

APPROVED

SEP 17 1959

SEP 21 1959

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON 25, D. C.

SEP 17 1959

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H. R. 8678 - Federal-aid Highway Act of 1959  
Sponsor - Rep. Fallon (D) Maryland

*Statement  
Issued*

Last Day for Action

September 22, 1959 - Tuesday

Purpose

To enable continued construction of the Interstate Highway System on a pay-as-you-build basis, to further restrict Federal control of billboards, to provide for a study of Alaska and Hawaii highway needs, and to authorize funds for miscellaneous highway projects.

Agency Recommendations

Bureau of the Budget - Approval

Department of Commerce - Approval

Department of Agriculture - Approval

Council of Economic Advisers - Approval

Department of the Treasury - No objection

Special Assistant for Public Works

Planning - No objection (informally)

Department of the Interior - No recommendation

Discussion

A. Main provisions

The bill provides revenues to the Highway Trust Fund that will enable the Secretary of Commerce to apportion part of 1961 and 1962 interstate highway authorizations among the States by increasing the tax on gasoline by one cent until June 30, 1961, and diverting amounts equal to a 5 percent excise tax on automobiles, parts and accessories, etc., to the Fund for the three years following that date. It also reduces the 1961 authorization of the Interstate System from \$2.5 billion to \$2 billion. It approves the 1958 estimate of the cost of completing the Interstate System as a basis for apportioning the 1962 authorization.

