

Suggested Statement for
Secretary Dole
February 23, 1983

I would like to take just a moment to clarify an issue that came up this morning with regard to transit funding.

At the time hearings were held on the pending gasoline tax legislation, late last year, Secretary Lewis advised members of the Committee that the authorization levels for public transit operating assistance as outlined in that legislation would have to be revisited during development of the fiscal 1984 budget. He was referring to specific funding levels to be recommended, not to any anticipated revision of transit authorization levels in the budget itself which, as I have indicated, are consistent with the Administration's position to increase capital investments and phase-out operating subsidies.

On a related matter, let me say that we appreciate the validity of Mr. Coughlin's comments, that capital funds be made available to transit authorities for some capital-type maintenance expenditures. The Surface Transportation Assistance Act authorizes the availability of funds from the Section 9 formula block grant program for that purpose. Specifically, funds are available for capital maintenance items which cost one percent or more of the current value of the bus or rail car for which they are used. There is additional precedent in this area, for the training of maintenance personnel, for example, and we would be willing to explore any other possibilities for improving or extending the life of capital equipment.