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RAIL RAPID TRANSIT FOR THE NATIONAL CAPITAL REGION

U.S. Congress, Senate.

HEARINGS

BEFORE THE

COMMITTEE ON THE DISTRICT OF COLUMBIA

UNITED STATES SENATE

EIGHTY-NINTH CONGRESS

FIRST SESSION

ON

H.R. 4822 and S. 1117

TO AUTHORIZE THE PROSECUTION OF A TRANSIT DEVELOPMENT PROGRAM FOR THE NATIONAL CAPITAL REGION

JULY 20, 21, AND 23, 1965

Printed for the use of the Committee on the District of Columbia

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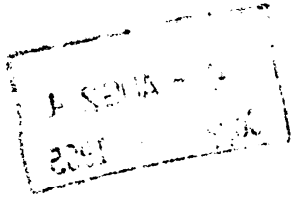
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RAIL RAPID TRANSIT FOR THE NATIONAL CAPITAL REGION

TUESDAY, JULY 20, 1965

U.S. SENATE,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The committee met at 10 a.m., pursuant to call, in room 6226, New Senate Office Building, Senator Alan Bible (chairman of the committee) presiding.

Present: Senators Bible and Kennedy of New York.

Also present: Chester H. Smith, staff director; Fred L. McIntyre, counsel; Robert T. Hall, assistant counsel; and Richard E. Judd, professional staff member.

The CHAIRMAN. The committee will come to order.

It gives me great personal satisfaction to open these hearings this morning on legislation to authorize the construction of a rapid transit system for the Nation's Capital. Washington, D.C., has no greater need today than an efficient, balanced transportation system to meet its main purpose—service to the public.

Mass transportation in the Nation's Capital has held the attention of the Senate during the last four administrations. The problem is a visible one each day and each of us—oftentimes unfortunately—is a part of that problem. I can recall my own personal association with this problem stems back to 1957 when the distinguished chairman of the House District of Columbia Committee, the distinguished senior Senator from Oregon, and myself, along with other members of both Houses of the Congress, began our rapid transit labors with the Joint Committee on Washington Metropolitan Problems.

Survey followed survey and discussion followed discussion. Now I believe that we have a piece of legislation that hopefully the Congress can approve and that will be beneficial to all of us moving from place to place in the Washington metropolitan area.

I believe great tribute must be paid to the chairman of the House District Committee, Congressman McMillan, and to the splendid efforts of this subcommittee chairman, Congressman Basil Whitener, of North Carolina, who along with the leadership showed by Congressman Ancher Nelsen, of Minnesota, helped to bring about passage in the House last week.

Probably no other city in the United States more urgently needs a rapid transit system than Washington. Census Bureau figures show that the Washington metropolitan area has the fastest rate of metro-

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politan growth in the country with population figures increasing 25 percent in the last 8 years.

Conversely, patronage of public transportation facilities in the Nation's Capital has remained virtually stable. In fact, since 1957 the principal mass transportation carrier in the District has declined from 135.3 million revenue passengers to 132.9 million in 1964.

By 1980, the population of the National Capital region will reach 3½ million, an increase of more than 50 percent over 1960. Statistics show that the 765,000 motor vehicles moving in, through and out of a 10-square-mile area of downtown Washington every 24 hours, are the greatest of any comparable area in any city of the United States. Obviously, most cities have some form of public rail transportation.

This morning and every morning between 7:30 and 8:30 a.m., 80,000 automobiles moved into parking spaces in the downtown Washington area. Tonight between 5:30 and 6:30 the same number will move out again. Highway statistics show that today more than 980,000 motor vehicles will cross the District of Columbia boundary lines to and from Maryland and Virginia in every 24-hour period.

National Capital Planning Commission estimates claim that without some form of public transportation this city, 20 years from today, will need 190,000 automobile parking spaces in downtown Washington to meet demands—111,000 more than the city has today. Unless a rapid transit system is added to our highway network, congestion will be—if possible—even worse than it is today.

There is no other feasible answer to this problem that has been suggested than to accompany the construction of planned highways with the construction of a rapid transit system. This is what Congress intended when it passed legislation 4½ years ago authorizing preparation of a rapid transit plan.

What Congress does—and I hope it will be done this year—will determine the Capital area's transportation and traffic pattern for the next 75 years or more. Highways and rapid transit—we need them both and need them badly and I am hopeful that a cooperative attitude toward a common goal will prevail.

Our first witness this morning, it is a distinct pleasure to present him to this committee and to members of the audience who are here, Hon. Basil L. Whitener, chairman of Subcommittee No. 5 of the House Committee on the District of Columbia.

I am delighted to welcome you, Mr. Congressman, and I want to extend again my congratulations on the progress you have made.

STATEMENT OF HON. BASIL L. WHITENER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NORTH CAROLINA

Mr. WHITENER. Thank you very much, Mr. Chairman. It is a privilege to be with your distinguished committee and an equal privilege to appear in the role of an advocate for what I believe to be one of the most necessary and most proper things that we could have here relating to our Nation's Capital.

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As the chairman of this committee knows, for several years we have consulted and discussed among ourselves this legislation which results from many years of study, approximately 10 years of serious study by many people who are concerned with the advance of the interests of the people of the District of Columbia.

In the next few days I am hoping that the Senate will join with us in enacting into law this bill which I was privileged to have a part in handling over on the House side.

I will not undertake today to go into any detail about the legislation because there are other witnesses who will discuss these details.

Let me say this, I think that the legislation has the greatest amount of support of any that I have seen during my service here as a member of the Committee on the District of Columbia in the House of Representatives. We have had the unstinting support of the business community, labor groups, the civic organizations, and practically all of the people of the community.

This support has been backed up by the efforts of the administration, President Johnson, by the Budget Bureau, by the District of Columbia government, and by a very fine organization, the National Capital Transportation Agency.

I know that there are many who have been concerned about the slowness with which we have moved in the House—we certainly did not try to move with undue haste—and I think the results in the House indicate we were correct in giving all who had anything to say an opportunity to say it. We have considered many proposed amendments to the legislation both in the committee and on the floor of the House and, except as the bill was amended by the District Committee of the House of Representatives, those amendments were rejected after mature and deliberate consideration.

