The original documents are located in Box 25, folder "Transportation - Mass Transit" of the Loen and Leppert Files at the Gerald R. Ford Presidential Library.

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OFFICE OF THE SECRETARY OF TRANSPORTATION WASHINGTON, D.C. 20590

March 22, 1973

Mr. Leslie Logan 2523 N. 23rd Road Arlington, Virginia 22207

Dear Mr. Logan:

It was good talking to you today. I am enclosing a copy of the list of members of the House Rules Committee. Your offer of assistance is appreciated. Perhaps if you know any members of the Virginia delegation, you could contact them directly.

Sincerely,

Bobert T. Monagan Assistant Secretary-Designate for Congressional and Intergovernmental Affairs

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Enclosure

House of Representatives Committee on RULES

Ray J. Madden, Indiana, chairman James J. Delaney, New York Richard Bolling, Missouri B. F. Sisk, California John Young, Texas Claude Pepper, Florida Spark M. Matsunaga, Hawaii Morgan F. Murphy, Illinois Gillis W. Long, Louisiana Clem Rogers McSpadden, Oklahoma Dave Martin, Nebraska John B. Anderson, Illinois James H. (Jimmy) Quillen, Tennessee Delbert L. Latta, Ohio Del Clawson, California Whereas transportation is one of the most important and significant domestic problems now facing Arlington County and the Washington Metropolitan region and the nation;

Whereas an efficient and rational transportation system throughout our nation and particularly in our urban and suburban areas requires a meaningful balancing among several modes of transportation including freeways, rail rapid transit, buses and private automobiles;

Whereas development of the transportation system best suited to meet the needs of urban and suburban areas requires the guidance and direction of local governments in conjunction with regional planning processes;

Whereas Federal aid to transportation should be designed to allow choice of the combination of transportation modes that will best meet each area's transportation needs;

Whereas the very restricted uses now permitted of the Federal Highway Trust Fund distort and defy such choice, resulting in relatively inefficient and undesired types of transit systems;

Whereas legislation now being considered in Congress would aid in meeting transportation needs in Arlington and elsewhere by allowing states and localities more flexibility in utilizing the Federal Highway Trust Fund;

Whereas President Nixon has pledged a renewed effort to make Federal Highway Trust Fund money available for mass transit;

Now, Therefore, the Arlington County Board

(1) supports legislation to make a substantial share of Federal Highway Trust Fund monies available for mass transit, including repid rail transit,

(2) endorses the payment of appropriate shares of such funds directly to suitable regional agencies in metropolitan areas of some minimum size.

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I hereby certify that the resolution set forth above was unanimously adopted by the Arlington County Board at a regular meeting held on February 21, 1973.

Given under my hand this 22nd day of February, 1973.

R Hillichard

Assistant Clerk

At a regular meeting of the Board of Supervisors of Fairfax County, Virginia, held in the Board Room in the Massey Building at Fairfax, Virginia, on Monday March 5, 1973, at which meeting a quorum was present and voting, the following resolution was adopted:

RESOLUTION IN SUPPORT OF USE OF FEDERAL HIGHWAY TRUST FUND FOR MASS TRANSIT.

WHEREAS transportation is one of the most important and significant domestic problems now facing Fairfax County, the Washington Metropolitan region and the nation;

WHEREAS an efficient and rational transportation system throughout our nation and particularly in our urban and suburban areas requires a meaningful balancing among several modes of transportation including freeways, rail rapid transit, buses and private automobiles;

WHEREAS development of the transportation system best suited to meet the needs of urban and suburban areas requires the guidance and direction of local governments in conjunction with regional planning processes;

WHEREAS Federal aid to transportation should be designed to allow choice of the combination of transportation modes that will best meet each area's transportation needs;

WHEREAS the very restricted uses now permitted of the Federal Highway Trust Fund distort and defy such choice, resulting in relatively inefficient and undesired types of transit systems;

WHEREAS legislation now being considered in Congress would aid in meeting transportation needs in Fairfax County and elsewhere by allowing states and localities more flexibility in utilizing the Federal Highway Trust Funds;

WHEREAS President Nixon has pledged a renewed effort to make Federal Highway Trust Fund money available for mass transit;

NOW, THEREFORE, the Fairfax County Board

(1) Supports legislation to make a substantial share of Federal Highway Trust Fund monies available for mass transit, including rapid rail transit, (2)

endorses the payment of appropriate shares of such funds directly to local jurisdiction or regional transportation districts in major metropolitan areas.

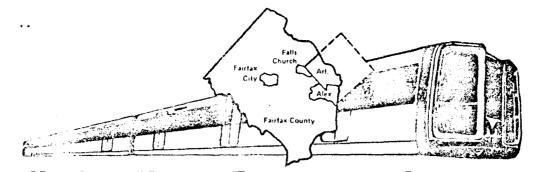
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Helen O. Momsen Clerk of said Board

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Northern Virginia Transportation Commission

RADIO BUILDING

🚺 2030 16TH STREET, NORTH 👘 🖬 ARLINGTON, VIRGINIA 22201

TELEPHONE (703) 524-3322 '

March 23, 1973

Rufus Phillips VICE CHAIRMAN Everard Munsey SECRETARY/TREASURER Harold J. Casto EXECUTIVE DIRECTOR

Judson E. Edwards

Jack O. Crawford

CHAIRMAN

COMMISSIONERS:

FAIRFAX COUNTY Joseph Alexander Herbert E. Harris, II Alan H. Magazine Rufus Phillips

CITY OF FAIRFAX John W. Russell

CITY OF FALLS CHURCH Lee M. Rhoads

CITY OF ALEXANDRIA Charles E. Beatley, Jr. H. Winfield McConchie

ARLINGTON COUNTY Joseph L. Fisher Kenneth M. Haggerty, DDS Everard Munsey

VIRGINIA DEPARTMENT OF HIGHWAYS John P. Mills, Jr. Hon. John C. Kluczynski
Chairman, Subcommittee on Transportation
Committee on Public Works
U. S. House of Representatives -Room 2165, Rayburn Building
Washington, D.C.

