

and the money owed to contractors so they could go on and bid on other work.

Mr. Cramer talked to the Republican leadership and I talked to the leadership on the Democratic side in the Senate, and we have been assured they will do everything they can to get this out right away. They all realize the condition, as we do.

Mr. MILLER. Mr. Chairman, we are most appreciative of the expeditious manner in which the problem was handled in the House. I think I have the authority to let the record show that the State I was referring to, Mr. Chairman, was the State of Pennsylvania. Since the Bureau of Public Roads has run out of funds, so to speak, the State has managed to scrape up \$47 million of its own money to try to keep the program going. They have advised the contractors yesterday that they are out of money, and the contractors are meeting today to see what they can do.

My information is, sir, that they will have to shut down every project in the State of Pennsylvania and throw thousands of people out of work.

Mr. KLUCZYNSKI. Are there any further questions?

Mr. CLAUSEN. I am certainly pleased to have you supporting some of the comments that I have made about the need to increase the ABC formula. I do not know whether I will fully agree with the way you would distribute this, but if someone else does not do this, I am going to offer an amendment. Whether it will go any place, I do not know.

I fully agree with what you said.

Mr. MILLER. Thank you, Mr. Clausen.

Mr. KLUCZYNSKI. Mr. Cramer?

Mr. CRAMER. On further discussion of the \$400 million, as I understand it the States were advised that there would be no more Federal matching funds as of May 16.

Mr. MILLER. That was about the date.

Mr. CRAMER. It was approximately that date.

If they went forward with the work, realizing they would not be reimbursed this year unless there was a supplemental appropriation passed for the balance of this fiscal year; is that correct?

Mr. MILLER. The work was actually underway. These are checks that have been issued, and the Federal Government says now we cannot cash them.

Mr. CRAMER. These were projects on which contracts had already been let and work was in progress?

Mr. MILLER. That is correct.

Mr. CRAMER. As I understand it, it has been known for some time that there was going to be this \$400 million deficit. They knew it last year, as a matter of fact.

Mr. MILLER. That is my understanding.

Mr. CRAMER. And I understand the administration submitted a \$400 million supplemental request and then withdrew it and then submitted it again and withdrew it. It was not until the notice went out, and many of us tried to importune the Appropriations Committee to come up with a supplemental, that a supplemental was approved in the House.

It seems to me—and of course we are confronted with the problems of the other body, and everybody knows what they are—they do not