I think that those of us who have a strong interest in this community have an opportunity now to move forward and to make a real contribution to it and I certainly appreciate all that the chairman of this committee and the other members are doing and I hope within a few days we will have this project wrapped up so we may move forward to greater development of the community.

The CHAIRMAN. Thank you very much for your splendid statement and again I commend you for the work you have done on the other side of the Hill.

We will make a part of the record copies of the bill, both the bill introduced and passed in the House side, H.R. 4822, and the bill introduced on the Senate side by myself and Senator Tydings, S. 1117, as well as the letter from the President of the United States.

Also, since Senator Kennedy of New York is not as yet present, I would like to have his written statement made a part of the record at this point.

And lastly, for the record, a copy of the program developed by NCTA entitled "Rail Rapid Transit for the Nation's Capital," January 1965, which goes into the detail by which the cost figures, in depth, are arrived at. I think it would be helpful in case questions arise regarding cost prices.

(The documents referred to follow:)

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[H.R. 4822, 89th Cong., 1st sess.]

AN ACT To authorize the prosecution of a transit development program for the National Capital region, and to further the objectives of the Act of July 14, 1960

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Capital Transportation Act of 1965".

STATEMENT OF FINDINGS AND PURPOSES

SEC. 2. To further the objectives of the Act of July 14, 1960, the Congress hereby finds and declares that—

(a) A coordinated system of rail rapid transit. bus transportation service, and highways is essential in the National Capital region (as defined in section 103 of the National Capital Transportation Act of 1960 (74 Stat. 537)) for the satisfactory movement of people and goods, the alleviation of present and future traffic congestion, the economic welfare and vitality of all parts of the region, the effective performance of the functions of the United States Government located within the region, the orderly growth and development of the region, the comfort and convenience of the residents and visitors to the region, and the preservation of the beauty and dignity of the Nation's Capital.

(b) Such a coordinated system should be developed cooperatively by the Federal, State, and local governments of the National Capital region as part of a balanced system of transportation utilizing to their best advantage highways and other transit facilities, and the cost of improved mass transit facilities should be financed, as far as possible, by persons using or benefiting from such facilities and their remaining costs should be shared equitably among the Federal, State, and local governments.

(c) Various steps have already been taken to bring such a system into being, including the preparation by the National Capital Transportation Agency (hereinafter referred to as the "Agency") of a Transit Development Program for the National Capital region, and authorization of the negotiation by the Board of Commissioners of the District of Columbia, the State of Maryland and the Commonwealth of Virginia of an interstate compact to establish a regional transportation organization under the terms of title III of the National Capital Transportation Act of 1960 (74 Stat. 544), and approved by the Congress of the Washington Metropolitan Area Transit Regulation Compact (74 Stat. 1031 and 76 Stat. 764). Nothing in this Act shall be construed as altering or amending the Washington Metropolitan Area Transit Regulation Compact.

(d) While the negotiation of an interstate compact to establish a regional transportation organization has not been completed, and plans for the development of improved mass transit facilities throughout the National Capital region are still being developed, the Agency has prepared a statisfactory Transit Development Program for the establishment, principally within the District of Columbia, of a system of rail rapid transit lines and related facilities which are capable of being extended to serve other parts of the region, and the design and construction of such facilities should now proceed as contemplated by the National Capital Transportation Act of 1960.

(e) In developing such improved transportation facilities, it is necessary that the operation of rail rapid transit and bus services be coordinated, and that the creation and operation of public rail rapid transit facilities be accomplished with the least possible adverse effect on the private companies transporting persons in the National Capital region, on their employees, and on persons, families and businesses displaced by the construction of such facilities.

FACILITIES AUTHORIZED

SEC. 3. (a) In accordance with section 204(c) of the National Capital Transportation Act of 1960 (40 U.S.C. 664(c); 74 Stat. 540), the Agency is hereby authorized, subject to the availability of funds, to design, engineer, construct, equip, and take other action as authorized in this Act necessary to provide for the establishment of the system of rail rapid transit lines and related facilities described in the Agency's report entitled "Rail Rapid Transit for the Nation's Capital, January 1965", transmitted to the Congress by the President on February

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10, 1965: *Provided*, That the cost of constructing and equipping such lines and facilities, excluding interest costs, shall not exceed $431,000,000.

(b) The work authorized by this section shall be subject to the provisions of the National Capital Transportation Act of 1960, shall be carried out substantially in accordance with the plans and schedules contained in the aforesaid report, and shall be subject to the following:

(1) No portion of any rail rapid transit line or related facility authorized hereunder shall be constructed within the United States Capitol Grounds except upon approval of the Commission for Extension of the United States Capitol.

(2) All construction work performed in, on, under, or over public space in the District of Columbia under the authority of this Act shall, in the interest of public convenience and safety, be performed in accordance with schedules agreed upon, and set forth in one or more written agreements, between the Agency and the Board of Commissioners of the District of Columbia, to the end that such construction work will be cooordinated with other construction work in such public space, and consistent with such agreement or agreements, the said Board of Commissioners shall so exercise its jurisdiction and control over such public space as to facilitate the Agency's use and occupation thereof for the purposes of this Act.

(3) The rail rapid transit lines and related facilities authorized by this Act shall not be operated except under contract by private transit companies, private railroads, or other private persons. Such contracts shall be entered into only after formal advertisement and negotiations with all interested and qualified parties, including private mass transportation companies in the National Capital region, and only if the Secretary of Labor certifies that terms and conditions, as prescribed in section 10(c) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1609(c); 78 Stat. 302, 307), to protect the interests of employees affected by any such contract for the operation of the facilities authorized by this Act, are specified in such contract.

(4) If the contractor selected to operate the facilities authorized by this Act contracts for the construction, alteration, and/or repair of such facilities, the agency which lets the contract to operate the rail rapid transit lines and related facilities shall take such action as may be necessary to insure that all laborers and mechanics employed in the performance of such construction, alteration, and/or repair shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended. The Secretary of Labor shall have with respect to the labor standards specified herein the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

(c) Nothing in this Act shall be construed to affect any right to damages which any common carrier engaged in the private transportation of persons in the National Capital region may have by virtue of Public Law 757 of the Eighty-fourth Congress (70 Stat. 598) or Public Law 669 of the Eighty-sixth Congress (74 Stat. 537).