Dear Congressman Kluczynski:

Transmitted herewith is a Resolution passed by the Northern Virginia Transportation Commission supporting legislation which would make a substantial share of Federal Highway Trust Fund monies available for Rapid Rail Transit and other mass transit modes.

We are supporting this legislation because of our need for additional funding to meet a transportation crisis -which all urban areas of our Commonwealth and the Nation are facing, or soon will face. Our transit problems in Northern Virginia -- and the goals and objectives that must be underwritten now -- are no different than those of every other urban area. The transit financial crunch is a national problem, requiring immediate federal action and federal funding.

We believe the resolution of this problem now will enable us to cope with the matter before it becomes insurmountable. Although there is unbearable pressure on the property tax at the local level, the five jurisdictions, comprising the Northern Virginia Transportation District: the counties of Arlington and Fairfax and the cities of Alexandria, Falls Church and Fairfax, must obligate themselves for a minimum of \$264 million for rapid rail and bus mass transit during this decade.

Fifty-nine million dollars of this sum is needed in the bus program and supplemental improvements by our Commission. The remaining \$205-million is for the rapid rail Metro System.

Member jurisdictions of our transportation district have already contributed \$83-million for Metro. When that sum is deducted from the over-all requirement of \$264 million, a balance of \$181 million is left to be funded during the remainder of this decade just to meet our minimum rapid rail and bus transit needs.

These needs must be met in light of two increasingly obvious realities:

The first reality is that more highways are not the long-run solution to all urban traffic congestion. Public transit is the alternative to continuing an openended approach of building more and more highways, especially in urban areas where the environmental and social costs of new highways are exceptionally high to individual communities.

The second reality is the virtual financial collapse of the existing privately and publicly-owned transit companies in this country, especially in communities of medium or small size, and the fact that compulsory air quality standards will require a radical increase in the size of bus fleets and bus operations.

Largely because of the emphasis on highways and very little official interest in public mass transit in the past, local, state, and federal governments have had to financially rescue floundering transit companies, or see this public service disappear at the very time that it is needed most to solve urban transit problems. As you know, this has happened in this Metropolitan Area. The people of Northern Virginia are fully aware that alternatives to the automobile must receive support and adequate funding. In the urban areas, we must concentrate on moving <u>people</u>, not automobiles. For example, in Fairfax County, where I am a member of the Board of Supervisors, studies show that 25 percent of the land will be in rightof-ways and pavement by the year 2000 if we continue present trends in automobile use.

We should also consider the need for this legislation in light of what it will do to help achieve the air quality standards set by the Federal Environment Protection Agency. Rapid Rail and other modes of mass transit will help Virginia and the Nation meet these air quality standards.

Finally, there is the fuel crisis. Here again, a strong mass transit program is important for all the people, because moving commuters save energy resources now being diverted into gasoline for automobiles.

The transportation problems, the air and noise pollution problems, as well as the fuel crisis, will not be solved by deferring action to the future.

We of Northern Virginia, therefore, urge immediate passage of legislation <u>now</u> to resolve these problems via substantial funding for Rapid Rail and other Mass Transit modes from the Federal Highway Trust Fund monies.

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Chairman Northern Virginia Transportation Commission

Enclosure

NORTHERN VIRGINIA TRANSPORTATION COMMISSION Radio Building 2030 North 16th Street Arlington, Virginia 22201

RESOLUTION #74

SUBJECT: Support of legislation to make a substantial share of Federal Highway Trust Fund monies available for Rapid Rail transit, and other mass transit modes.

WHEREAS:

One of the most important and significant domestic problems now facing Northern Virginia and the urban areas of the Nation is transportation; and

WHEREAS:

An efficient and rational transportation system throughout our Nation and particularly in our urban and suburban areas requires a meaningful balancing among several modes of transportation including freeways, rail rapid transit, buses and private automobiles; and

WHEREAS:

Development of the transportation system best suited to meet the needs of urban and suburban areas requires the guidance and direction of local governments in conjuction with regional planning processes; and

WHEREAS:

Federal aid to transportation should be designed to allow choice of the combination of transportation modes that will best meet each area's transportation needs; and

WHEREAS:

The very restricted uses now permitted of the Federal Highway Trust Fund distort and defy such choice, resulting in relatively inefficient and undesired types of transit systems; and WHEREAS:

Legislation now being considered in the United States Congress would aid in meeting transportation needs in Northern Virginia and elsewhere in the Nation by allowing states and localities more flexibility in utilizing the Federal Highway Trust Fund; and

NOW THEREFORE BE IT RESOLVED, that the Northern Virginia Transportation Commission comprised of five political jurisdictions; the Counties of Arlington and Fairfax, and the Cities of Alexandria, Falls Church, and Fairfax and representing more than 950,000 citizens in transportation matters at the official meeting on March 1, 1973, Fairfax City Council Chambers, Fairfax, Virginia, does hereby record the unanimous vote of elected Commissioners to:

- seek and support of lègislation to make a substantial share of Federal Highway Trust Fund monies available for Rapid Rail transit, and other Mass Transit modes; and
- further strongly urges that the payment of appropriate share of such funds be made directly to the local jurisdictions or transportation districts in Metropolitan areas.

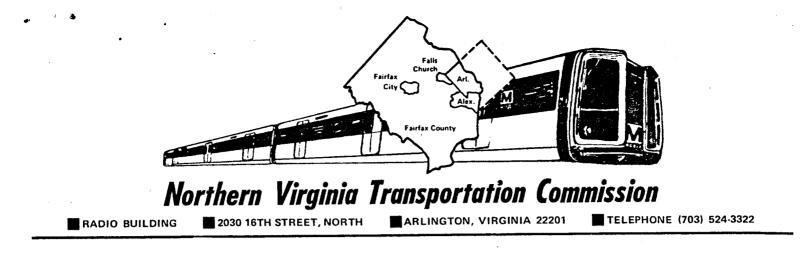
Approved this 1st day of March, 1973. NORTHERN VIRGINIA TRANSPORTATION COMMISSION

Cl lips

Northern Virginia Transportation Commission

Harold J. Casto, Secretary-Treasurer Northern Virginia Transportation Commission

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THE NORTHERN VIRGINIA TRANSPORTATION COMMISSION

The Virginia General Assembly in 1964 created the Northern Virginia Transportation District comprised of five political jurisdictions; the counties of Arlington and Fairfax and the Cities of Alexandria, Falls Church and Fairfax.

