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THE WHITE HOUSE

June 18, 1970



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MEMORANDUM FOR JOHN D. EHRLICHMAN

FROM:

HENRY C. CASHEN II

SUBJECT:

TRANSPORTATION POLICY and ISSUES

DEVELOPMENT

1. Completion and promulgation of a National Transportation Policy Statement. This statement is being developed in accordance with the President's request and in implementation of Section 3 of P. L. 91-258 (the Airport and Airway Development Act). Hopefully, it will provide an up-to-date framework for transportation policy-making.

- 2. An assessment of transportation financing, public and private. Neither the public nor private facets of transport financing have been reviewed recently with a view to anticipating present and future needs and defining, where necessary, new financing mechanisms. From the public side, the trust fund technique will be reassessed, with emphasis on the Highway Trust Fund. The prospect of incorporating the separate funds into a single Transportation Trust Fund will receive priority attention. Concurrently, DOT plans to appraise the private commercial transportation sector. Here the objective will be to identify financial requirements for the 1970's, to evaluate the adequacy of existing financial arrangements for meeting these needs, and to consider possible new financing techniques. (Charlie Baker and Dick Barber have the lead).
- 3. A total reassessment of transportation planning. Past Federal transportation planning has been oriented almost exclusively to highway development. DOT hopes to mark out new approaches to the planning function, taking into account the entire range of transportation and marking out a somewhat larger role for the States and local communities in carrying out the planning task.

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One aim will be to relate transportation more effectively to urban development; another will be to provide States and cities with greater flexibility in their use of Federal transportation funds.

- 4. A broadened Alcohol Countermeasures Program will be developed.
- 5. A total environmental strategy for the Department, incorporating the various modal programs, will be put into effect.
- 6. The National Rail Passenger Corporation will probably begin operation early in 1971, on the assumption that the House completes action on the legislative program that the Senate passed in May. While the principal responsibility for the rejuvenation of intercity rail passenger service will be that of the Corporation, a quasi-public body, the Department inevitably will be involved in an oversight and planning role in the critical early stages of the Corporation's operations.

cc: Ken Cole