THE WHITE HOUSE WASHINGTON

September 6, 1974

The Speaker of the

liouse of Representatives

Sir:

I ask the Congress to consider a proposed change in appropriation language for the fiscal year 1975, involving no additional amounts, for the Department of Transportation, Urban Mass Transportation Administration.

The details of this proposal are set forth in the enclosed letter from the Director of the Office of Management and Budget, with whose comments and observations I concur.

Respectfully,

GERALD R. FORD

OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

The President

The White House

Sir:

I have the honor to submit for your consideration a proposed technical change in appropriation language for the fiscal year 1975, involving no additional amounts, for the Department of Transportation, as follows:

DEPARTMENT OF TRANSPORTATION

URBAN MASS TRANSPORTATION ADMINISTRATION

URBAN MASS TRANSPORTATION FUND

Liquidation of Contract Authorization

In addition to the purposes for which the appropriations under this head were made available in the Department of Transportation and Related Agencies Appropriations Acts, those appropriations shall be available for liquidation of contractual obligations incurred under authority of sections 103(e)(4) and 142(c) of title 23, United States Code.

The Federal-aid Highway Act of 1973, enacted in August 1973, made possible the "substitution" of certain transit projects for highway projects on the Federal-aid urban highway system and interstate highway system. When the 1975 budget was submitted no such substitution had yet occurred and procedures had not been finalized.

Substitutions have now been made on an initial set of projects totaling \$96 million. Under newly adopted procedures of the Department of Transportation the contract authority for these projects was transferred to the Urban Mass Transportation Fund and obligated by the Urban Mass Transportation Administration. Since these substitutions are offsetting they will not increase the net outlays of the Department of Transportation.

Because existing appropriation language provides for only liquidation of obligations incurred under the Urban Mass Transportation Act of 1964, a change is now required to also permit the liquidation of obligations incurred under Title 23, United States Code, as a result of the 1973 Highway Act.

I have carefully reviewed the proposal contained in this document and am satisfied that this request is necessary at this time. I recommend, therefore, that this proposal be transmitted to the Congress.

Respectfully,

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