

THE WHITE HOUSE

WASHINGTON

October 8, 1974

The President Pro Tempore

of the Senate

Sir:

I ask the Congress to consider a proposed supplemental appropriation for the fiscal year 1975 in the amount of \$84,900,000 for the National Railroad Passenger Corporation (AMTRAK). The net effect of this proposal will be to increase 1975 budget authority and outlay totals by \$72,175,000.

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

Enclosure

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

October 8, 1974

The President

The White House

Sir:

I have the honor to submit for your consideration a proposed supplemental appropriation for the fiscal year 1975 in the amount of \$84,900,000 for the Department of Transportation, as follows:

DEPARTMENT OF TRANSPORTATION

FEDERAL RAILROAD ADMINISTRATION

Grants to the National Railroad Passenger Corporation

For an additional amount for "Grants to the National Railroad Passenger Corporation", \$84,900,000 to remain available until expended, which shall be available only upon the enactment into law of authorizing legislation by the Congress.

Actual AMTRAK experience in 1974 now indicates that the 1975 deficit, which must be paid by the Federal Government, will be \$72 million over that requested in the President's Budget.

The need for this supplemental request arises from a combination of factors including rising costs for fuel and materials, Congressionally-imposed service expansion, and management's inability to decrease failures and improve utilization of equipment. While none of these factors are controllable in the short run, steps are being taken to prepare comprehensive legislation to remedy these problems.

Without the requested supplemental, AMTRAK will not be able to continue train operations after February 1975.

I have carefully reviewed the proposal for appropriations 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,

