Dear:

Increased road building costs have served to slow the timetable on interstate and federal aid highway work. Federal authorities could permit this slow down to continue or take other steps to secure necessary funds to keep this timetable intact.

Such funds would have to be derived either from general revenues of the Treasury or through an increased tax on motor fuel and related items. To lay an additional burden on general revenues would obviously impede the administration effort to secure a balanced budget in fiscal year 1960, and hence the imposition of an increased motor fuel tax, unpalatable as tax increases always are, appears to be the best solution to the problem.

Sincerely,

Everett McKinley Dirksen