

In establishing the Highway Trust Fund, an apportionment formula for the distribution of funds was established. This formula gives specific directions on how the funds are to be divided between the states. The recent cut-backs seriously disrupt this formula. There are no provisions in this act to provide for the suspension of allocations to the states as funds accumulate. Any changes in the apportionment formula cannot be made subject to Executive or Administrative Order, which would result in its suspension. The statute specifically states: "Any sums apportioned to any state under the provisions of the section shall be available for expenditure in that state for two years after the close of the fiscal year for which such sums are authorized".

Congress thus provided the Highway Trust Funds to be apportioned for a two-year period. The so-called "freeze" placed upon authorized amounts is directly in conflict with statutory provisions of this act.

Prior to 1956, all funds derived from the Federal Excise Tax on motor fuels, motor vehicles and associated products were placed in the general fund of the United States Treasury.

In 1956, Congress augmented the federal aid to state highway programs in order to establish a National System of Interstate Highways. To pay for these programs, the Congress increased the excise tax and created new taxes. For the information of my colleagues, I insert the following chart showing how these taxes are imposed.