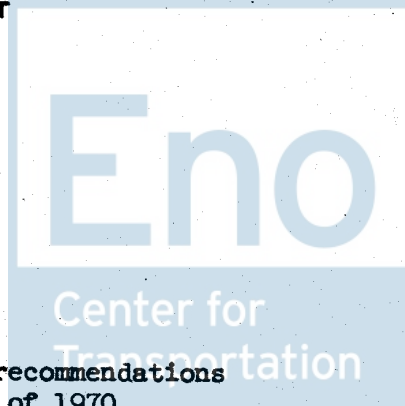


EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503



MEMORANDUM FOR MR. EGIL KROGH

Subject: Summary of DOT, OMB, and Domestic Council recommendations on H.R. 19504, the Federal-aid Highway Act of 1970

Per your request, following is a summary of the recommendations of DOT, OMB, and the Domestic Council staff on each provision of H.R. 19504, the Federal-aid Highway Act of 1970 as expressed at the November 3 meeting. Recommendations for action to be taken when the House considers H.R. 19504 are given. These are the most urgent since the House is expected to take up H.R. 19504 on November 17 or 18.

1. Interstate Authorization Amounts

DOT - in conference, support authorizations which are closest to Administration request (i.e., the Senate bill). Recommended ~~against floor amendment~~ to reduce the higher House amounts since the amendment would most likely be defeated and would hurt our conference position. However, one possibility would be to encourage a few members to make speeches opposing the higher authorizations without offering any amendment to reduce them.

OMB - In the October 15th memo from Mr. Weinberger, OMB's recommendation was to amend the bill from the floor to seek the Administration request since the Senate bill is \$750M higher than the request. However, at the November 3 meeting, OMB deferred to DOT and Domestic Council's assessment of the political ramifications and tactics with regard to the conference.

Domestic Council - agreed with DOT position.

2. Extension of time for completing the Interstate System

DOT, OMB, Domestic Council - agreed that action on this item must conform with action on item #1 above.

3. Authorization amounts for other highway programs

DOT - recommended use of the same tactics as for item #1--Interstate authorizations. In conference, support those provisions which are closest to the Administration's requests. For the House action, it would be advisable to have several members give speeches opposing the higher amounts without offering amendments to reduce them.

OMB - In the October 15 memo, OMB recommended floor amendment to delete authorizations for Parkways (\$112M) and Additional Interstate (\$110M). At November 3 meeting, DOT indicated that the Baltimore-Washington Parkway authorization was particularly important to Representative Fallen and chances of eliminating this item were very small. In light of this, OMB did not further press the point.

Domestic Council - agreed with DOT position.

4. Establishment of a new Federal-aid Urban Highway System

DOT - Recommended seeking a compromise in conference. DOT sees no chance of defeating this section by floor amendment in view of solid committee support. DOT prefers Senate version, except it wants to retain separate TOPICS funding.

OMB - In October 15 memo, OMB recommended floor amendment to eliminate this section. At November 3 meeting, OMB accepted DOT-Domestic Council assessment that it would be difficult to obtain meaningful political support of the public works committee, and that the House would be likely to vote down any amendment proposed by a member not on the committee. In view of this, OMB agrees with DOT preference for Senate version if amended to provide separate TOPICS program funding.

Domestic Council - agrees with DOT position.

5. (a) Prohibiting impoundment or diversion of highway trust funds

DOT - opposes in principle, but can live with this as a "sense of Congress" provision.

OMB - In October 15 memo, OMB recommended deletion of the "sense of Congress" provision even though it can be ignored in practice. At November 3 meeting, OMB did not press for floor deletion since DOT assessment was that politically it was not worth the fight. OMB thinks it would be possible to fight this in conference.

(b) Prohibiting expenditure of highway trust funds by any agency other than the Federal Highway Administration (FHWA)

DOT - fight this provision in conference.

OMB - In October 15 memo, OMB recommended deletion of this section. At November 3 meeting, OMB agreed that DOT position to fight in conference achieved this end.

Domestic Council - agreed with DOT position.

6. Increase Federal cost share to 70%

DOT - fight in conference. Encourage speeches in the House against this provision, but no floor amendment.

OMB - In October 15 memo, recommended deleting this section. OMB agreed that DOT's suggested tactics achieved the goal.

Domestic Council - agreed with DOT position, with recommendation that speeches specifically refute the arguments of the proponents for this change.

7. Emergency relief

DOT - propose a floor amendment to limit the amount of funds which can be used to repair bridges in imminent danger of collapse.

OMB, Domestic Council - agreed with DOT position.

8. TOPICS program modification

DOT - support Administration position in conference by drawing from the most desirable provisions of both bills.

OMB, Domestic Council - agreed with DOT position.

9. Equal opportunity training

DOT - work in conference for Senate version with minor amendment.

OMB - agreed with DOT position for present.

Domestic Council - agreed.

10. Public transportation

DOT - work in conference for Senate version.

OMB, Domestic Council - agreed

11. Virgin Islands Highways

DOT - work for Senate version in conference.

OMB, Domestic Council - agreed

12. FHWA reorganization

DOT - Support provision with amendments to limit the increase in the Highway Administrator's pay level to the present incumbent, and to eliminate Senate confirmation of the Deputy Administrator.

OMB - In October 15 memo, OMB recommended deleting this section. At November 3 meeting, OMB did not press the point in view of DOT's proposed amendments and their strong views favoring this section.

Domestic Council - agreed with DOT

13. National Highway Institute

DOT - Supports this provision.