The Northern Virginia Transportation Commission (NVTC) was created to manage the affairs of the Transportation District and to represent its more than 950,000 citizens in transportation matters within the region.

It is constituted by eleven appointive members from the five elected city and county governments within the District and one member representing the Virginia Department of Highways. Commission membership is apportioned according to relative size of the jurisdiction, with four from the Fairfax County Board of Supervisors, three from the Arlington County Board, two from the City of Alexandria and one each from Fairfax City and Falls Church.

In addition to providing transportation planning and coordination for the area, NVTC serves as the catalyst for its member jurisdictions with the Washington Metropolitan Area Transit Authority (WMATA) in financing, planning, and construction of the Metro Rapid Rail Transit System in Virginia.

NVTC is also the signatory for Northern Virginia to the agreement with WMATA to acquire and operate a unified Regional bus transit system.

NVTC is represented on the Board of Directors of WMATA by two directors and two alternates, or one-third of the WMATA Board.

The Commission also has representation on the Transportation Planning Board of the Metropolitan Washington Council of Governments, the Virginia Governor's Metropolitan Areas Transportation Needs Study Commission and Governor's Task Force on Transportation and Public Safety.

METROPOLITAN WASHINGTON COUNCIL OF (VERNMENTS 1225 Connecticut Avenue, N.W Washington, D.C. 20036

RESOLUTION SUPPORTING INCREASED FEDERAL FUNDING AUTHORITY FOR MASS TRANSIT CAPITAL GRANTS AND THE USE OF A PORTION OF THE HIGHWAY TRUST FUND FOR TRANSIT PURPOSES

WHEREAS, in his State of the Union Message, the President has proposed that "...States and communities be given the right to use a designated portion of the Highway Trust Fund for capital improvements in urban public transportation, including improvements in bus and rapid rail systems."; and

WHEREAS, the President has also asked that Federal funding authority for mass transit capital grants be doubled and recommended that the Federal share of mass transit projects be raised to 70%; and

WHEREAS, the Metropolitan Washington Council of Governments (hereinafter called "Council") has endorsed the transportation control strategies recommended by the Air Quality Planning Committee for the National Capital Interstate Air Quality Control Region to implement the National Air Quality Standards for carbon monoxide, hydrocarbons, and photochemical oxidants; and

WHEREAS, one of the primary transportation control strategies calls for greatly expanded transit service, including the acquisition of a large number of new buses; and

WHEREAS, the long range planning work of the Council's Land Use Policy Committee and Transportation Planning Board to date clearly indicates the need for immediate extensive improvements in all forms of transit in order to reduce future highway demands and air pollution,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS:

(a) THAT the Board strongly endorses the President's recommendations for improving public transportation in urban areas and commends the President for his plans for meeting our critical urban transportation needs,

(b) THAT the Chairman of the Board is authorized to notify the Members of Congress of the Council's position and to solicit their support of the President's legislative proposals on public transportation,

(c) THAT the Chairman of the Board is also authorized to notify the National Association of Regional Councils of the Council's position and to urge NARC to express its support to the Administration and the Congress.

CERTIFICATE

The undersigned hereby certifies that:

- He is the duly appointed, qualified and acting Certifying Officer of the Metropolitan Washington Council of Governments, and keeper of the records thereof, including the journal of its proceedings.
- 2) The copy of the Resolution <u>R25-73</u> annexed hereto entitled:

RESOLUTION SUPPORTING INCREASED FEDERAL FUNDING AUTHORITY FOR MASS TRANSIT CAPITAL GRANTS AND THE USE OF A PORTION OF THE HIGHWAY TRUST FUND FOR TRANSIT PURPOSES

is a true, correct and compared copy of the original Resolution as finally adopted at a meeting held on <u>March 14</u>, 19 73, which was duly convened in conformity with all applicable requirements; a proper quorum was present throughout said meeting, and the resolution was duly proposed, considered and adopted in conformity with applicable requirements.

WITNESS my hand and seal of the Metropolitan Washington Council of Governments this <u>14th</u> day of <u>March</u> 19 73.

(SEAL)

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MADELEINE B. SCHALLE Staff Attorney

PRESS RELEASE OF THE HONORABLE JOHN C. KLUCZYNSKI

12-21-73

During my 22 years of service in the United States Congress, I have been a strong advocate for federal support for transportation. I know the need for transportation; I know what the highways, rails and buses have done in developing the economic and social life of our country. Today, as in 1951, I feel as strongly about this issue as when I first took this stand.

I have been, and always will be, a firm supporter of our great highway program. Without our highway program, this country would not be the prosperous, successful nation it is today. I further believe that there is a need, particularly within our urban and suburban areas, to increase federal aid and support to our mass transit programs.

Moreover, I believe that we have to give our urban areas greater flexibility in the use of the transportation aid they receive. Because of the complexity of our major urban centers, the diversity between areas, and the tremendous impact in terms of the number of people involved, we can no longer afford to hamstring our local officials with solutions that do not fit the uniqueness of their community. Local officials must be allowed to choose from a broad spectrum of solutions so that they can more easily select whichever mode will best solve their local transportation problems.

Last year we lost in our attempts to finance highways and mass transit in an adequate and enlightened fashion.

The problem therefore is still with us today. There must be a resolution if our urban centers are to continue their growth and viability.

(more)

Without backing off from my support for the highway program, I feel the need is so great in the cities of our nation, and especially in my own city of Chicago, that I have decided to step forward and support proposals to grant states and cities the option to spend a portion of the moneys heretofore earmarked solely for highways, for public transportation programs as well.