(d) The protection accorded the private bus companies under the provisions of the National Capital Transportation Act of 1960 (74 Stat. 537), and particularly under section 205(a)(2) thereof, shall not be impaired by this Act.

RELOCATION ASSISTANCE

SEC. 4. The Act of October 6, 1964 (78 Stat. 1004) authorizing the Commissioners of the District of Columbia to provide relocation services to individuals, families, business concerns, and nonprofit organizations which may be or have been displaced from real property by actions of the United States or of the District of Columbia, and all regulations made under the authority of such Act are hereby made applicable to individuals, families, business concerns, and nonprofit organizations displaced from real property by actions of the Agency and the Agency shall pay the District of Columbia Relocation Assistance Office for the cost of such relocations: *Provided*, That in the case of any such displacements from real property located in the State of Maryland or the Commonwealth of Virginia the Agency is authorized to make relocation payments directly to the displaced individual, family, business concern, or nonprofit organization, as the case may be, in accordance with the schedule of payments contained in the said Act of October 6, 1964, and such rules and regulations as may be prescribed by the Administrator. In the event real property is acquired for the Agency by an-

other Federal agency or by any State or local agency or authority, the Agency is authorized to reimburse the acquiring agency for relocation payments made by it, up to the amounts specified in the aforesaid Act of October 6, 1964.

APPROPRIATIONS AUTHORIZED

SEC. 5. (a) The cost of designing, engineering, constructing, and equipping the facilities authorized in section 3 hereof shall be financed in part by the Federal and District of Columbia Governments, as follows:

(1) To finance the United States portion there is hereby authorized to be appropriated to the Agency not to exceed $100,000,000, which shall remain available until expended;

(2) To finance the District of Columbia portion there is hereby authorized to be appropriated to the Agency out of the general fund of the District of Columbia not to exceed $50,000,000, which shall remain available until expended;

(b) Subsection (b) of section 1 of the Act entitled "An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvements programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City", approved June 6, 1958, as amended (72 Stat. 183, 77 Stat. 130), is amended by striking "$175,000,000" and inserting in lieu thereof "$225,000,000"; and by inserting immediately before the period at the end of such subsection the following: ": *And provided further*, That $50,000,000 of the principal amount of loans authorized to be advanced pursuant to this subsection shall be utilized to carry out the purposes of the National Capital Transportation Act of 1965".

ANNUAL REPORT

SEC. 6. The Agency shall submit to the President for transmission to the Congress at the beginning of each regular session of the Congress an annual report of its operations under this title.

ADVISORY BOARD

SEC. 7. Section 202 of the National Capital Transportation Act of 1960, approved July 14, 1960 (74 Stat. 537), is amended by striking "five" from the third line thereof and inserting in lieu thereof "seven"; by striking "three" from the fourth line and inserting in lieu thereof "four"; and by adding at the end of said section the following: "*Provided*, That if any member of the Advisory Board shall be an employee of the United States or the District of Columbia he shall serve without additional compensation."

SEPARABILITY

SEC. 8. If any part of this Act is declared unconstitutional the constitutionality of no other part of the Act shall be affected thereby.

Passed the House of Representatives July 15, 1965.

Attest:

RALPH R. ROBERTS,
Clerk.

[S. 1117, 89th Cong., 1st sess.]

A BILL To authorize the prosecution of a transit development program for the National Capital region, and to further the objectives of the Act of July 14, 1960

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. That this Act may be cited as the "National Capital Transportation Act of 1965".

STATEMENT OF FINDINGS AND PURPOSES

SEC. 2. To further the objectives of the Act of July 14, 1960, the Congress hereby finds and declares that—

(a) A coordinated system of rail rapid transit, bus transportation service, and highways is essential in the National Capital region (as defined in section 103 of the National Capital Transportation Act of 1960 (74 Stat. 537)) for the

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satisfactory movement of people and goods, the alleviation of present and future traffic congestion, the economic welfare and vitality of all parts of the region, the effective performance of the functions of the United States Government located within the region, the orderly growth and development of the region, the comfort and convenience of the residents and visitors to the region, and the preservation of the beauty and dignity of the Nation's Capital.

(b) Such a coordinated system should be developed cooperatively by the Federal, State, and local governments of the National Capital region as part of a balanced system of transportation utilizing to their best advantage highways and other transit facilities, and the cost of improved mass transit facilities should be financed, as far as possible, by persons using or benefiting from such facilities and their remaining costs should be shared equitably among the Federal, State, and local governments.

(c) Various steps have already been taken to bring such a system into being, including the preparation by the National Capital Transportation Agency (hereinafter referred to as the "Agency") of a transit development program for the National Capital region, and authorization of the negotiation by the Board of Commissioners of the District of Columbia, the State of Maryland, and the Commonwealth of Virginia of an interstate compact to establish a regional transportation organization under the terms of title III of the National Capital Transportation Act of 1960 (74 Stat. 544), and approval by the Congress of the Washington metropolitan area transit regulation compact (74 Stat. 1031).

(d) While the negotiation of an interstate compact to establish a regional transportation organization has not been completed, and plans for the development of improved mass transit facilities throughout the National Capital region are still being developed, the Agency has prepared a satisfactory transit development program for the establishment, principally within the District of Columbia, of a system of rail rapid transit lines and related facilities which are capable of being extended to serve other parts of the region, and the design and construction of such facilities should now proceed as contemplated by the National Capital Transportation Act of 1960.

(e) In developing such improved transportation facilities, it is necessary that the operation of rail rapid transit and bus services be coordinated, that unnecessary duplicating service be eliminated, and that the creation and operation of public rail rapid transit facilities be accomplished with the least possible adverse effect on the private companies transporting persons in the National Capital region, on their employees, and on persons, families, and businesses displaced by the construction of such facilities.

