

APPROVED
SEP 8 - 1966
Statement
Census Report

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

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SEP 3 1966



MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill S. 3700 - Urban Mass Transportation Amendments
of 1966
Sponsor - Sen. Williams (D) New Jersey

Last Day for Action

September 10, 1966 - Saturday

Purpose

1. Extends for two years through 1969 the capital grant authorization under the Urban Mass Transportation Act of 1964.
2. Provides new authority for:
 - a. grants to State and local public bodies for planning, engineering, and designing mass transportation projects
 - b. grants for training fellowships for personnel in the mass transportation field
 - c. grants to educational institutions for comprehensive research and training in mass transportation problems
 - d. a HUD project to prepare a research, development and demonstration program in urban transportation systems and technology.
3. Provides administrative flexibility to exceed under certain circumstances the current 12-1/2 percent limit on grants to any one State.

Agency Recommendations

Bureau of the Budget	Approval
Department of Housing and Urban Development	Approval
Council of Economic Advisers	Approval

Office of Science and Technology
Department of Commerce
Department of the Treasury
Department of Health, Education,
and Welfare
Department of Labor
Interstate Commerce Commission

Approval
No objection
No objection

No objection
No objection
No objection

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Center for
Transportation

Discussion

Increased grant authorization

The Urban Mass Transportation Act of 1964 authorized appropriations for capital grants in the amounts of \$75 million for 1965 and \$150 million per year for 1966 and 1967. In January of this year you requested an additional one-year authorization of \$95 million. Together with \$55 million in unused authority from previous authorization, this would have made \$150 million available for 1968.

S. 3700 increases your authorization request for 1968 by \$55 million and provides an additional \$150 million for 1969. However, we do not expect to recommend appropriations for the full authorized amount.

New planning, research and training authority

S. 3700 provides authority to use capital grant funds to support technical planning and designing of mass transit projects, training fellowships, and research grants to universities. Although the Administration did not request this authority, these activities are generally desirable. They could have been carried out largely, however, under existing HUD programs. Making capital grant funds available for their support will increase the present scope and level of the activities and will reduce funds available for grants for construction.

Special HUD research project

S. 3700 requires that the Secretary of Housing and Urban Development, in consultation with the Secretary of Commerce, undertake a project to prepare a comprehensive research and demonstration program on new systems of urban transportation. The Secretary is required to report his findings and recommendations to the President for submission to the Congress within eighteen months. The project can be funded from the existing mass transportation research and demonstration authorization, but may require a small administrative expense appropriation. The Administration supported this provision of the bill.

The Department of Housing and Urban Development recognizes that S. 3700 goes beyond the new authorization requested by the Administration but believes that the additional capital grant authorization provides desirable flexibility in executive branch decisions and the new research and training programs are generally workable and desirable. The CEA believes the extension and broadened program covered by the bill is desirable. OST believes these amendments will enable the Federal Government to prepare for a much more vigorous and imaginative attack on urban transportation problems.

Wilfred H. Roumel

Assistant Director for
Legislative Reference

Enclosures

RELEASE
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410

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Center for
AUG 31 1966
Transportation

Mr. Wilfred H. Rommel
Assistant Director for
Legislative Reference
Bureau of the Budget
Washington, D.C. 20503

Attention: Mrs. Garziglia

Dear Mr. Rommel:

Subject: S. 3700, 89th Congress
Enrolled Enactment

This is in reply to your request for the views and recommendations of this Department on the enrolled enactment of S. 3700, an Act "to amend the Urban Mass Transportation Act of 1964".

The principal provisions of this enrolled enactment are as follows:

(1) A \$150 million increase in the mass transportation capital grant authority for each of fiscal years 1968 and 1969, with a corresponding \$10 million-per-year increase in the sublimitation for research and demonstration activities.

(2) A new program of grants to public bodies for up to two-thirds of the cost of planning, engineering, and designing urban mass transportation projects and improvements. These grants would be funded through the basic mass transportation grant authorization.

(3) A new program of grants to public bodies to assist in providing graduate-level fellowships for managerial, technical, and professional mass transportation employees. Up to one hundred fellowships could be awarded per year, at an annual cost of up to \$1.5 million, funded from the mass transportation grant authorization.

(4) A new program of grants to nonprofit institutions of higher learning for mass transportation research and training. These grants could total up to \$3 million per year, also funded from the basic mass transportation grant authorization.

