

U. S. Department of Transportation news:



Office of Assistant Secretary for Governmental and Public Affairs

Washington, D.C. 20590

STATEMENT BY SECRETARY OF TRANSPORTATION BROCK ADAMS ON EMERGENCY RAIL SERVICES ACT OF 1970 APPLICATION, WASHINGTON, D.C., MAY 22, 1979

The Department of Transportation received this afternoon an application from the Milwaukee Railroad for \$20 million in federal financial assistance under provisions of the Emergency Rail Services Act of 1970.

The money would be used to continue operation of the railroad in whatever form the court orders. The bankruptcy court is expected to make a decision soon with regard to a petition by the Milwaukee trustee, Stanley E. G. Hillman, to stop service on 7,400 miles of the railroad's lines.

In his application, Hillman said the money would be used solely for the purpose of augmenting working capital for the payment of wages and other costs. DOT will expedite the processing of the application for a federal guarantee as rapidly as possible, and we expect to reach a decision shortly.

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