FACILITIES AUTHORIZED

SEC. 3. (a) In accordance with section 204(c) of the National Capital Transportation Act of 1960 (40 U.S.C. 664(c), 74 Stat. 540), the Agency is hereby authorized, subject to the availability of funds, to design, engineer, construct, equip, and take other action as authorized in this Act necessary to provide for the establishment of the system of rail rapid transit lines and related facilities described in the Agency's report entitled "Rail Rapid Transit for the Nation's Capital, January 1965", transmitted to the Congress by the President on February 10, 1965: *Provided*, That the cost of constructing and equipping such lines and facilities, excluding interest costs, shall not exceed $431,000,000.

(b) The work authorized by this section shall be subject to the provisions of the National Capital Transportation Act of 1960, shall be carried out substantially in accordance with the plans and schedules contained in the aforesaid report, and shall be subject to the following:

(1) No portion of any rail rapid transit line or related facility authorized hereunder shall be constructed within the United States Capitol Grounds except upon approval of the Commission for Extension of the United States Capitol.

(2) All construction work performed in, on, under, or over public space in the District of Columbia under the authority of this Act shall, in the interest of public convenience and safety, be performed in accordance with schedules agreed upon, and set forth in one or more written agreements, between the Agency and the Board of Commissioners of the District of Columbia, to the end that such construction work will be coordinated with other construction work in such public space, and consistent with such agreement or agreements, the said Board of Commissioners shall so exercise its jurisdiction and control over such public space as to facilitate the Agency's use and occupation thereof for the purpose of this Act.

(3) The rail rapid transit lines and related facilities authorized by this Act shall not be operated except under contract by private transit companies, private

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railroads, or other private persons. Such contracts shall be entered into only after formal advertisement and negotiations with all interested and qualified parties, including private mass transportation companies in the National Capital region, and only if the Secretary of Labor certifies that terms and conditions, as prescribed in section 10(c) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1609(c); 78 Stat. 302, 307), to protect the interests of employees affected by any such contract for the operation of the facilities authorized by this Act, are specified in such contract.

(4) If the contractor selected to operate the facilities authorized by this Act contracts for the construction, alteration, and/or repair of such facilities, the agency which lets the contract to operate the rail rapid transit lines and related facilities shall take such action as may be necessary to insure that all laborers and mechanics employed in the performance of such construction, alteration, and/or repair shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended. The Secretary of Labor shall have with respect to the labor standards specified herein the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176, 64 Stat. 1267, 5 U.S.C. 133z–15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended, 40 U.S.C. 276(c)).

RELOCATION ASSISTANCE

SEC. 4. The Act of October 6, 1964 (78 Stat. 1004) authorizing the Commissioners of the District of Columbia to provide relocation services to individuals, families, business concerns, and nonprofit organizations which may or have been displaced from real property by actions of the United States or of the District of Columbia, and all regulations made under the authority of such Act are hereby made applicable to individuals, families, business concerns and nonprofit organizations displaced from real property by actions of the Agency and the Agency shall pay the District of Columbia Relocation Assistance Office for the cost of such relocations: *Provided*, That in the case of any such displacements from real property located in the State of Maryland or the Commonwealth of Virginia the Agency is authorized to make relocation payments directly to the displaced individual, family, business concern, or nonprofit organization, as the case may be, in accordance with the schedule of payments contained in the said Act of October 6, 1964, and such rules and regulations as may be prescribed by the Administrator. In the event real property is acquired for the Agency by another Federal agency or by any State or local agency or authority, the Agency is authorized to reimburse the acquiring agency for relocation payments made by it, up to the amounts specified in the aforesaid Act of October 6, 1964.

APPROPRIATIONS AUTHORIZED

SEC. 5. (a) The cost of designing, engineering, constructing, and equipping the facilities authorized in section 3 hereof shall be financed in part by the Federal and District of Columbia Governments, as follows:

(1) To finance the United States portion there is hereby authorized to be appropriated to the Agency not to exceed $100,000,000, which shall remain available until expended;

(2) To finance the District of Columbia portion there is hereby authorized to be appropriated to the Agency out of the general fund of the District of Columbia not to exceed $50,000,000, which shall remain available until expended;

(b) Subsection (b) of section 1 of this Act entitled "An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvements programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City", approved June 6, 1958, as amended (72 Stat. 183, 77 Stat. 130), is amended by striking "$175,000,000" and inserting in lieu thereof "$225,000,000"; and by inserting immediately before the period at the end of such subsection the following: ": *And provided further*, That $50,000,000 of the principal amount of loans authorized to be advanced pursuant to this subsection shall be utilized to carry out the purposes of the National Capital Transportation Act of 1965".

ANNUAL REPORT

SEC. 6. The Agency shall submit to the President for transmission to the Congress at the beginning of each regular session of the Congress an annual report of its operations under this title.

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ADVISORY BOARD

SEC. 7. Section 202 of the National Capital Transportation Act of 1960, approved July 14, 1960 (74 Stat. 537), is amended by striking "five" from the third line thereof and inserting in lieu thereof "seven"; by striking "three" from the fourth line and inserting in lieu thereof "four"; and by adding at the end of said section the following: "*Provided*, That if any member of the Advisory Board shall be an employee of the United States or the District of Columbia he shall serve without additional compensation."

SEPARABILITY

SEC. 8. If any part of this Act is declared unconstitutional the constitutionality of every other part of the Act shall not be affected thereby.

MESSAGE FROM PRESIDENT LYNDON JOHNSON, DATED FEBRUARY 10, 1965, TO THE CONGRESS TRANSMITTING THE PROPOSED RAPID TRANSIT BILL

THE WHITE HOUSE,
February 10, 1965.

Hon. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am transmitting to the Congress herewith, with my approval, a report submitted to me by the National Capital Transportation Agency on February 1, 1965, entitled "Rail Rapid Transit for the Nation's Capital," and a proposed bill which would authorize the Agency to proceed with the transit development program described in that report. In preparing the proposed bill I have given full consideration to improvements that have been suggested to earlier bills.

The problem of mass tronsportation in the Washington area is critical. It is also a problem in which the Federal Government has a unique interest and responsibility. As Congress found in the National Capital Transportation Act of 1960, an improved transportation system for this area "is essential for the continued and effective performance of the functions of the Government of the United States, for the welfare of the District of Columbia, for the orderly growth and development of the National Capital region, and for the preservation of the beauty and dignity of the Nation's Capital."