(5) A requirement that the Secretary, in consultation with the Secretary of Commerce, undertake a project to study and prepare a

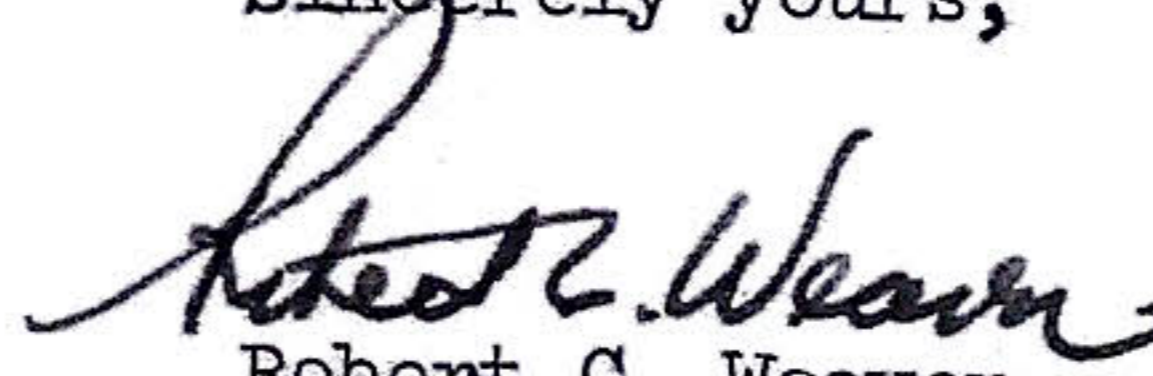
program of research, development, and demonstration of new systems of urban transportation. The Secretary would report his findings and recommendations to the President, for submission to the Congress, within eighteen months. This project would be funded through the regular mass transportation research and demonstration authorization.

(6) An increase in the present limitation on the amount of mass transportation capital grants which may be provided in each State. The proposal would allow States to exceed the present $12\frac{1}{2}\%$ -of-authorization limit by an aggregate amount of $\$12\frac{1}{2}$ million.

This Department recommends approval of S.3700 by the President. Although the enrolled enactment in some respects goes beyond the new authorization requested by the Administration for the urban mass transportation program, we believe that these additional provisions are generally workable and desirable.

Our detailed views on the provision of S. 3700 are contained in the attachment.

Sincerely yours,


Robert C. Weaver

Att.

ATTACHMENT TO DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT REPORT ON THE ENROLLED ENACTMENT OF S.3700

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Center for
Transportation

The grant authorization provided in this bill as enacted is larger than that requested by the Administration (in section 301 of S.2977). However, the need and demand for grants under this program would fully justify the larger amount, if overall needs and priorities permit. The additional authorization would, in our opinion, provide a desirable additional degree of flexibility in Executive Branch decisions.

We believe the proposed grants for engineering and other technical studies would be a highly desirable addition to the urban mass transportation program. We consider it more desirable to fund such project planning activities through matching grants rather than through interest-free advances, as presently authorized to some extent under the section 702 program. The provision of these grants, out of the basic mass transportation grant authority, would greatly facilitate assistance to local mass transportation activities in a timely and useful fashion.

The new programs of grants for managerial training fellowships and for research and training in urban transportation could, with modest funding, provide badly-needed additional information and trained personnel in the urban transportation field. A number of problems would have to be worked out regarding these programs. These include their relationship to other Federal programs, including this Department's program of training grants to States under title VIII of the Housing Act of 1964. However, the proposed new specialized program, funded through the basic urban mass transportation authority, might well provide much-needed additional Congressional support for Department research and training efforts.

The proposed project to study and prepare a program relating to a new systems of urban transportation is substantially the same as the proposal on which we reported favorably, with Bureau of the Budget concurrence, in connection with H.R. 9200, a bill introduced earlier this year by Representative Reuss. We consider this proposal to be of great possible significance and hope to be able to start work on it in the very near future.

The proposed increased State limitation on capital grants is primarily a matter for the Congress to decide. We would have no objection to the proposed minor liberalization. It should be noted that the additional capital grant authorization proposed in this bill would also substantially increase the limit on grants in any one State. The $12\frac{1}{2}\%$ limitation would apply immediately to the entire new authorization, even though all of it is for future years.