Over the past 50 years the federal aid highway programs have undergone evolutionary growth to adapt to changing national needs and priorities. In light of today's energy crisis and environmental concerns, a need to reassess the direction of our transportation objectives has to be made. I believe that broadening the potential uses of the Highway Trust Fund will help the highway program to continue to meet the nation's transportation objectives.

ARLINGTONIANS FOR PRESERVATION OF THE POTOMAC PALISADES

ESI IE LOGAN President POST OFFICE DOX 335 ARLINGTON, VIRCINIA 22210

Telephones: President

525-4932 Executive Secretary 527-4573

MET. ROBERT W. CERTIS, USN (ket.) Vice President

LAN D. HENRY Honorary Vice President

ÖWARD MARTIN Treasurei

OBERT N. HISLOP Executive Secretary

> STATEMENT ON CHENGING USE OF HIGHWAY TRUST FUND before Transportation Subcommittee, Committee on Public Works U.S. House of Representatives March 23, 1973

Mr. Chairman and Members of the Committeek

I am Dr. Leslie Logan of 2523 North 23 Road, Arlington, Virginia. I am the President of Arlingtonians for Preservation of the Potomac Palisades. This is an organization representing approximately 8,000 people in the Northern Virginia area. ______ Cur members are organizationized citizen groups and associations, church groups and individuals. We have a long and proud history covering nearly 20 years. We have been plaintiffs in several successful legal actions which have had among their purposes the preservation of the Potomac Palisades and the stemming of widespread freeway and bridge construction in the irreplacable Potomac River Gorge. We are currently participating in the constructive activities of opposing air, noise and water pollution in the greater We shington metropolitan region.

In passing I wish to mention as some indication of the effectiveness of our organization that in 1959 the Arlington County Board, the elected governing authority over Arlington County, Virginia, awarded the Arlingtonians for Preservation or the Potomac Palisades its Award of Merit. The award was made "in appreciation of a significant contribution to the beautification of Arlington County, Virginia, and the enhancement of the Potomac River." Further, I wish to add, not as a personal matter, but as an indication again of the effectiveness and widespread nature of the activities of this organization that in 1966 Mrs. Legan and I were awarded the Washington Evening <u>Star</u> Silver Cup for our "outstanding community contributions." This award was based in large part on our work for and with the Arlingtonians for Preservation of the Potomac Palisades.

I contend that the so-called Highway Trust Fund should be relaxed from its present stringent limitations on three principal grounds.

First, there is a grave need for this relaxation to meet the varied needs of the people, most particularly those too young to drive, the aged, the physically handicapped and the poor. <u>Second</u>, there are sound administrative and public interest reasons for this relaxation in order to give state and local governments the "freedom of choice" needed to develop the transportation system most responsive to their individual needs. <u>Third</u> and finally, I maintain that <u>balanced-coordinated transportation</u> can best be attained, together with the conservation of our natural resources and the diminution of deaths by automobile accidents if these comprehensive transportation systems under the guidance of state and local governments are encouraged by the assistance

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of funds derived from the so-called Highway Trust Fund. As will be detailed hereinafter, it is a misconception to characterize these monies as Highway Trust monies to be used solely for interstate highways. No meaningful "trust" is broken if these monies are otherwise used for public transportation facilities.

The people of the United States need to have the stringent limitations now shackling the Highway Trust Fund removed. Automoblies are not available to many people who need transportation most. There are approximately 65,00,000 Americans under the age of 16 who are too young to have a driver's license. Millions more do not own a car because of age, infirmity or poverty. Nore than half the households in this country with less than \$3,000 annual income and about half of all households whose heads are 65 years old or more have no car. Yet it is this same group, the aged , the poor, the physically handicapped and the young who most need mobility to gain access to adequate education, health care, job opportunities and other necessities of life. Continuing the present emphasis on the provate automobile in transportation planning will only increase the plight of the disadvantaged.

The plight of the non-disadvantaged is not much better. Motor vehicles currently account for forty per cent of all oil consumed in the U.S.A. The energy crisis that now faces the world in general and the U.S.A. in particular aggrevates this critical situation. We are not meeting this crisis if we continue to place heavy reliance on individual pass nger c

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for personal transportation.

Of even more immediate concern are the numbers of people being injured and killed in connection with the use of automobiles. Over 50,000 Americans will still die on our nation's roads and highways every year, and that is quite simply unacceptable. The development of mass transit will tend to relieve highway traffic and make all travel much more safe. The relaxation of the Highway Trust Fund to allow states and local communities to develop solutions to their special transportation needs will assist this.

I now turn to the sound administrative and public interest reasons why local and state governments should be accorded "freedom of choice." in the development and construction of needed public transportation facilities, whether they be highways, mass rapid transit, buses or new and better modes of transportation. Local authorities have a sounder understanding of what the people in their community want. Responsiveness to their wants will encourage and enhance the local citizenry to support with further taxes and debt obligations necessary to fully develop these facilities.

We have heretofore referred to the so-called Highway Trust Fund. This has been purposeful. A vast misconception has grown up to the effect that somehow this fund is a sacred trust and must in law and good conscience be used only to construct more and bigger highways. This is a completely false notion.

In his testimony of February 7, 1973, Secretary of

Transportation, the Honorable Claude S. Brinegar, spoke about the Highway Trust Fund before the Subcommittee on Transportation, Committee on Public Works, United States Senate. He urged that the Highway Trust Fund be in part released to local and state governments to provide mass transportation by bus and

rail. He stated:

"While some of the tax rates were increased in 1956 and later in 1959, a sizeable share of the tax receipts going into the trust fund were considered "general fund" monies prior to 1956, just as many other excise taxes are today...To show the significance of this historical pattern, if we today computed the share of the 1974 trust fund monies that came from general fund sources prior to 1956, we find the total to be approximately 50%. Thus, on grounds of equity it seems fair to consider that a sizable amount of the trust fund monies could be legitimately used for transportation purposes that broadly benefit a large segment of the population."

