

JUNE 5, 1975

Office of the White House Press Secretary

NOTICE TO THE PRESS

The President has signed H.R. 3786 - Federal Share of Highway Projects, which temporarily defers the required State matching share for all Federal-aid highway projects and authorizes the transfer of funds among categories of Federal-aid highways other than the Interstate System.

H.R. 3786 will make two temporary changes in the financing of Federal-aid highway programs to facilitate the full use by the States of the \$2 billion in deferred Federal-aid highway funds the President ordered released on February 12, 1975 and the \$9.1 billion released by the Congress in April to expedite highway construction and generate employment.

The first temporary change will permit States to defer until December 31, 1976, payment of the State share of Federal-aid highway projects for which Federal funds are obligated between February 12 and September 30, 1975. The State share is 10% on Interstate System projects and 30% on most other categories of projects. The deferral would be the equivalent of an interest free Federal loan.

The second temporary change will authorize the States to transfer funds among the various categories of Federal-aid highways, except for the Interstate System, between February 12 and September 30, 1975. These transfers among categories will later be restored by deductions and additions to future Federal apportionments to offset these shifts. Some States have exhausted their apportionments in some categories in which projects are ready to move ahead, while unused apportionments are available in other categories in which projects are not ready. The temporary transfer authority, will permit acceleration of construction.

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