<td>124.3</td>
</tr>
</tbody>
</table>
This work has obligated $38,828,691 of Appalachian funds and $19,197,164 of State funds, for a total Appalachian Program in Kentucky of approximately $58,025,855. There are also 89 miles presently under study. A hearing is expected to be held on the section from Harlan to the Harlan-Letcher County line within the next two months. The length of this project is 25.4 miles. This will leave only 53.6 miles under study.

The Department anticipates having final design work initiated on the total Appalachian Highway System before July 1968. We are hopeful that the restriction on the use of construction funds will be lifted so that we may place under construction sections of KY 15 from Hazard to Jeff and the remaining sections of US 23 between Louisa and Paintsville.

The total number of miles open to traffic as of November 6 in the entire Appalachian region is 77. Kentucky has 40.8 miles of this total.