Elsewhere in his testimony Secretary Brinegar observed:

"I doubt that anyone who has tried to move about in our major cities at rush hours can deny that the need for action is urgent indeed. modern, federallysupported highways have made our cities accessible, but too many cars trying to use these highways have made the cities, as a practical matter, almost inaccessible just at the times most of us need the accessibility."

Further, Secretary Brinegar stated:

"The program we now propose would permit trust fund monies authorized for the Federal-aid urban system to be used both for capital highway and mass transit projects with the decision to be left to the state and local governments. The mass transit projects could include improvements both to bus and rapid rail systems. At the same time...we would continue the Urban Mass Transportation program which has as its main objective the supplying of the major, large capital transit needs of our urban areas."

Arlingtonians for Preservation of the Potomac Palisades

endorses such a program.

On the question of flexibility, Secretary Brinegar made this succinct and commendable statement:

"The most important element...is that,.funds" originally authorized for the Interstate System to be expended for other important highway and public transportation projects. This recognizes the fact that manyof our urban Interstate links play a major role in serving local urban travel meeds... (We recognize) the fact that these meeds can be served by means other than Interstate links and... (that) cities and states jointly (should be permitted) to develop suitable alternatives. It is a laudable mover toward flexibility."

I now turn to my third point, the general public interest involved in changing the Highway Trust Fund from a conduit for concrete into a sensible national mechanism to finance transportation solutions.

Highways have been funded by 353 billion for the past 16 years. Last year alone, the federal transportation budget showed 60 cents of every transportation dollar invested in highways while less than 5 cents was alloted for mass transit and intercity rail. Today we have a backlog of more than \$4.4 billion in requests for urban mass transit assistance for the nation's bities and we have additional growing needs for intercity rail transportation.

Finally, it has been established beyond all doubt that the private automobile is one of the chief contributors to coordinated air pollution. A properly balanced urban transportation system including rail rapid transit could contribute enormously to a decrease in the cormuter use of the private automobile. This problem of pollution alone, considering its present and growing seriousness should persuade reasonable and responsible public officials to the need for indediate wide-spread and decisive action. The proposal to loosen the strictures on the Highway Trust Fund would be a giant step in that constructive action.

I have undertaken to demonstrate to you that in the interests of us all, but particularly with respect to the too young, the old, the physically handicapped and the underprivleaged, there is a need to remove some of the present limitations on the use of the Highway Trust Fund. I have also pointed out that the flexibility proposed whereby the local and state authorities determine their precise needs in the employment of their alloted portions of such trust funds is in keeping with sound concepts of our government as well as being administratively desirable. In connection with this point I have shown the error in considering that these so-called Highway Trust Fund monies are not truly as much a "trust" as a responsibility and that equity is on the side of those urging a broader application of their use. Finally, I have indicated some of the public policy considerations that dictate the necessity and the appropriateness of breadening the scope to better utilize these funds.

After approximately fifteen years of experience with the Highway Trust Fund operations (you will recall that he was the first Federal Highway Administrator stemming from passage of Federal-Aid Highway Act of 1956), Secreatry of Transportation the Honorable John Volpe said before his recent retirement:

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"On the whole, the transportation system which has evolved, both consciously and unconsciously, represents an uneven fabric ill-suited to today's needs, and is, itself a major contributor to the problems facing transportation today."

The President in his message to the Congress on March 4 said:

"Changing the way we use the Highway Trust Fund should be one of the top items on our national agenda. If we do not act now, our children will grow up in cities which are strangled by traffic, raked by noise, choked by pollution.

By opening up the Highway Trust Fund today, we can open up great new vistas for our cities tomorrow.

I have also asked the Federal funding authority for mass transit capital grants to be doubled--from \$3 billion to \$6 billion. And I have recommended that the Federal share of mass transit projects be raised to 70 per cent.

All of these steps will help us meet the challenge of mass transit.

Mr. Chairman, we appreciate your leadership in solving these crucial problems and we heartily endorse the position you announced on February 21.

Thank you, Mr. Chairman and members of the Committee.

ARGUMENTS AGAINST OPERATING SUBSIDIES LEGISLATION

I General/Substantive

A. The deficit position of the industry results from a complex and interrelated set of factors:

[ot. 1973]

- the rise in the use of the automobile
- changes in the nature and structure of the urban environment (growth of the suburbs)
- rapidly rising costs
- uncoordinated planning and execution of urban transportation
- unimaginative and unwarranted regulation of the transit industry
 - changes in the expectation of the riding public

None of these basic ills can be affected by changes (up or down) in the fare. The deficit position of transit is merely a symptom of these basic problems.

B. Our November, 1971 report on the <u>Feasibility of Federal Assistance for</u> <u>Urban Mass Transportation Operating Costs</u> made it quite clear that money alone will not solve the basic problem. Money probably is a necessary precondition for improvement of local transit service but the nonmonetary aspects -- traffic regulation to affect the choice of modes, land use control, pricing and supply 1 of parking facilities, etc., are equally as important.

State and local government clearly is the only appropriate level to undertake the programmatic actions. They must be tailored to the needs and aspirations of each community. They cannot be dictated through national standards set in Washington.

Only local governments are capable of making the hard choices needed to improve the competitive position of transit vis-a-vis the automobile. A Federal subsidy removes pressures forcing these decisions and encourages business as usual.

C. Generally the fiscal pinch for State and local government has significantly ameliorated. The post World War II population bulge is in the labor force; the birthrate is declining; the 1970-71 recession is over; State and local governments are increasing their revenues; and general revenue sharing will provide additional resources. All things considered State and local government has resources to commit. (This may not be true across the board.)

D. The Administration is strongly opposed to the creation of new categorica grants. In addition to the general case there are several specific arguments to be made against a new grant program in this instance --

a) it biases local decision-making by making funds available for a specific purpose on a use-it or lose-it basis regardless of local priorities.

b) a categorical grant program administered with any kind of Federal approval process would get us deeply involved in strictly local matters (e.g., anytime local fare levels and routes were changed it could involve appeals to the Department)

E. A separate categorical grant program provides an easy mechanism for local officials to pass on increased labor costs rather than in engaging in tough bargaining -- a Federal subsidy removes incentive for effective management at the local level and could easy plow the Federal taxpayers' dollars into bottomless pits around the nation.

