

OCTOBER 20, 1976

## Office of the White House Press Secretary

NOTICE TO THE PRESS

The President has signed S. 64 -- Lincoln National Memorial. This bill provides for the recognition of the States of Alaska and Hawaii at the Lincoln National Memorial, and allows for a one-committee veto of certain actions planned by the Secretary of the Interior.

The President has signed S. 3131 -- Amtrak and ConRail Amendments. This bill authorizes additional appropriations for Amtrak for 1977; amends various provisions of law relating to Amtrak; and increases loan authorities for and makes numerous changes to law affecting ConRail.

S. 3131 will make numerous amendments to current law affecting the rail industry. Title I will apply to the National Railroad Passenger Corporation (Amtrak). Title II will amend laws relating to the Consolidated Railroad Corporation (ConRail), a private corporation which was created from six bankrupt railroads in the Northeast and the Midwest. Title III will authorize studies of Amtrak operations and rail service in the Northeast to be undertaken.

Title I - Amtrak

S. 3131 will authorize total appropriations of \$1.328 billion for Amtrak for fiscal years 1977 and 1978.

S. 3131 will increase the Federal share of Amtrak's operating costs in providing passenger services of direct benefit to a State or local government.

Title II - ConRail

S. 3131 will amend Section 211 (h) to increase the maximum loan authority by \$120 million, from \$230 million to \$350 million. The bill will make Section 211 (h) a revolving fund, rather than the current one-time loan authorization.

The bill will require that funds used for deferred maintenance projects which are advanced to the industry in the form of redeemable preference shares must carry a maximum interest rate no greater than the railroad's rate of return, determined under a formula defined in the bill, but in no event at a rate less than 2 percent.

S. 3131 will eliminate the current requirement that DOT consider the financial viability of a railroad in reviewing its application for the guarantee of obligations, as long as sufficient unencumbered assets exist to adequately secure the obligation. S. 3131 will also restrict the ability of the Secretaries of DOT and the Treasury and the Chairman of the Interstate Commerce Commission (ICC) to designate someone to represent them on the USRA Board of Directors.

Title III - Studies

Title III will require the Department of Health, Education, and Welfare (HEW) to conduct an 18-month study of the effect of waste and sewage disposal by Amtrak along train tracks.

Title III would also call for a 6 month study of rail transportation services on the Delaware-Maryland-Virginia Peninsula.