

THE WHITE HOUSE

WASHINGTON

May 19, 1976

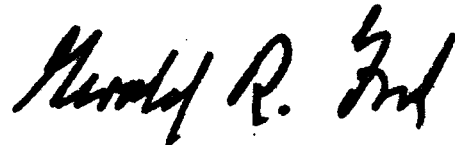
The President  
of the Senate

Sir:

I ask the Congress to consider, for the Department of Transportation, 1976 supplemental appropriations, amendments to appropriations transmitted in the 1977 budget, and appropriation language changes. New budget authority requests total \$188,000,000 for fiscal year 1976 and \$400,000,000 for fiscal year 1977. Reductions in requests for cash to liquidate contract authority total \$14,000,000 for fiscal year 1976 and \$69,000,000 for fiscal year 1977.

The details of these proposals are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur in his comments and observations.

Respectfully,

A handwritten signature in black ink, reading "Gerald R. Ford". The signature is written in a cursive style with a large, prominent "G" and "F".



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

May 19, 1976

The President

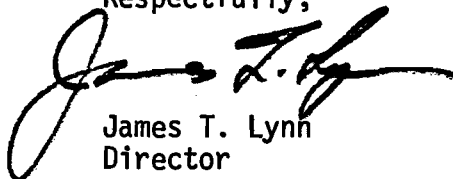
The White House

Sir:

I have the honor to submit for your consideration requests for fiscal year 1976 supplemental appropriations, amendments to appropriations transmitted in the 1977 budget, and appropriation language changes for the Department of Transportation. New budget authority requests total \$188,000,000 for fiscal year 1976 and \$400,000,000 for fiscal year 1977. Reductions in requests for cash to liquidate contract authority total \$14,000,000 for fiscal year 1976 and \$69,000,000 for fiscal year 1977. The details of these proposals are contained in the enclosure to this letter.

I have carefully reviewed these proposals and am satisfied that these requests are necessary at this time. I recommend, therefore, that these proposals be transmitted to the Congress.

Respectfully,



James T. Lynn  
Director

Enclosure

Enclosure

(Proposed 1976 budget supplemental)

DEPARTMENT OF TRANSPORTATION  
URBAN MASS TRANSPORTATION ADMINISTRATION

URBAN MASS TRANSPORTATION FUND

Projects Substituted For Interstate System Projects

For payment to the urban mass transportation fund for necessary expenses to carry out the provisions of Section 103(e)(4) of Title 23, United States Code, \$188,000,000, to remain available until expended: Provided, That such amounts as are necessary to carry out highway projects substituted for Interstate System segments may be transferred to the Federal Highway Administration.

This supplemental appropriation is necessary because the Federal-Aid Highway Act of 1976 changes the funding mechanism for projects substituted for Interstate System segments by requiring appropriation action before the funds transferred can be obligated.

(Proposed amendments to pending 1976  
supplemental requests:)

DEPARTMENT OF TRANSPORTATION  
URBAN MASS TRANSPORTATION ADMINISTRATION

URBAN MASS TRANSPORTATION FUND

Budget appendix page	Heading	1976 supplemental request	1976 proposed amendment	1976 revised supplemental request
879	Liquidation of contract authorization	\$100,000,000	\$-14,000,000	\$86,000,000
	(At the end of the para- graph under this heading delete the period and add the following:)			
	<u>: Provided, That such amounts as are neces- sary for highway pro- jects substituted for Interstate System segments may be trans- ferred to the Federal Highway Administration.</u>			

This proposed amendment is necessary to reduce the amount of requested cash to liquidate contract authority because of the reduction in level of available contract authority after enactment of Federal-Aid Highway Act of 1976 and to permit funds to be used for substituted highway projects.

## TITLE IV-GENERAL PROVISIONS

Budget appendix page	Heading	1976 supplemental request	1976 proposed amendment	1976 revised supplemental request
893	(In SEC. 2, immediately after "with obligations", insert " <u>against contract authority</u> "; delete " <u>\$632,000,000</u> " and insert in lieu thereof " <u>\$444,000,000</u> "; and delete " <u>\$475,000,000</u> " and insert in lieu thereof " <u>\$287,000,000</u> ".)			

This amended language reduces the level of the limitation on obligations against contract authority for projects substituted for Interstate System routes to reflect funding changes in the Federal-Aid Highway Act of 1976. With the enactment of this legislation, appropriations are required for all newly substituted projects before funds are available for obligation.

(Proposed 1977 budget amendments)

DEPARTMENT OF TRANSPORTATION

URBAN MASS TRANSPORTATION ADMINISTRATION

URBAN MASS TRANSPORTATION FUND

Budget appendix page	Heading	1977 request	1977 proposed amendment	1977 revised request
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592	<u>Projects substituted for Interstate System projects</u>	---	\$400,000,000	\$400,000,000
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(Add the above heading and the paragraph hereunder immediately after the material under the heading "Administrative Expenses":)

For payment to the urban mass transportation fund for necessary expenses to carry out the provisions of Section 103(e)(4), of Title 23, United States Code, \$400,000,000, to remain available until expended: Provided, That such sums as are necessary to carry out highway projects substituted for Interstate System segments may be transferred to the Federal Highway Administration.

The Federal-Aid Highway Act of 1976 requires the appropriation of funds for projects substituted for Interstate System routes prior to obligation. This amendment provides appropriations for amounts that were reflected in the 1977 budget request as contract authority.

Budget appendix page	Heading	1977 request	1977 proposed amendment	1977 revised request
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592	Liquidation of contract authorization	\$1,510,000,000	\$-69,000,000	\$1,441,000,000
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(In the paragraph under the above heading insert ", as amended," immediately after "1964", delete ", as amended by Public Law 91-453 and Public Law 93-503) and sections 103(e)(4)", insert "section" immediately after "and", insert "and of obligations incurred for projects substituted for Interstate System Segments withdrawn prior to enactment of the Federal-Aid Highway Act of 1976;" immediately after "United States Code;", and delete the period at the end of the paragraph and add ": Provided, That such sums as are necessary to carry out highway projects substituted for Interstate System Segments may be transferred to the Federal Highway Administration.")

This amendment reduces the amount of liquidating cash requested for projects substituted for Interstate System routes and provides for use of these funds for substituted highway projects.

## GENERAL PROVISIONS

Budget appendix page	Heading	1977 request	1977 proposed amendment	1977 revised request
598	(In SEC. 307 insert " <u>against contract authority</u> " immediately after "with obligations", delete "\$575,000,000" and insert in lieu thereof " <u>\$175,000,000</u> ", and delete ", of which not more than \$400,000,000 will be for obligations for the Washington Metropolitan Area Transit Authority".			

This amendment reduces the amount of obligations against contract authority in 1977 and removes the restriction on obligations of Washington Metropolitan Area Transit Authority. An offsetting increase in appropriations is requested for the same activities.