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Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I am signing S. 3934, the Federal-Aid Highway Amendments of 1974.

This bill contains three energy-related provisions which I find highly desirable. First, it will establish 55 miles per hour as the national speed limit on a permanent basis. This limit has proven to be of great value in not only saving fuel but in decreasing the loss of life on our highways.

Second, this bill will extend the carpooling demonstration program for one year, until December 31, 1975. This program provides funds to states and localities to encourage the use of carpools. The Department of Transportation has estimated that it could save this country five billion gallons of gasoline a year. In addition, it will reduce air pollution and urban congestion.

Third, the bill will increase the allowable weights for trucks on interstate highways. Largely because of the lower speed limit, many truckers have found themselves in an economic bind, with decreased productivity. This modest increase in allowable truck weights should help them regain that productivity, without threatening public safety on the highways.

Unfortunately, the bill would also make many undesirable changes in the highway programs. For one, it would provide \$347 million in additional authorizations for existing highway programs and \$405 million for new categorical grants. Of these amounts, more than \$500 million in contract authority would be available to States without further action by the Congress.

Since funds for many of the existing programs are already being deferred, these extra authorizations are not needed. Approving these funds at this time would not only be unnecessary but highly inflationary as well. In addition, one of the objectives of this Administration is reduce or eliminate categorical grants. This bill provides authorizations for numerous new categorical grant programs. Accordingly, I will recommend to Congress that release of most of this highway obligational authority be deferred for 1975. I hope Congress will agree with this plan.

The 94th Congress and the Administration must work together to develop a highway program for this decade which is compatible with our national transportation and economic objectives. I will work with the Congress to develop such a program.

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