There is widespread agreement that a high-speed and high-capacity rail transit system operating over separate rights-of-way through the more densely populated sections of the Washington metropolitan area provides the most promising approach to a long-range solution. Such a system will preserve the beauty, the dignity, and the historic and monumental character of our Capital City. It will exercise a desirable influence on the pattern of growth of the metropolitan area. And such a system is vital if we are to achieve the goal of a balanced transportation system for the area. The highway network now proposed for the area is predicated on an adequate rail transit system.

The report and proposed bill which I am transmitting provides for a system which will furnish the Washington area greatly improved transit service and which can later be expanded to the total system eventually needed. The National Capital Transportation Act of 1960 authorized the negotiation of an interstate compact under which the District would join with Maryland and Virginia in creating an appropriate organization to develop a total system for the area. My hope remains firms that such a compact organization can be brought into being at an early date. In the meantime, however, work on the present proposals can and should go forward without delay.

The Agency estimates, based on engineering studies carried on over the past 5 years, that to construct and equip the system which it proposes will cost $431 million, excluding interest costs. The proposed bill authorizes the appropriation of $150 million—$100 million by the Federal Government and $50 million by the District. With these grants, system revenues will be sufficient to provide for both operating expenses and the balance of the capital costs. The grants will also supply all the funds needed for construction until near the end of fiscal year 1968. By that time I hope that there will be a suitable regional compact agency which can assume the responsibility for issuance and sale of the revenue bonds needed to meet the remainder of the cost. If such a compact agency is not timely created,

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I will be prepared to present alternative recommendations in time for the Congress to give full consideration to the course to be pursued.

The National Capital area should no longer be denied the forms of urban transportation which are vital to its welfare. The proposed program is an appropriate beginning—indeed, a long step toward the total transportation needs of the area. I hope that the Congress will give prompt and favorable consideration to the legislation which is needed to get the program under way.

Sincerely,

LYNDON B. JOHNSON.

STATEMENT OF SENATOR ROBERT F. KENNEDY

Mr. Chairman, I am most pleased to be able to play a part in the hearing which we conduct today. Before us is legislation which is critical to the coherent development of the Washington metropolitan area and crucial to many thousands of individual commuters. Already passed in the House, this legislation seems virtually certain to be enacted in the Senate. With it, we shall be making a most important contribution to life in the District. Hopefully, we shall be able to point to this important enactment as our swansong, our parting shot, before turning the reins of government over to the District on a home rule basis. But that is another matter, and today we concentrate on bringing rail rapid transit to the District of Columbia.

The bill which is before us is the product of literally years of study. The distinguished chairman of this committee has been a leader in this effort for a long while. From the days of the Joint Committee on Washington Metropolitan Problems, through the passage of the National Capital Transportation Act, through the most recent efforts, he has been deeply involved in and familiar with this problem. The result of the study in which he participated, and of all of the efforts of the National Capital Transportation Agency, is a bill which now meets the objections of many who professed dissatisfaction 2 years ago. Seldom has there been such a wide base of support for a proposed piece of legislation. And such wide support is entirely warranted.

The bill will give the District 24.9 miles of the most modern rapid transit, including nearly every improvement which modern technology can make available. The cars will be capable of speeds up to 75 miles per hour, the average system speed will be 34 miles per hour, and there will be service every 90 seconds within the downtown area for a good part of the day. Although the system will not serve a majority of the area's commuters at first, I think all of us have every confidence that it will be expanded as the years pass to give the Nation's Capital a truly comprehensive transit system.

What we have before us is a good start, a start we can be proud of. Washington is the only capital city among the nations of the Western World which does not have a rapid transit system, and it is time we acted to correct that disparity.

I think it is important to note that, in enacting this legislation, we are not putting all our eggs in one basket. Realistic transportation plans for this area require careful highway development as well. By enacting a rapid transit plan, we do not prefer one mode of transportation over another. We simply insure a balanced transportation plan for the Washington area. If we did not have rapid transit, we would soon be choked with automobile traffic and nearly as soon reach a limit beyond which we could not, in good judgment, go in covering the District with miles of concrete. As it is, however, the highway and rapid transit plans of the District as now developed are both needed for full realization of the District's transportation needs.

RAIL RAPID TRANSIT FOR THE NATION'S CAPITAL—TRANSIT DEVELOPMENT PROGRAM, 1965

NATIONAL CAPITAL TRANSPORTATION AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington, February 1, 1965.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am pleased to submit to you a revised transit development program for the National Capital region, prepared pursuant to section 204 of the National Capital Transportation Act of 1960.

