DATE: October 7, 1997

TO:

MTA BOARD OF DIRECTORS AND ALTERNATES

FROM:

GISSELLE ACEVEDO-FRANCOM

Today, October 7, a House-Senate conference committee agreed to provide \$61.5 million in FY 1998 funding for MTA's Metro Rail Red Line MOS-3 project. The conference committee was charged with reconciling the differences between the House- and Senate-passed versions of the FY 1998 Transportation Appropriations legislation. The House bill had recommended \$76 million for MOS-3; the Senate's provided \$51 million.

The conference agreement is accompanied by report language which:

- Requires that \$24 million of the \$61.5 million be available for the Eastside Extension of MOS-3;
- Makes the availability of the \$61.5 million conditional on the following:
  - The LACMTA produces a financially constrained rail recovery plan which complies with the consent decree for enhanced bus service;
  - ◆ The FTA conducts a final review and accepts the plan and certifies to the House and Senate Committees on Appropriations that the fiscal management of the project meet or exceed accepted US government standards;
  - ♦ The General Accounting Office and the Department of Transportation's inspector general conduct an independent analysis of the plan and provide such analysis to the House and Senate Committee on Appropriations within sixty days of FTA accepting the plan;
  - ♦ The House and Senate have concluded their review of the analysis within sixty days of the transmittal of the analysis to the Committees; and
  - ♦ The FTA has re-negotiated parts 1A and 1B of the MOS-3 full funding grant agreement.

The conference report also earmarked \$10 million to continue research on the Advanced Technology Transit Bus (ATTB) program. Both the House of Representatives and the Senate must now approve the FY 1998 Transportation Appropriations conference report before it is sent to President Clinton for his signature.

If you have any questions regarding this issue, please contact Ron Stone at 213/922-2232.