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Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

Today I have signed into law the Federal-Aid Highway Act of 1976. This legislation is the product of almost a year-long debate. On July 7, 1975, I submitted a proposed long-range bill recommending some fundamental changes in this program. The Act I am signing today is a two-year interim measure which permits the program to continue while setting the stage for the next Congress again to confront the critical issues facing the program.

The proposal that I forwarded to Congress last July had four principal objectives.

-- First, it recommended the restructuring of the present system of financing highways. The Trust Fund would have been reserved exclusively for the completion of the Interstate System, all other Federal highway assistance would have come from the general fund, and one cent of the gas tax would have been returned to the States.

-- Second, more than thirty categorical grant programs would have been consolidated into three block grant programs.

-- Third, the Federal interest in the Interstate System would have been more precisely defined, by placing primary emphasis upon completion of critical intercity routes on the System.

-- Fourth, the Federal resources authorized for the highway program would have been held to responsible levels, consistent with the overriding need to control Federal spending while still sufficient to achieve the objectives of the program.

The Congress addressed each of these issues in its deliberations on this bill and made progress in the direction I had recommended. The bill I am signing today consolidates a number of existing categorical grant programs into a broader, more flexible program, a step which should help State and local officials solve their transportation problems more effectively. This legislation also assigns priority to the completion of intercity routes, closing critical gaps in the Interstate System. Although this Congress did not address all of the fundamental issues of the highway program, the next Congress will need to deal comprehensively with them.

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I am pleased to note that the Congress has taken some action to bring the operation of the highway program under better fiscal control. However, because the bill would still result in substantial outstanding authorizations being available during fiscal year 1977, I believe it is important for Congress to take separate action to place an obligation ceiling on the Federal-Aid Highway Program at least through fiscal year 1977. Further, new activities authorized in this legislation will be carefully scrutinized before any requests for additions to the budget are sent to Congress.

For more than 25 years in national government, in both the Legislative and Executive branches, I have been a firm supporter of the highway program. As a member of Congress in 1956, I voted for the landmark legislation which established the Highway Trust Fund. I have been deeply involved in the legislative process over the past two decades as the highway program has been expanded and made more responsive to local transportation needs. It is a privilege to be serving as President today and to sign legislation extending and improving this important program. A spirit of cooperation between this Administration and the Congress enabled all parties to arrive at an acceptable bill which permits a vital program to continue. We will continue to work with the Congress to seek better, long-term solutions to our national transportation problems as the nation enters its third century.

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