F. The argument that the new clean air laws <u>require</u> massive transit operating subsidies is just <u>not</u> proven. There is a strong probability that local regulatory actions such as those discussed above will be the key factor in obtaining changes in automobile usage patterns in our urban areas.

G. This bill authorizes a new \$800M program not in the President's budget. As such, it can only generate pressure for excessive Federal spending at a point when Federal fiscal responsibility is absolutely essential to fight inflation.

H. The recent Federal Aid Highway Act by providing an additional \$3 billion in new transit capital assistance funds and permitting flexible use of urban highway funds for transit represents a significant measure of new Federal assistance for transit.

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II. Political

- A. For few urban centers (primarily New York City) -- in a limited budget, extra dollars can only come at expense of rural and other programs.
- B. Provide South Carolina \$ to allow New York City to give overly generous wage increases to its bus drivers.
- C. Could be moved into trust fund at expense of rural highways.



THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

October 1, 1973

Honorable Gerald Ford U. S. House of Representatives Washington, D.C. 20515

Dear Jerry:

This is in response to your request for the Administration's position on HR 6452, the proposed transit operating subsidy measure, as well as the proposed amendment to that bill by Representative Garry Brown.

The most important feature of HR 6452 would be the establishment of a new categorical grant program making funds available exclusively for operating subsidies. This bill would authorize \$800 million for these grants and distribute the money by formula among only the largest urban centers. The amendment offered by Representative Brown would modify HR 6452 in a number of areas, with the most important change permitting the funds distributed for the operating subsidy program to also be used for capital investments at the discretion of the recipient.

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A bill along the lines of that being considered by the Congress would not be acceptable to the Administration.

Sincerely,

Claude S. Brige

2



THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

October 1, 1973

Honorable Gerald Ford U. S. House of Representatives Washington, D.C. 20515

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February 7, 1974

MEMORANDUM FOR:

ROY ASH

FROM:

WILLIAM E. TEMMONS

SUBJECT:

Operating Subsidies

At a meeting with selected House GOP conservatives, the issue of operating subsidies for mass transit came up. Obviously all those in the meeting are opposed to operating subsidies.

Also, however, there developed some opposition to the President's new transportation measure because the fiexibility would permit operating subsidies and would be the start down that long subsidiey read.

Rep. Phil Crane (R-III) serves on the subcommittee dealing with the issue, and the President asked me to put you in touch with him to discuss both the current UMTA bill and the President's new federalism proposal.

Can do?

cc! Max Friedersdorf

February 25, 1974 BOB LINDER MAX L. FRIEDERSDORF GENE AINSWORTH Fact Sheet S. 386

MEMORANDUM FOR:

THROUGH:

FROM:

SUBJECT:

Could I please have 50 copies of the attached by 9:00 a.m. Tuesday, February 26, 1974, please.

Many thanks.

FACT SHEET

S. 386

• The Emergency Mass Transit Act, S. 386, will help the very big cities -- primarily New York, Chicago and Boston -- at the expense of the rest of the country. For example, under the first two years of the Administration's transit proposal (UTAP), New York City would receive about 10 percent of the total funds by formula while under this bill it gets 21 percent. On the other hand, Phoenix gets about a 40 percent reduction under S. 386 from what it would receive under UTAP.

> (NOTE: The New York area wants these federal tax dollars to save their 35¢ fare because the New York voters rejected a state bond proposal designed to accomplish this.)

• S. 386 is a piecemeal and limited approach to the larger public transit problem facing all cities. It will seriously jeopardize the chances for Congress to consider the comprehensive Unified Transportation Assistance Program (H. R. 12589, S. 3035). The main strengths of UTAP are:

1. It will assist urban areas in solving transportation problems that they are unable to handle alone. These problems are being intensified by the energy crisis and the need to meet environmental standards.

2. It will combine two separate and relatively inflexible capital programs that are, in various ways, distorting current local decisions on transportation investment choices and transit operating practices. Combining the programs and opening up the range of uses will encourage better planning and better resource decision-making at the local level.

3. It will provide the states and urban areas with an assured source of federal funds over several years so that long-term planning can be done at the local level.

4. It will add flexibility to the rural transportation program and provide rural bus service for these rural and small urban at is.

UTAP will provide \$16 billion to urban areas over 6 years and additional amounts for rural public transportation.

- S. 386 totally cuts out the Governors and some mayors by allocating money directly to transit authorities and urban areas. This will seriously imperil coordination between highway and transit planning.
- S. 386 could significantly bust the FY 1974 budget and feed inflation.
- The formula in S. 386 will be extremely difficult to administer and will likely require extensive oversight and audit of the cities by the federal government.
- Attached is a table which demonstrates the degree which S. 386 will result in less transit funds for all but a hand full of the very largest cities.

PLEASE NOTE: The UTAP figures only include the UMTA funds allocated by formula. In addition (not shown on table), under UTAP \$700 million a year will be distributed on a project-by-project basis for capital transit programs.

