



NEWS

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MTA BOND ISSUANCE BILL GOES TO GOVERNOR FOR SIGNING; WOULD TRIPLE RED LINE BONDING CAPABILITY

A bill that would effectively triple MTA's bond issuance capability to help fund construction of the Metro Red Line subway project has cleared the State Senate.

The bill, SB 1231, sponsored by Sen. Art Torres (D-Los Angeles), has been forwarded to Gov. Pete Wilson for signature.

"The MTA initial bonding cap of \$300 million for use specifically on the Red Line project was established in 1985," said Edmund D. Edelman, MTA Chairman and a Los Angeles County Supervisor. "This bill will provide us up to \$900 million to fund construction of the entire Red Line project up to the North Hollywood area."

"This bill is meant to eliminate the bonding cap to avoid possible construction delays in the development of the Red Line to North Hollywood, as well as other important rail projects such as Red Line East Side and Blue Line extension to Pasadena," said Sen. Torres. "SB 1231 will make available local sales tax revenues for use on these high priority projects and other important needs of bus and rail transit in Los Angeles County."

"Passage of Senator Torres's bill will give the MTA much needed flexibility in the use of local tax revenues," MTA Chief Executive Officer Franklin White noted. "It will help the cause of both the bus and rail systems, which depend on each other to provide an integrated transportation network."

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