



DEPARTMENT OF
TRANSPORTATION

NEWS

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STATEMENT BY SECRETARY OF TRANSPORTATION CLAUDE S. BRINEGAR ON THE HOUSE
PASSAGE OF HR 9142 (REGIONAL RAIL REORGANIZATION ACT OF 1973)

Secretary of Transportation Claude S. Brinegar issued the following
statement on House action, Thursday, on HR 9142, commonly referred to as
the Northeast Rail Bill:

The failure of the House yesterday to accept vital amendments to the
Northeast Railroad Bill leaves this significant legislation imposing a
far too expensive and unnecessary burden on the nation's taxpayers. It
is also a potential windfall for the creditors of the bankrupt railroads.
I note that the stock of Penn Central has gone up 60 percent in a day and
a half.

It is regrettable that such suggested corrective amendments were not
adopted to protect the taxpayers in the nation from having to pay excessive
labor and acquisition costs. Unless the Senate is prepared to address these
problems, I will be unable to recommend such legislation to the President.

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