· · · · · · ·	· · · ·				nsportation Assistan (S.3035, HR 12589)		
<u>Urbanized</u> <u>Area</u>	S.386 1/ \$ in First 2 Years of Program	% of Total Program	<u>2</u> /	\$ in First 2 Years of Program	(5.3035	% of % of Total Program	<u>}_</u>
	\$ in K			\$ in K			
New York	166,640	20.83		142,678	,	9.5	
North New Jersey Los Angeles Chicago Philadelphia Detroit	35,280 40,080 53,520 25,680 20,480	4.41 5.01 6.69 3.21 2.56	•	60,703 104,801 77,619 50,461 49,828	•	4.1 7.1 5.7 3.4 3.4	
San Francisco Boston Washington, D.C. Cleveland St. Louis	19,280 21,440 18,640 13,040 11,520	2.41 2.68 2.33 1.63 1.44		37,495 33,287 31,140 24,595 23,630	•	2.5 2.2 2.1 1.7 1.6	
Pittsburgh Minneapolis Houston Baltimore Dallas	9,920 8,480 11,840 6,960	1.63 1.24 1.06 1.48 0.87		23,166 21,389 21,056 19,825 16,800	•	1.6 1.4 1.4 1.3 1.1	
Milwaukee Seattle Miami San Diego Atlanta	8,320 6,880 7,520 5,360 6,880	1.04 0.86 0.94 0.67 0.86		15,717 15,537 15,306 15,038 14,717		1.1 1.1 1.0 1.0 1.0	
Cincinnati Kansas City Buffalo Denver New Orleans	5,680 5,280 6,320 5,040	0.71 0.66 0.79 0.63	· ~	13,936 13,826 13,635 13,142 12,069		1.0 0.9 0.9 0.9 0.9	
Phoenix Portland Indianapolis Providence Columbus	3,360 4,800 * * 4,160	0.42 0.60 * * 0.52	· · ·	10,834 10,352 10,294 9,980 9,914		0.7 0.7 0.7 0.7 0.7	
San Antonio	4,240	0.53		9,694		0.7	

<u>1/</u> FY-74/75 <u>2/</u> FY-75/76

		• •		Unified Trar	sportation Assistan (S.3035, HR 12589)
<u>Urbanized</u> <u>Area</u> :	<u>S.386</u> <u>1</u> / <u>\$ in First</u> <u>2 Years of</u> Program	% of Total Program	2/	\$ in First 2 Years of Program	% of Total Program
	\$ in K	TT Ogt um	•	\$ in K	
Dayton Norfolk Memphis Rochester Akron Birmingham,Ala.	3,040 4,160 3,840 3,520 2,160	0.38 0.52 0.48 0.44 0.27	•	8,608 8,386 8,220 7,547 6,812 7,003	0.58 0.56 0.56 0.51 0.46
Jacksonville Toledo Nashville Honolulu Richmond	* 2,320 2,880 2,800	* 0.29 0.36 0.35		6,645 5,972 5,627 5,552 5,227	0.45 0.41 0.38 0.37 0.35
Syracuse Wilmington Grand Rapids El Paso Tacoma	+- 1,680 1,360 1,200 1,760	0.21 0.17 0.15 0.22		4,721 4,388 4,427 4,235 4,173	0.32 0.31 0.30 0.28 0.28
Flint Wichita Albuquerque Charlotte, N.C. Peoria Mobile	1,280 1,280 1,360 1,280 1,120	0.16 0.16 0.17 0.16 0.14		4,142 3,794 3,733 3,508 3,101 3,236	0.28 0.26 0.25 0.24 0.21
Columbia,S.C. Harrisburg Aurora Charleston,S.C. Fort Wayne	1,200 1,200 1,120 1,040	0.15 0.15 0.14 0.13		3,034 3,021 2,923 2,867 2,826	0.20 0.20 0.20 0.19 0.19
Corpus Christi Madison	1,040 1,280	0.13 [•] 0.16		2,670 2,578	0.18 0.17

* Amounts not known.

FY 74/75 FY 75/76 $\frac{1}{2}$

(NOTE: UTAP amounts do NOT include the \$700 million per year discretionary fund.)

MEMORANDUM FOR:

February 25, 1974 BILL TIMMONS MAX FRIEDERSDORF

SUBJECT

FROM:

Operating Subsidies

Both Domestic Council (Dana Mead) and OMB (Paul O'Neill) recommend we hold firm on the Operating Subsidies Conference report, S. 386, and they are strengly indicating a veto.

The total figures are roughly the same for the Conference Report and the UTAP section of our transportation bill. (S. 3035 and H. R. 12589)

The conference report total is \$800 million for fiscal \$74 and '75; UTAP will cost \$700 million for '75, the first year of its operation.

However, S. 386 is strengly tilted toward subsidising mass transit in New York, Chicago, Philadelphia and Boston.

New York alone would receive 21 per cent of the total expenditures (13% under our bill).

All other localities would benefit more under our bill. For example, Phoenix would receive \$3.4 million under 5.386 for the first year, and \$10.8 under our bill.

The conferees have changed the name of their bill to Emergency Mass Transit to cash in on the energy crunch.

The conference report may be called up this week. John Rhodes is alerted and is opposed to conference report.

We should have one page "talkers" available today for distribution, but will held until conference report is filed.

cc: Korologes Webber Ainsworth cc: Leen Ebbrie Moore Honorable John J. Whodes Minority Leader United States House of Representatives Washington, D.C. 20515

Dear Mr. Rhodes:

I appreciated your inquiry concerning my views on S. 386, the Emergency Mass Transit Act which, I understand, will be before the Rules Committee next week.

We are flatly opposed to such a narrow, categorical program of operating subsidies for mass transit. Although the Conference amended the bill to include certain improvements that had not been adopted by either House, such as allowing the new fund to be used for capital expenses, I remain convinced that 5. 386 is not good legislation.

As you know, the Administration has proposed the Unified Transportation Assistance Program to provide \$16 billion to urban areas over six years and additional amounts for rural public transportation. Title II of this program ("UTAP") would, in the first year, provide a \$700 million capital transit improvement fund and an additional \$700 million fund to be allocated to urban areas on a formula basis to be used for capital improvement or operating subsidy at local option.

My most serious concern is that passage of S. 386 would result in an unacceptable substitute for Title II. In my view, UTAP clearly provides the superior approach;

- a) The more comprehensive program would be set back if S. 386 were to pass. At best, S. 386 remains a piecemeal, one-shot categorical approach.
- b) UTAP provides more money under its formula program \$700 million vs. \$400 million per year. (For Phoenix, S. 386 would provide \$1.68 million per year, UTAP \$5.4 million per year.)
- c) The Title II formula is simple, to the point and clear (population). The S. 386 formula would be complicated to apply and to administer (passengers, plus vehicle miles,

Honorable John J. Rhodes - Page Two

plus population). Also, grants are made to transit services where at least 75% of the population is served by mass transit. This complicated formula would require close Wederal oversight and an army of Wederal suditors keeping close tabs on local transit.

