

THE WHITE HOUSE  
WASHINGTON

February 19, 1975

The Speaker of the  
House of Representatives

Sir:

I ask the Congress to consider a proposed amendment to a supplemental appropriation for the fiscal year 1975 amounting to \$25,000,000 for the Department of Transportation.

Details of this proposal are outlined in the enclosed letter from the Director of the Office of Management and Budget, and I concur with his comments and observations.

Respectfully,

*Gerald R. Ford*



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

February 19, 1975

The President

The White House

Sir:

I have the honor to submit for your consideration an amendment to the request for appropriations transmitted in the budget for the fiscal year 1975, involving an increase in the amount of \$25,000,000 for the Department of Transportation as follows:

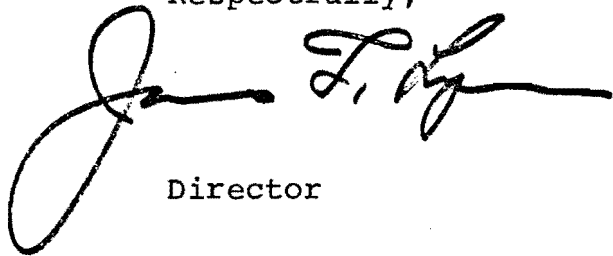
1976 Budget appendix pages	Headings	1975 Supplemental request pending	1975 Proposed amendment	1975 Revised request
	<u>Federal Railroad Administration</u>			
709 and 1036	<u>Interim operating assistance.....</u>	\$100,000,000	\$25,000,000	\$125,000,000

The proposed budget amendment would extend the provision of cash assistance to all bankrupt railroads in the Midwest and Northeast, in order to insure continued rail service, pending restructuring of the railroads into a new system. Previously, only six railroads were eligible for such assistance. However, as a result of the recent economic downturn, amendments to the Regional Rail Reorganization Act of 1973 have been proposed, allowing the Act to meet the emergency cash needs of all bankrupt lines in the region, including those reorganizing on a conventional basis. One of these lines, Erie-Lackawanna, would be forced to close down in the absence of such assistance.

A supplemental request of \$100,000,000 for fiscal year 1975 is currently included in the 1976 Budget, to cover the estimated needs of the six railroads originally eligible for assistance. This proposal amends that request. The need for offering assistance to other railroads was not anticipated when the annual budget was being prepared.

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,

A handwritten signature in black ink, appearing to read "James L. Payne". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke extending to the right.

Director