



NEWS

June 30, 1995

CONTACT: GREG DAVY/JIM SMART
MTA PRESS RELATIONS
(213) 244-7048, 244-6347
FOR IMMEDIATE RELEASE

HOUSE TRANSPORTATION BILL RECOMMENDS \$125 MILLION FOR METRO RAIL CONSTRUCTION; OPERATING ASSISTANCE WOULD BE CUT NEARLY IN HALF

The House Appropriations Committee today recommended that MTA receive \$125 million in federal assistance for future Metro Rail construction for FY 1996, while also approving a 44 percent nationwide cut in transit operating assistance.

"We of course are pleased that the House has recognized Los Angeles County's transportation needs, and thank the committee for recommending that we receive the funds," said incoming MTA Board Chairman Larry Zarian, a Glendale city councilman. "But the rest of the recommendations send Southern California a clear message: We must remain ever-vigilant in our efforts to cut costs, improve efficiency and find other funding sources. We must have public transportation to keep our economy healthy."

Operating assistance would take an even larger cut than originally anticipated. The 44 percent reduction would mean MTA would lose approximately \$17 million in operating assistance.

The House Appropriations Committee recommendation also includes \$8 million for the Gateway Intermodal Transit Center and continuance of the Advanced Technology Transit Bus research project.

The recommendation also keeps intact the federal match of 80 percent federal and 20 percent local funds for the purchase of new buses.

"The people of Los Angeles have twice voted to tax themselves by the passage of Propositions A and C, and entered into a contract with the federal government to build a rail system for this region into the 21st century," Zarian

(MORE)

HOUSE RECOMMENDATIONS

Page 2

said. "We have been working with our congressional representatives to demand that Congress honor its commitment. In light of the current budget-cutting mood, we are pleased that the House appears to have seriously considered our needs."

"We are especially concerned about the proposed nationwide cut in operating assistance," said Franklin E. White, MTA's chief executive officer. "We had projected a 30 percent cut in our proposed budget for FY 1996. If Congress sustains this level of cutbacks, it could seriously affect our service levels or require us to face the painful possibility of increasing fares."

The Senate Appropriations Committee is scheduled to consider the FY 1996 budget later this summer.

#

