

THE WHITE HOUSE  
WASHINGTON  
August 13, 1983

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PLEASE DACOM IMMEDIATE FOR

THE PRESIDENT  
via Craig Fuller

FROM: RICHARD G. DARMAN

8/15

Per CLF - ! signed



THE WHITE HOUSE

WASHINGTON

August 13, 1983

MR. PRESIDENT:

Attached for your approval is H.R. 3329 -  
Department of Transportation and Related  
Agencies Appropriation Bill, 1984.

Among Departments: OMB and the Department of  
Transportation recommend approval. Other affected  
agencies concur.

The Office of Personnel Management objects to  
language in the bill prohibiting changes to  
personnel regulations but would not recommend  
disapproval.

Among White House Offices: Ken Duberstein and  
the Offices of Policy Development and Public  
Liaison recommend approval. Fred Fielding  
and the Office of Intergovernmental Affairs have  
no objection.

LAST DAY FOR ACTION: August 17

Richard G. Darman



Bill Sgd. in New Orleans, LA



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

APPROVED  
AUG 15 1983

AUG 11 1983

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 3329 -- Department of Transportation and Related Agencies Appropriation Bill, 1984  
Sponsor: Rep. Whitten (D.-Miss.)

Last Day For Action

August 17, 1983

Purpose

Provides spending authority totaling \$25,752 million for the Department of Transportation and Related Agencies.

Agency Recommendations

Office of Management and Budget	Approval
Department of Transportation	Approval (informally)
Office of Personnel Management	Objection to the language prohibiting changes to personnel regulations but would not recommend veto
Other affected agencies	Approval (informally)

Summary of Congressional Action

	(in millions of dollars)		
	<u>Administration Request</u>	<u>Enrolled Bill</u>	<u>Congressional Change</u>
Annually funded programs:			
Budget Authority.....	10,501	10,531	+30
Obligation limitations.	14,612	14,778	+166
Subtotal, Annually funded programs.....	25,113	25,309	+196
All other essentially non-discretionary programs.....	412	443	+31
	=====	=====	=====
Total Spending Authority.....	25,525	25,752	+227



## Highlights

This enrolled bill, the Department of Transportation and Related Agencies Appropriation Act, 1984, limits Congressional increases in annually funded programs to \$30 million for budget authority and \$166 million for obligation limitations.

The following table shows -- by major bureau and program -- congressional action on this bill.

	(in millions of dollars)		
	<u>Administration Request</u>	<u>Enrolled Bill</u>	<u>Congressional Change</u>
<u>Annually Funded Programs</u> (including obligation limitations):			
Federal Highway Administration (FHWA)...	12,642	12,606	-36
Federal Railroad Administration (FRA)....	829	898	+69
Urban Mass Transportation Administration (UMTA)...	3,765	4,243	+478
Federal Aviation Administration (FAA)....	4,737	4,446	-291
Coast Guard.....	2,283	2,248	-35
Other DOT bureaus.....	251	271	+20
Related Agencies.....	606	597	-9
Subtotal.....	<u>25,113</u>	<u>25,309</u>	<u>+196</u>
<u>All other essentially non-discretionary programs...</u>	412	443	+31
	=====	=====	=====
Total.....	25,525	25,752	+227

## The Credit Budget

	(in millions of dollars)		
	<u>Administration Request</u>	<u>Enrolled Bill</u>	<u>Congressional Change</u>
<u>Credit limitations:</u>			
Direct loans.....	30	30	---
Guaranteed loans.....	0	20	+20

The enrolled bill provides a limitation on new guaranteed loans of \$20 million, as opposed to your request that no new guaranteed loans be made for 1984. This \$20 million guaranteed loan

limitation is for the FRA's railroad improvement program that serves as a funding mechanism to support financing of new rail facilities and rehabilitation of existing facilities.

### Discussion

This bill has come a long way toward acceptability to the Administration since it was first approved by the House Transportation Subcommittee. The bill that passed the House was \$920 million over your request and replete with objectionable language provisions. Throughout the House consideration of H.R. 3329, the Office of Management and Budget and the Department of Transportation made clear the Administration's position that the bill was unacceptable.

The Senate improved upon the House version of the bill and moved it in the direction of fiscal restraint. During Senate consideration of the bill, \$743 million of the \$920 million overage passed by the House was deleted. As a result, the spending authority provided by the Senate-passed version of the bill was within \$177 million of your request.

Before the House and Senate went to Conference Committee on the Transportation bill, it was agreed that if the conferees could keep the bill within \$200 million of your request for annually funded programs, the Office of Management and Budget would recommend that you sign it. The Conference Committee met the goal by reporting a bill that is \$196 million over your request.

The bill, as reported by the Conference Committee, is a mixture of increases and decreases to your request. This is demonstrated in the funding table above.

The enrolled bill contains excessive funding for mass transit formula grants. Although it is \$415 million more than your request of \$1.9 billion, it is \$100 million less than the increase provided in the House bill. The bill also fails to "cap" transit operating subsidies at the \$275 million level.

The enrolled bill also provides \$800 million for FAA airport grants, which exceeds your request by \$100 million but is preferable to the House figure of \$900 million.

Other major increases over your request include \$125 million for UMTA discretionary grants and \$54 million for Amtrak. The conference bill reduces your request for the Federal-aid highways obligation limitation by \$80 million, a nominal reduction that constitutes only 0.6% of the program level.

Other large decreases to your request include \$85 million for the interstate transfer program, \$118 million for FAA operations, and \$250 million for FAA facilities and equipment. In addition to stating that the Department can operate

effectively within the congressional levels, Secretary Dole also has specifically indicated that the reduced funding levels will not seriously affect the FAA capital modernization effort in 1984.

The Conference Committee deleted from the bill a provision that would have established an Airline Deregulation Study Commission. In a letter dated July 21, 1983, the Office of Management and Budget objected to the establishment of such a commission inasmuch as studies of airline deregulation are presently underway in both Houses of Congress and the Civil Aeronautics Board.

The enrolled bill includes several language provisions that we hoped would be deleted in conference. These provisions:

- place a moratorium on future FAA facility closures and consolidations until December 1, 1983, and require the FAA to provide detailed plans to the appropriate congressional committees regarding future proposed closings or consolidations; and,
- provide extensive earmarking of funds for "place-named" projects throughout the conference report language (e.g., airport grants, mass transit new starts, and Interstate substitutions).

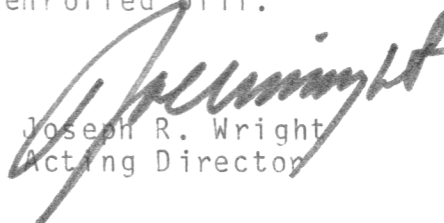
In addition, during Senate consideration of the Conference Report, language was added by a vote of 75-18 that would prohibit the implementation, administration, or enforcement of OPM's proposed regulations until October 15, 1983. These regulations would increase emphasis on employee performance for within-grade pay increase and reduction-in-force decisions, give guidance to agencies on negotiable labor relations matters, and adjust limits for overtime pay. The Administration has objected to similar provisions in other appropriation bills and continues to find this language objectionable.

#### Recommendation

Although the OPM provision is objectionable, an enrolled bill has been presented to you that is generally consistent with the Administration's request, and meets the criteria for acceptability expressed prior to conference action.

I recommend that you sign the enrolled bill.



  
Joseph R. Wright  
Acting Director