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

August 31, 1966

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Transportation

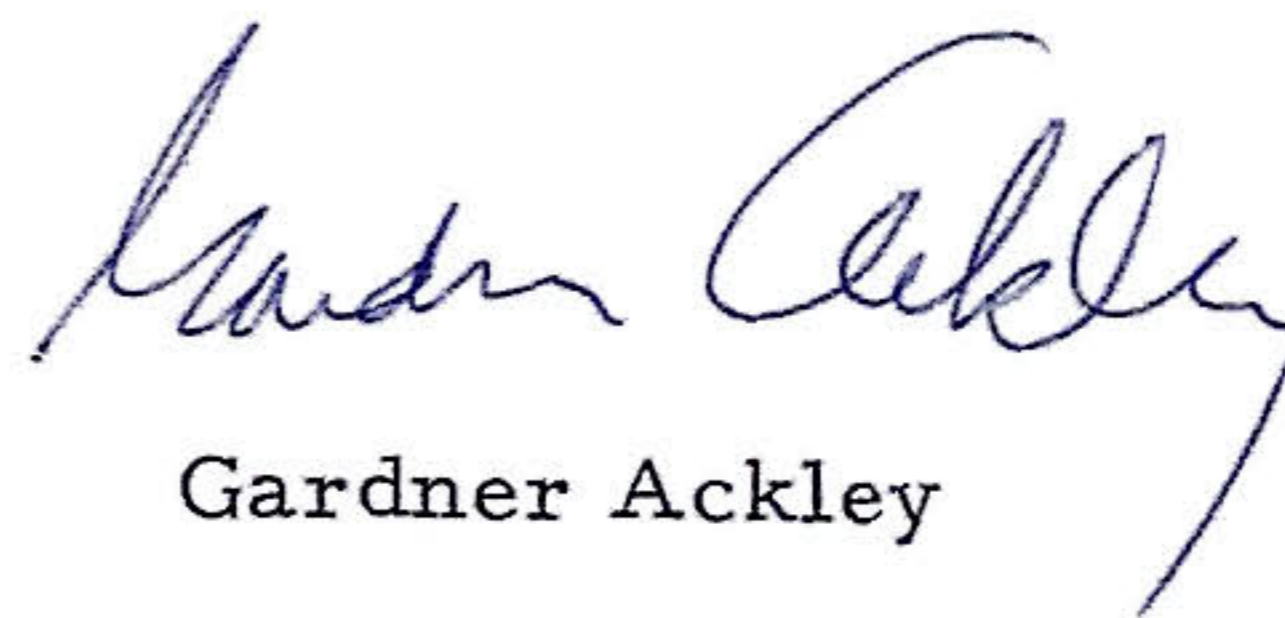
Dear Mr. Rommel:

This is in response to your request of August 29, 1966 for the views of the Council of Economic Advisers on Enrolled Bill S. 3700, a bill "To amend the Urban Mass Transportation Act of 1964."

The bill would continue to provide funds for fiscal 1968 and 1969 at the same level as fiscal 1967, namely \$150,000,000 per year. In addition, the amount available for research, development and demonstration grants is increased from \$30,000,000 to \$40,000,000 on July 1, 1967 and to \$50,000,000 on July 1, 1968. The bill also provides grants for technical studies, managerial training programs, and research and training which we feel can make important contributions to the future resolution of many of our urban transport problems.

In the Council's judgment, the extension and broadened program covered by the amendment is desirable. We therefore recommend that the measure be signed by the President.

Sincerely,



Gardner Ackley

Mr. Wilfred H. Rommel
Assistant Director for
Legislative Reference
Bureau of the Budget
Washington, D. C.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF SCIENCE AND TECHNOLOGY
WASHINGTON, D.C. 20506

August 30, 1966

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Center for
Transportation

MEMORANDUM FOR

Wilfred H. Rommel, Assistant Director for Legislative
Reference, Bureau of the Budget

SUBJECT: Enrolled Bill S 3700

The Office of Science and Technology recommends support of enrolled bill S 3700. In addition to extending present authorization levels for two more years, it provides authority for a modest amount of training, grants to colleges and universities for comprehensive research, and preparation of a new R&D and demonstration program for presentation to Congress. These amendments will enable the Federal Government to prepare for a much more vigorous and imaginative attack on urban transportation problems.