OMB - Questioned the need for and cost of this Institute.

Domestic Council - recommended that this section be opposed if it can be done without using too much political capital. DOT agreed.

14. Markland Dam - (\$3.76M authorization)

DOT - Would not oppose since it is of special interest to Congressman Gene Snyder (R) of Kentucky.

OMB, Domestic Council - agreed

15. Replacement housing

DOT, OMB, Domestic Council - Support

16. Alaska Highway

DOT - support recognizing that Canada has no interest in participating.

OMB, Domestic Council - agreed with DOT.

17. Future Federal-aid Highway Program

DOT - would not oppose this provision but would prefer Senate bill which gives no direction on Highway Needs Report content and gives DOT until January 1973 (vs. 1972 in House bill) to submit the next Estimate of Cost to Complete the Interstate System. DOT would prefer the extra time to formulate specific plans and to avoid debate in a Presidential election year. However, House may fight strongly for its traditional position of considering major highway program modifications in even-numbered years.

OMB, Domestic Council - Agreed that deferring major recommendations to late 1972 or early 1973 would be desirable, and that the section of the House bill directing certain recommendations in the 1972 Report should be fought in conference.

18. Highway Beautification authorizations

DOT - encourage speeches in the House supporting Administration position, but no floor amendments. Work for Senate version in conference.

OMB, Domestic Council - agreed

19. Highway Beautification Commission

DOT - would not oppose if Administration position on item 18 was successful in conference.

OMB, Domestic Council - agreed

20. Elimination of certain segments of the Interstate System from eligibility for 90-10 funding if not scheduled by January 1973.

DOT - work for improved provision in conference

OMB, Domestic Council - agreed

21. Highway Demonstration projects

DOT - no problem. Supports this provision.

OMB, Domestic Council - agreed

22. Economic growth center development highways

DOT - opposes this provision. Use strategy that Administration currently has the entire economic development policy under review and try to have Representative Don Clausen (the author of this provision) withdraw it when the bill reaches the floor. He can give the reason that he was able to convince the Administration to take a serious look at this problem.

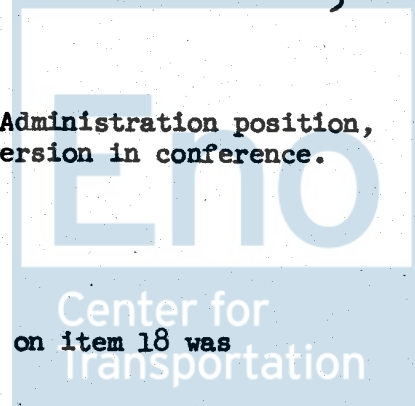
OMB, Domestic Council - agreed with DOT's position and strategy.

23. District of Columbia provision

DOT - remain neutral in the House debate since both sides have very strong emotional viewpoints and nothing would be gained by further stiffening the backs of the members.

OMB - In the October 15 memo, OMB had recommended deleting this section. However, this could be achieved in conference. OMB deferred to DOT and Domestic Council on tactics.

Domestic Council - Agreed that Administration position should not encourage further solidification of extreme positions. Tactics for the conference should be developed.



24. Toll Roads

DOT - does not oppose

OMB, Domestic Council - agreed

25. Highway project priorities for airports

DOT - prefers House version as it requires only that priority for airport access be considered. Work for House version in conference.

OMB, Domestic Council - agreed

26. Highway safety provision

DOT - support Administration bill. In House, seek committee amendment or floor amendment for 3 changes as follows: (1) delete prohibition against new standards after December 31, 1970, without statutory approval, (2) permit section 403 funds to be available for year of appropriation and two years thereafter, and (3) eliminate provision which legislatively splits the standards and authorizations between FHWA and the National Highway Safety Bureau. Work in conference for trust fund financing of the highway safety authorizations and oppose the House added authorizations for High Hazard Location Elimination.

OMB, Domestic Council - agreed

27. Bridge Replacement

DOT - work for compromise/ⁱⁿconference. Specifically, work for House version which sets minimum and maximum percentages of regular authorizations but reduce the matching share from 90% (in House bill) to 75% (the Senate bill).

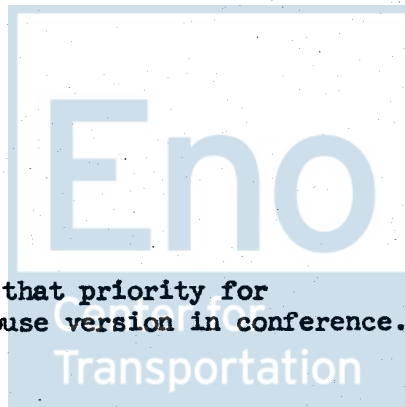
OMB - In October 15 memo, OMB recommended that the House version with an amendment to set the matching ratio at 50-50 be sought. DOT did not believe that it would be possible to get a favorable House vote on such an amendment, in view of strong committee support for its matching ratio. OMB deferred to judgment of DOT and Domestic Council on assessment of political situation.

Domestic Council - agreed with DOT

28. Elimination of Highway-Railroad Grade Crossings

DOT - oppose this provision (except for the Boston-Washington corridor demonstration project which has Administration support) in conference.

OMB, Domestic Council - agreed



At the conclusion of the meeting, all parties agreed that provisions of the Senate bill (S. 4418) and strategy for the conference action should be discussed at a future meeting after the results of House action were known. Accordingly, final decisions on positions to be taken with the conference will be made later.



Donald B. Rice
Assistant Director



Center for
Transportation