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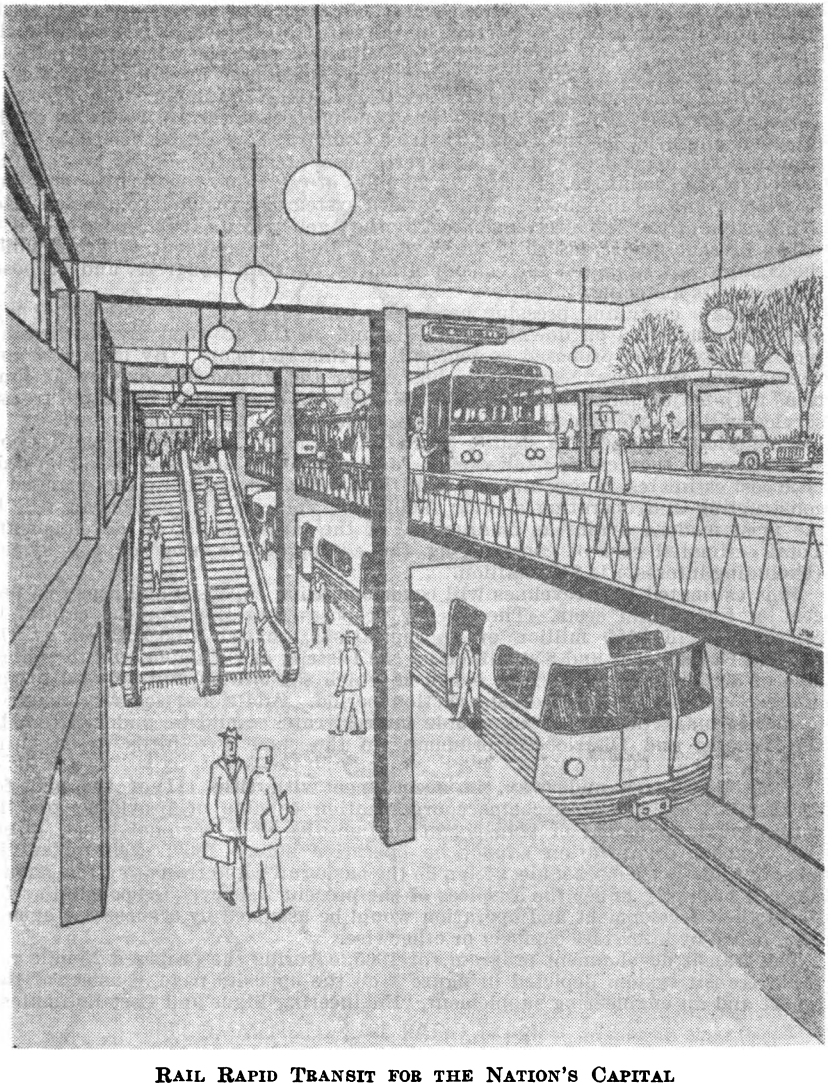
This program would authorize a rail rapid transit system in the National Capital region essentially similar to that which the House Committee on the District of Columbia endorsed in 1963.

The revised system is capable of extension later to a system of the scope recommended by the Agency in its 1962 report. It will provide the region with greatly improved mass transit service, will be efficient and economically feasible, and would be operational in about 5 years.

The program has been reviewed with appropriate State and local officials and other interested organizations in the region, and has received enthusiastic and widespread endorsement. It is consistent with congressional policy and directives outlined in the Agency's enabling act. I therefore recommend that it be transmitted to the Congress, together with appropriate implementing legislation which accompanies this report.

Respectfully yours,

C. DARWIN STOLZENBACH, *Administrator.*



RAIL RAPID TRANSIT FOR THE NATION'S CAPITAL

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Introduction and Summary

The National Capital Transportation Agency was established by the National Capital Transportation Act of 1960 (74 Stat. 537) which requires, in section 204(a), that the Agency shall prepare and may from time to time revise a transit development program for the transportation of persons within the National Capital region. Section 204(c) states that no part of the program is to be carried out until expressly authorized by legislation.

In a November 1, 1962, report to the President, the Agency recommended an 83-mile network of rail rapid transit, consisting of a downtown distributor system with six radials extending well beyond the District of Columbia, plus 15 miles of improved commuter service on the Pennsylvania Railroad between Union Station and Bowie, Md. All of the downtown portion and parts of the radials would be in subway; 19 miles in all.

The 1962 program was endorsed by President Kennedy and forwarded to the Congress in May 1963. After hearings during the summer of 1963, the District Committee of the House of Representatives favorably reported a bill (H.R. 8929) authorizing a 23-mile portion of the rail transit system proposed by the Agency (mainly within the District of Columbia, plus the commuter railroad line. On December 9, 1963, this proposal was considered by the House of Representatives and returned to the District Committee for further study.

Since December 1963, the Agency has concluded that certain revisions of the program approved by the House District Committee would be desirable. The resulting recommended system is, nevertheless, essentially similar to that approved by the committee. It calls for 25 miles of rail rapid transit lines of which 13 miles would be in subway. This revised system is capable of extension later to a system of the scope recommended by the Agency in its 1962 report.

The present report describes the revised transit development program which the Agency has prepared for consideration by the 89th Congress, and proposes a plan for its financing.

There is a clear and pressing need for a rail rapid transit system that will alleviate congestion on downtown streets and on the crowded arteries leading into the city. The proposed system will do this and more. By means of convenient transfer arrangements for bus riders and automobile drivers at junctions with major arterials, the benefits of frequent, dependable, rail rapid transit service will be extended into the region, well beyond the city boundaries.

Preliminary engineering studies by NCTA's Office of Engineering and its consultants have been carried far enough to assure sound proposals based on realistic cost estimates, taking advantage of the experience of other cities engaged in constructing and operating similar facilities. Vehicles and equipment will be the most modern available, making use of the latest industrial developments. Total estimated cost of constructing and equipping the proposed rail system (excluding interest) is $431 million.

It is estimated that revenues will cover operating expenses and repay 65 percent of the capital costs. The Agency proposes that the required capital be raised through $150 million of appropriations, shared $100 million by the Federal Government and $50 million by the District of Columbia, and the public sale of $333 million of revenue bonds of which $52 million will be used to pay interest charges during the construction period. Additional security required to assure marketability at acceptable interest rates would be underwritten by the Federal and District Governments on the same two-thirds to one-third formula.

Negotiations are underway, in accordance with title III of the act, for creation of an interstate-compact organization capable of providing for the continued development of transportation facilities on a regional basis. Since the compact organization cannot be operative before 1967, even under the most optimistic time schedule, action on the basic rail rapid transit system should proceed promptly under the auspices of the present Agency. Responsibility for its further development and operation would be assumed by a successor agency established by interstate compact or otherwise.

The transit development program for 1965, covering the proposed 25-mile rail rapid transit system depicted in figure 1 on the opposite page, consists of this report and an engineering supplement, "Engineering Plans and Cost Estimates."

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I. MODERN TRANSPORT FOR THE CAPITAL CITY

The most urgent transport problem facing Washington today—one that can only increase in severity until adequate steps are taken to solve it—is the traffic congestion created by the daily movement of commuters to and from their places of employment. There is a limit to the highway capacity that can be aimed at the downtown area, and there is no doubt that future traffic will exceed that capacity.

To avoid intolerable congestion, a substantial number of people must be carried into the city by new mass transport facilities operating on grade-separated rights-of-way. This was a major conclusion of the Mass Transportation Survey Report of 1959 and of the Congress in its statement of findings and policy in the act establishing the National Capital Transportation Agency (74 Stat. 537). It is the basis for highway planning today.