- d) The UTAP formula is fair. (New York City receives 9.5% of the total, while Phoenix receives .7%). S. 386 is heavily weighted to a handful of big cities with large and expensive rail transit systems (NYC receives 20.8%, while Phoenix receives only .4%). I should add, however, that we are not wedded to a formula based solely upon population. The Administration is prepared to discuss adjustments in the formula during deliberations on the total package.
- e) The UTAP program works through the Governors. The S. 386 procedure by-passes the Governors and many mayors, and goes directly to transit authorities.

UTAP has been introduced in both the House and the Senate. The Senate Public Works Committee has scheduled hearings which begin Monday, March 4 in New York City. Chairman Blatnik of the House Public Works Committee has given us every indication that he will begin hearings in the near future.

We have an historic opportunity to enact and to implement the most far reaching advance ever in mass transportation. I sincerely hope that the positive and cooperative atmosphere rapidly developing between Congress and the Administration on this new mass transit initiative will not be disrupted by the passage of S. 386. Should this legislative pass, I would be compelled to recommend to the President that it be vetoed.

Sincerely,

Claude S. Brinegar

cc: S-10 TGC-1, 2, 40 TAD TCI-10 UMTA RChambers:jdm:3/1/74

THE WHITE HOUSE

WASHINGTON

August 13, 1974

MEMORANDUM FOR:

WILLIAM E. TIMMONS

THRU:

FROM:

VERN LOEN

MAX L. FRIEDERSDORF m . F.

SUBJECT:

H.R. 12859, Federal Mass Transportation Act of 1974 (Public Works version)

This bill, which will be on the House floor Wednesday, provides \$20 billion authorization over six years beginning in the current fiscal year.

54% of the funds would go to nine major cities in Category A. Up to 50% of their allocations over State plans could be used for operating subsidies. An estimated \$5 billion could be used for operating subsidies.

Every Public Works Republican signed minority views but for differing reasons. Most feel there is a Federal responsibility in this area, but question launching a program of this scope. The bill was reported by voice vote.

Bill Harsha will offer an amendment to reduce the authorization to \$12 billion over six years. Bud Shuster has indicated he will offer an amendment to strike operating subsidies estimated at \$900 million per year.

The Committee report lists some 278 cities with populations of 50,000 or more which could benefit. Plainly the Committee is playing the old numbers game.

When the question of the Administration's position came up during Rules Committee consideration, Don Clausen said the Nixon Administration opposed authorization levels and favored the UTAP proposal. He says there has been no indication of the Ford Administration's position - something we should have for him and Bill Harsha tomorrow. As a sweetner for Chairman Madden, Section 7 authorizes a demonstration project for the relocation of railroad grade-crossings at Hammond, Indiana. It authorizes \$9.3 million of financing from the Highway Trust Funds and \$4.6 million from general funds in fiscal year '75. This section is protected by a waiver on points of order, but there will certainly be an attempt to knock it out otherwise under the open rule with two hours of general debate.

THE WHITE HOUSE

WASHINGTON

August 13, 1974

MEMORANDUM FOR:

WILLIAM E. TIMMONS

MAX L. FRIEDERSDORF \mathcal{M} . \mathcal{F} .

THRU:

FROM:

SUBJECT:

VERN LOEN

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THE WHITE HOUSE

WASHINGTON

August 16, 1974

MEMORANDUM FOR:

BILL TIMMONS

FROM:

MAX FRIEDERSDORF m.2.

SUBJECT:

Mass Transportation

Listed below are the target Members for the Harsha Amendment on the Mass Transit Bill.

These Members voted against the Milford substitute to eliminate operating subsidies which lost 197 - 202.

There is also a large target group listed below which were absent.

We will split this list among our staff and also share it with House GOP Leadership. In addition, DOT CGR is working on these people.

GOP

DEMO

Brown, Garry Buchanan Burgener Conable Chamberlain Frelinghuysen Grover Hunt Madigan

Alexander Bevill Davis, Mendel Dorn Mathis Stephens Stratton

ABSENTEE TARGETS

GOP

Anderson, John Arends Gubser Hansen, Orval Huber McEwen Minshall Williams DEMO

Davis, John Gray Hebert Jones, Ed Landrum McSpadden Passman Rarick Teague

cc: Ainsworth, Loen

November 21, 1974

Dear Ray:

In case you still want it, here is a copy of the tologram which was delivered to Reps. John Rhodes, Joseph Minish and Garry Brown during the debate on the rule for the National Mass Transportation Assistance Act today.

Again let me congratulate you and your team on a great job in passing this bill.

With kind regards, I am

Sincerely yours,

Versen C. Leen Special Assistant to the President

Mr. Rey Warner Office of Intergovernmental Affairs Department of Transportation 400 Seventh Street, S. W. Washington, D. C. 20590

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WASHINGTON - PLEASE FORWARD THE FOLLOWING MESSAGE FROM THE PRESIDENT THE HONDRABLE JOHN RHODES HOUSE OF REPRESENTATIVES WASHINGTON, D.C.

I UNDERSTAND THAT THE HOUSE OF REPRESENTATIVES WILL CONSIDER TODAY THE NATIONAL MASS TRANSPORTATION ASSISTANCE ACT OF 1974, S.366. AS YOU KNOW, I FULLY SUPPORT THIS SIX-YEAR, \$11.6 BILLION TRANSIT BILL. IT REPRESENTS A RESPONSIBLE STEP IN OUR EFFORTS TO REDUCE ENERGY CONSUMPTION AND CONTROL INFLATION. THIS IS A ROOD BILL AND I COMMEND THE EFFORTS OF YOU AND OTHER LEADERS IN THE HOUSE WHD ARE NORKING HARD FOR ITS PASSAGE. I AM VERY HOPEFUL THAT ACTION YOU TAKE TODAY WILL RESULTING THE PASSAGE OF S.386 SO THAT IT WILL BE ON MY DESK FOR SIGNATURE WHEN I RETURN FROM AGROAD. /S/ GERALD R. FORD

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*******UNCLASSIFJED****** COFY

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