

12/9/74

THE PRESIDENT HAS SEEN *o.s.*

THE WHITE HOUSE  
WASHINGTON

December 5, 1974

*Paul*  
*Excellent*  
*MMF*

Dear Sir:

There is no question that the National Mass Transportation Act of 1974 is landmark legislation and one of the outstanding accomplishments of the 93rd Congress and the Ford Administration.

The attached paper discusses this legislation and the importance of it. I hope this discussion is useful to you in some way.

Sincerely,

*Paul A. Miltich*

Paul A. Miltich  
Special Assistant to the President  
for Public Affairs

Enclosure

## LONGTERM AID FOR MASS TRANSIT

The National Mass Transportation Assistance Act of 1974 -- otherwise known as the mass transit bill -- is easily one of the outstanding accomplishments of the 93rd Congress and the Ford Administration.

Cash will be flowing out of the cities and also to rural communities within the next couple of months under terms of the bill, which was signed into law by President Ford November 26.

The legislation is marked by a number of "firsts." It is the first federal mass transit act to provide a subsidy for public transportation operating expenses. It is the first longterm mass transit act -- a six-year program. It is the first Federal act to provide capital funds for rural mass transit.

The price tag on the mass transit bill is \$11.8 billion -- the largest federal subsidy ever approved for mass transit.

The \$4 billion of that total available for operating subsidies should help financially squeezed metropolitan transit systems hold the line on customer fares.

The Federal Government will pay up to 50 per cent in matching money for operating expenses and up to 80 per cent for the purchase of such capital items as rolling stock and trackage.

Mayors throughout the country are highly pleased by enactment of the legislation.

Speaking for the mayors after attending the bill-signing ceremony, Mayors Abraham Beame of New York and Joseph Alioto of San Francisco praised the President for his role in making the mass transit act possible.

Said Mayor Alioto, who is president of the National Conference of Mayors:

"Without the great effort made by President Ford and (Transportation) Secretary Brinegar, this could not have been accomplished. I think it is fair to say President Ford has now accomplished more than any other President in the history of the United States for public transportation."

Beame commented: "I want to congratulate the President on the wonderful job he did."

Beame said the mass transit act "is going to be of tremendous value, not only to New York City, but to the rest of the entire country, and I believe (it) ranks with revenue sharing in its importance to urban centers of America."

Beame described the mass transit act as an air pollution fighter and an energy saver.

Brinegar noted that the Federal Aid Highway Act also provides funds for mass transit on a local option basis, giving cities the choice of using up to \$800 million a year for mass transit capital expenditures in place of funding highway projects.

In signing the mass transit bill, President Ford said it will "meet our most urgent needs in mass transportation at a cost which is not inflationary."

The President declared: "This legislation is significant in our fight against the excessive use of petroleum, in our economic battle and in our efforts to curb urban pollution and reduce congestion."

Mayors and other public officials are hoping that the Federal aid provided by the mass transit bill will encourage Americans to use public transportation instead of relying so heavily on automobiles.

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THE WHITE HOUSE

WASHINGTON

December 9, 1974

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

PAUL A. MILTICH

FROM:

JERRY H. JONES 

The attached was returned in the President's outbox with the following notation:

-- Paul/excellent.

cc: Don Rumsfeld

bcc: Ron Nessen