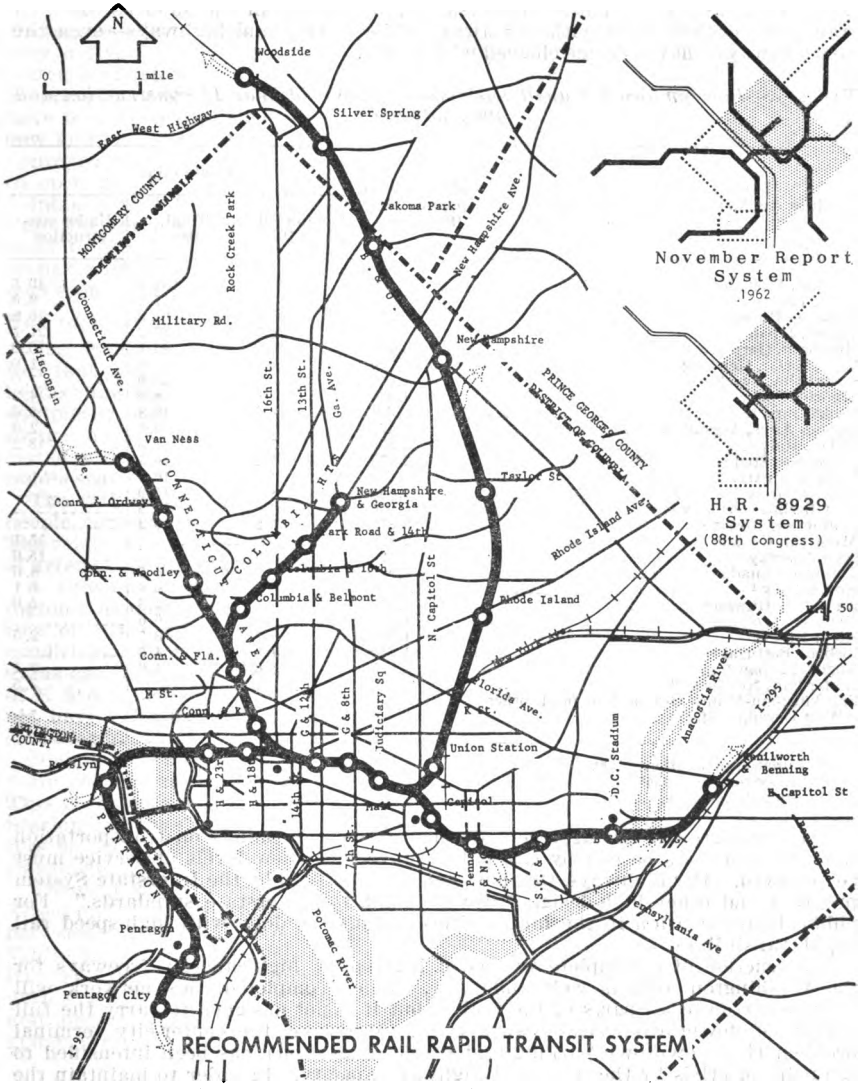


Fig. 1

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No highway system could be designed for the central area that would be both capable of handling all peak-hour trips and compatible with the city of Washington. In fact all plans, including the District of Columbia highway program, are predicated on construction of the rail rapid transit system. Thus, peak-hour problems in central Washington can be solved only by a combination of new highways and grade-separated rail rapid transit. Unless the proposed rail transit system is begun promptly, congestion in the downtown area threatens to become intolerable. Such an increase in congestion would undermine all of the public and private efforts now being made to preserve and enhance the unique qualities of our National Capital.

Balanced transportation

In the past, public transportation has served the community well, shaping metropolitan growth on a skeleton of trolley lines and commuter railroads at a time when there were few automobiles and few paved roads. More recently, with improved highways and near universal car ownership in the suburbs, the rail transport services have withered away, while streets and highways—even the new freeways—have become clogged with traffic.

TABLE 1.—*Foreign rapid transit systems—Post-World War II construction and 1964 mileage*

Cities (ranked in order of total mileage)	Metropolitan population [1] (thousand)	Route miles		
		Completed since 1945	Total, 1964	Under construction
London, England	10,900	36.0	244.0	10.5
Paris, France	7,750	2.7	117.2	9.0
Moscow, Russia	8,200	45.0	61.0	16.8
Tokyo, Japan	14,700	28.3	37.2	21.1
Hamburg, Germany	2,280	6.0	46.1	10.0
West Berlin, Germany	4,000	10.1	42.8	11.0
Stockholm, Sweden [2]	1,140	32.0	32.0	7.0
Madrid, Spain	2,430	.6	18.6	4.2
Osaka, Japan	8,350	11.3	16.8	5.6
Buenos Aires, Argentina	7,175	----	19.0	2.0
Milan, Italy [2]	2,575	7.5	7.5	13.2
Barcelona, Spain	2,070	5.2	16.5	----
Vienna, Austria	2,005	----	16.5	----
Athens, Greece	1,890	8.0	15.9	----
East Berlin, Germany [3]	1,070	----	15.5	----
Leningrad, Russia [3]	3,875	15.2	15.2	----
Montreal, Canada [2]	2,150	----	----	15.1
Oslo, Norway [2]	520	----	----	15.0
Toronto, Canada [2]	1,860	6.5	6.5	8.0
Rome, Italy [2]	2,325	6.8	6.8	6.1
Budapest, Hungary	2,150	----	2.3	5.0
Glasgow, Scotland	1,885	----	6.6	----
Kiev, Russia [3]	1,300	3.7	3.7	2.5
Lisbon, Portugal [2]	1,350	4.5	4.5	----
Nagoya, Japan [2]	2,025	1.6	1.6	2.1
Rotterdam, Netherlands [2]	1,000	----	----	3.5
Frankfurt-am-Main, Germany [2] (and other West German cities)	1,405	----	----	5+

[1] Washington population, 2,390.
[2] Entire system since 1945.
[3] City population only.

Explosive growth during recent decades has put demands on transportation that no longer can be met by gradual improvement; new levels of service must be achieved. For highways, this has been accomplished by the Interstate System program and other high-design freeways built to "interstate standards." For public transportation in the larger cities, it must be done with high-speed rail rapid transit lines.