D. F. Hornig
Donald F. Hornig
Director

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SEPTEMBER 8, 1966



GENERAL COUNSEL OF THE DEPARTMENT OF COMMERCE
WASHINGTON, D.C. 20230



SEP 2 1966

Honorable Charles L. Schultze
Director, Bureau of the Budget
Washington, D. C. 20503

Dear Mr. Schultze:

This is in reply to your request for the views of this Department concerning S. 3700, an enrolled enactment

"To amend the Urban Mass Transportation Act of 1964."

The enrolled enactment would extend for two additional years the authorization for capital grants under the Urban Mass Transportation Act of 1964; would authorize the Secretary of Housing and Urban Development to make grants to public bodies to provide fellowships in mass transportation studies; and would authorize the Secretary of Housing and Urban Development to make grants to State and local public agencies for technical studies in urban mass transportation, and to public and private non-profit institutions to assist them in establishing or carrying on research programs in the problems of transportation in urban areas. The bill would also authorize the Secretary of Housing and Urban Development, in consultation with the Secretary of Commerce, to undertake a research, development and demonstration program on new systems of urban transportation. Finally, the enrolled enactment would authorize the Secretary of Housing and Urban Development to make supplementary grants to States in certain cases notwithstanding the existing limitation that grants to any State shall not exceed 12 1/2% of the aggregate amount of grants authorized.

The Department of Commerce would interpose no objection to approval by the President of S. 3700.

Enactment of this legislation will require no increase in appropriations to this Department.

Sincerely,

Robert E. Giles
General Counsel

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THE GENERAL COUNSEL OF THE TREASURY
WASHINGTON, D.C. 20220

SEP

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Center for
Transportation

Sir:

Your office has requested the views of this Department on the enrolled enactment of S. 3700, "To amend the Urban Mass Transportation Act of 1964."

The enrolled enactment would extend the urban mass transportation program for two years by authorizing appropriations of \$150 million for each of the fiscal years 1968 and 1969. The enrolled enactment would also authorize grants for technical studies, managerial training programs, and research and training in urban transportation problems; and would direct the Secretary of Housing and Urban Development, in consultation with the Secretary of Commerce, to study and prepare a program of research, development, and demonstration of new systems of urban transportation.

The Department would have no objection to a recommendation that the enrolled enactment be approved by the President.

Sincerely yours,

Fred B. Smith
General Counsel

The Director

Bureau of the Budget

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SEP 1 1966

Eno
Center for
Transportation

Dear Mr. Schultze:

This is in reply to Mr. Rommel's letter of August 29, 1966, transmitting a copy of enrolled bill S. 3700, "To amend the Urban Mass Transportation Act of 1964", and requesting an expression of our views relative to this legislation.

We have no objection to the approval of this bill from the standpoint of the interests of this Department, but we defer to the views of the Department of Housing and Urban Development on the merits of the bill.

Sincerely,



Under Secretary

Honorable Charles L. Schultze
Director, Bureau of the Budget
Washington, D. C.

U. S. DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

SEP - 1 1966

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Center for
Transportation

Honorable Charles L. Schultze
Director, Bureau of the Budget
Executive Office of the President
Washington, D. C. 20503

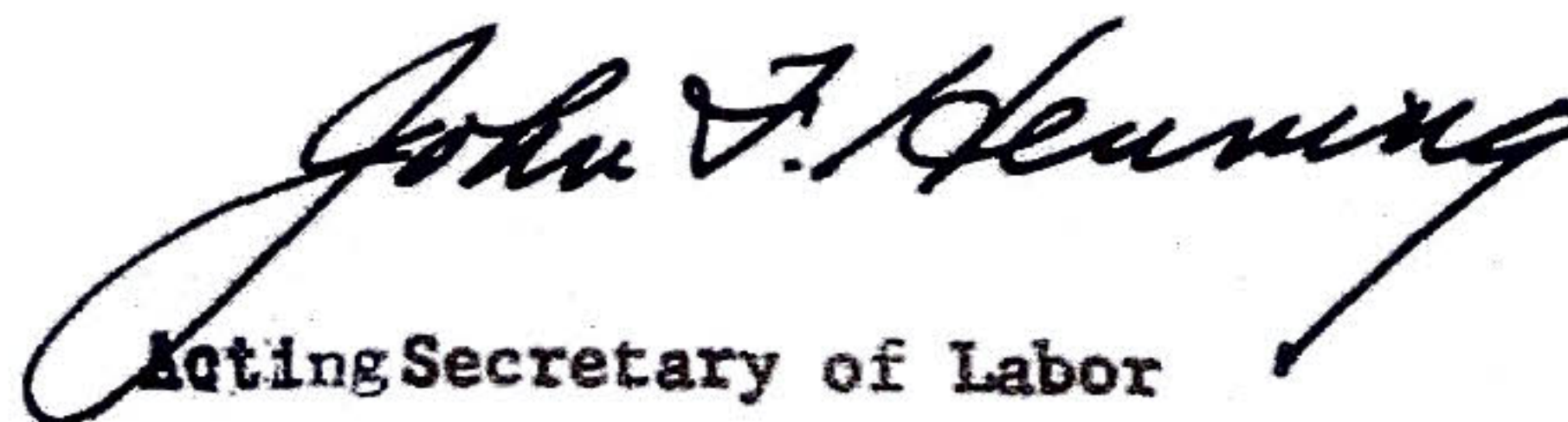
Dear Mr. Schultze:

This is in response to Mr. Rommel's request for a report on the enrolled enactment of S. 3700, an Act "To amend the Urban Mass Transportation Act of 1964."

S. 3700 extends the regular grant program under the Act through fiscal year 1969 at the same \$150,000,000 level and extends the research and demonstration grant program through fiscal year 1968, increasing the authorized funds from \$30,000,000 in 1966 to \$40,000,000 in 1967 and \$50,000,000 in 1968. In addition, S. 3700 authorizes funds for grants for certain technical studies, managerial training, and for research and training in urban transportation problems.

The Department has no objection to these amendments.

Sincerely,


Acting Secretary of Labor



OFFICE OF THE CHAIRMAN

Interstate Commerce Commission
Washington 25, D.C.

September 1, 1966

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Center for
Transportation

Mr. Wilfred H. Rommel
Assistant Director for Legislative Reference
Bureau of the Budget
Washington, D. C. 20503

Dear Mr. Rommel:

This is in response to your letter of August 29, 1966, requesting our comments on the enrolled bill, S. 3700, "To amend the Urban Mass Transportation Act of 1964."

Section 1 of S. 3700 would (a) extend the authorization in section 4(b) of the Urban Mass Transportation Act for three years, and (b) extend and increase the authorization in section 6(b) of such Act.

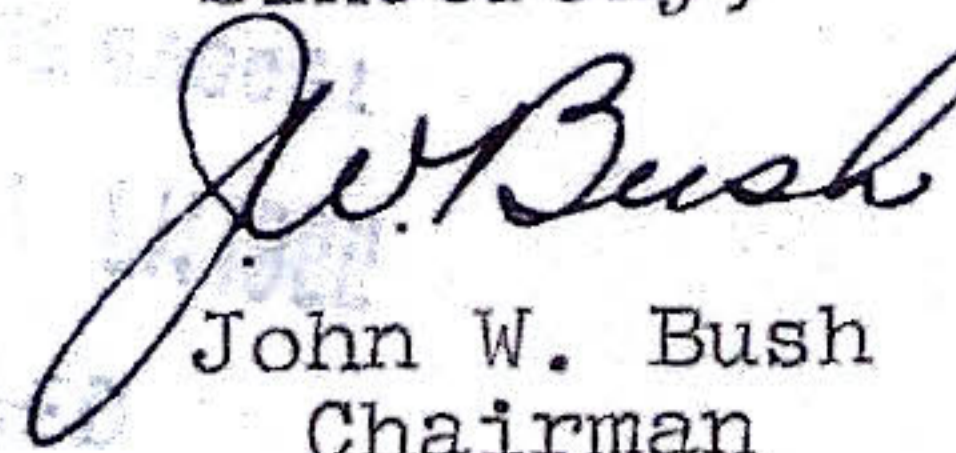
Section 2 of the bill provides assistance for certain technical studies and training programs. It provides grants for technical study, grants for managerial programs, and grants for research and training in urban transportation problems.

Section 3 of the bill authorizes research, development, and demonstration projects of new systems of urban mass transportation.

Section 4 of the bill amends section 15 of the Act, authorizing the Secretary to enter into contracts and grants under section 3 of the Act, which do not exceed \$12,500,000, with local public bodies and agencies in States where more than two-thirds of the maximum grants permitted in the respective State under this section has been obligated.

These amendments to the Urban Mass Transportation Act of 1964 do not affect the jurisdiction of the Interstate Commerce Commission, and we do not have any objection to the enactment of the enrolled bill S. 3700.

Sincerely,


John W. Bush
Chairman