

Mr. CRAMER. Well, I would suggest that with the serious money problem that we have and with the suggestion that this money come out of the general fund, at least I am of the opinion, I do not know how in the world this beauty could have a high enough priority to justify appropriations in a money-pinched year like this and I frankly do not see the prospects of money for some time.

Now, the other problem involved is the bonus payment.

Secretary BOYD. Yes, sir.

Mr. CRAMER. I have heard some suggestion that the bonus payments are also going to be affected by noncompliance.

Suppose a State has entered into the bonus agreement provided for in section 12 of the present act. The act of 1958 does not come into compliance with the 1965 act until 1970 or 1971, for instance. Would that State remain eligible for bonus payments on those projects completed before the 1965 act?

Secretary BOYD. I have had no discussion with anyone on this, Mr. Cramer, and have given it absolutely no thought. I would be happy to submit an answer for the record.

(The information is as follows:)

Section 131(j) provides that a State shall be entitled to receive bonus payments as set forth in its bonus agreement, but no such State shall be entitled to such payments unless the State maintains the control required under such agreement or the control required by Section 131, whichever control is stricter.

Section 131(b) of the Highway Beautification Act of 1965 authorizes the Secretary to suspend for such periods as he deems necessary the application of this subsection to a State whenever he determines it to be in the public interest.

The Secretary is fully authorized to suspend any sanctions against a State for failure to provide for "effective control" of outdoor advertising under Section 131(b) of the Act until such time as the State legislature has had a reasonable opportunity to act on the basis of explicit information.

This also applies with regard to the suspension of bonus payments under Section 131(j). Bonus States which continue to carry out their obligations to control outdoor advertising along the Interstate System in conformity with their existing bonus agreements may thus be entitled to receive bonus payments when the State has enacted appropriate legislation and entered into a suitable agreement to fully implement the 1965 Act.

Section 131(j) further expressly provides that "The provisions of this subsection shall not be construed to exempt any State from controlling outdoor advertising as otherwise provided in this section."

Bonus States as well as nonbonus States are therefore required to implement and fully comply with the provisions of the Highway Beautification Act of 1965, regardless of whether or not the bonus State elects to remain eligible to receive bonus payments as provided by Section 131(j).

A bonus State which fulfills its obligations under its bonus agreement in connection with a project completed prior to enactment of the 1965 Act and is continuing to carry out its obligations with reference to all other highways on the Interstate System in accordance with the agreement would remain eligible to receive bonus payments for those projects.

Additionally, if the legislature of a bonus State has not had a reasonable opportunity to act, prior to January 1, 1968, and the State acts administratively by entering an agreement under the 1965 Act contingent on later ratification or approval by the State legislature the State's eligibility to receive bonus payments would be preserved without question. Bonus payments, however, would be deferred in such circumstances until the State legislature actually ratifies or adopts a mutually satisfactory agreement.

Mr. CRAMER. I would hate to see the States lose their eligibility for bonus on these projects, because of problems relating to the Beautification Act, because that seems to me to be going in the wrong direction.