Construction of a complete system of high-speed, high-capacity freeways for the Washington area is well underway. When completed, this network will provide access to all parts of the region, but it is not designed to carry the full burden of downtown-destined work trips. Moreover, the center-city terminal problem (i.e., downtown parking and traffic congestion) has been intensified to the point of crisis by the increased highway capacity. In order to maintain the balance between capacity and demand, rail rapid transit service must be intro-

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duced in the more heavily traveled corridors, thus relieving the burden of peak-loads to the center and permitting more attention to be paid to the distribution network of major arterials. Close coordination of rail and highway programs will produce the greatest public benefit.

Revival of rapid transit

Washington deserves a transportation system commensurate with its size and befitting its position as a great capital. Other countries, including Russia, have taken precisely the steps recommended here to improve and enhance their national capitals. Some 26 foreign cities with populations ranging from one-half million (Oslo) to more than 10 million (London, Tokyo) have rail rapid transit in operation or under construction. See table 1. Over half of the total mileage has been constructed since 1945 and each year brings new cities into the ranks of those planning subways. Of the 26 cities, 14 are national capitals. Washington is practically alone among major capitals of the Western World in not having rail rapid transit.

Programs for development of rail rapid transit in North America have been very active in recent years. Four U.S. cities with long-established subway systems (Boston, New York, Philadelphia, Chicago) have made considerable progress in extending and modernizing their networks. Since 1945, new systems have been opened in Cleveland and Toronto; both are being extended. A great new system for the San Francisco Bay area, which will cost $792 million, was approved by the voters in 1962. Montreal is building a subway which is expected to open in 1966. In the southern New Jersey suburbs of Camden and Philadelphia a new line is under construction which will cost about $60 million. Voters in the five-county Atlanta area on November 3, 1964, approved an amendment to the Georgia constitution which will enable the setting up of a rapid transit authority; it is hoped that actual construction of a system will be underway soon.

Rail rapid transit for Washington

The Washington rapid transit system must reflect the convenience and comfort that people have come to expect in their private automobiles. Service must be fast and frequent, with convenient, attractive stations and the finest modern equipment, operating on rights-of-way designed for speed and comfort. The image of rail transit, as people will come to know it, will be like that associated with air travel, with clean, functional vehicles and handsomely appointed public spaces.

The rail system must be geared to the highway and street network so that people can use their automobiles to drive to and from rapid transit stations. The relationship of the proposed rail rapid transit system to the existing network of arterial streets and highways is illustrated in figure 1.

A substantial portion of the system must be in subway, for within Washington's monumental, historic central area and central business district, operation on overhead structures is out of the question. Fortunately, because soil conditions will permit bored tunnels, disruption to residential and commercial areas can be kept to a minimum. For example, in the entire central area south of K Street between the Potomac River and the stadium, the street surface will not have to be broken except at stations, which will be constructed by cut-and-cover methods.

Downtown subway.—A key feature of the system is the portion connecting the main concentration of employment and public buildings, illustrated in figure 2. This is the core of the system where all radial lines converge, connecting Union Station and the Capitol with principal Federal and commercial employment centers north of the Mall. Any future system that is developed will expand from this nucleus.

Three downtown stations are common to all routes—12th Street and 8th Street on G Street in the heart of the retail shopping area, and Judiciary Square, between Fourth and Fifth, and E and F Streets. To the west and north of the White House, two branches provide service to traverse areas of growing activity: (1) the so-called Northwest rectangle, located west of 17th, south of H, with stations at 18th and 23d on H Street, and (2) the lively area of hotels and office buildings centered on Connecticut Avenue, with stations at K Street and at Florida Avenue.

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With trains scheduled 3 minutes apart throughout the day on the branches, this downtown distributor will unify and strengthen the activities of central Washington. A running time of no more than 7 minutes will link all stations from the State Department to the Capitol or from Dupont Circle to Union Station. Cross-platform transfers at three of the central stations will facilitate trips involving a change of trains—with only 1½ minutes to wait for the next train going in the same direction and 3 minutes at the most for a train going in the opposite direction. The accumulated time saved in meeting business appointments by subway will, by itself, benefit both Government and private business tremendously. In addition, the many thousands of daily visitors to Washington will appreciate the convenience and comfort (especially in summer) of being put within easy reach of the places they came to see.

The subway in central Washington is designed to serve both the existing development of the city and its potential expansion. It allows for growth and adjustment while preserving the monumental and historic places, parks, and residential neighborhoods that made the Capital City unique.

Radial routes.—The five branch lines (see fig. 1) serve heavily built-up areas in the District of Columbia, and two of them extend short distances beyond the District boundary. Any one of the branches is capable of extension in response to future demand, either to serve growing population or to serve expanding Federal installations such as an improved Washington National Airport or new concentrations of Federal employment.

Ample parking and bus transfer facilities are provided at outer stations for the convenience of passengers coming from all parts of the region as will be described in some detail in the next section of this chapter. Physical descriptions of routes will be found in chapter II.

Operation

The recommended rail rapid transit system will carry 50,000 peak-hour passengers with ease and will provide a high level of all-day service. Total annual passengers in 1980 are estimated at 135 million.

All-day schedules in the central portion of the system will be the same as at peak periods (described above under "Downtown Subway") but, for operating economy, trains will be shortened as required and turned back at intermediate points on all but the two Northwest routes. The station-to-station running times for the entire system, including time between trains on trips requiring transfer, are shown in figure 3.

Extended coverage by bus.—Rail rapid transit cannot do an effective job of freeing the streets and highways of congestion unless it serves motorists and bus passengers. In the case of bus passengers the opportunity for coordination is suggested in figure 4, which indicates, diagrammatically, the existing bus routes that could connect with the proposed rapid rail system. This coordinated feeder arrangement is advantageous to the bus operators, as well, because:

It will permit the companies, in many instances, to eliminate the slower, and, therefore, the more costly portion, of trips within the congested central area.

It will cause more efficient utilization of vehicles on routes that pass transit stations, making room for passengers boarding beyond the station.

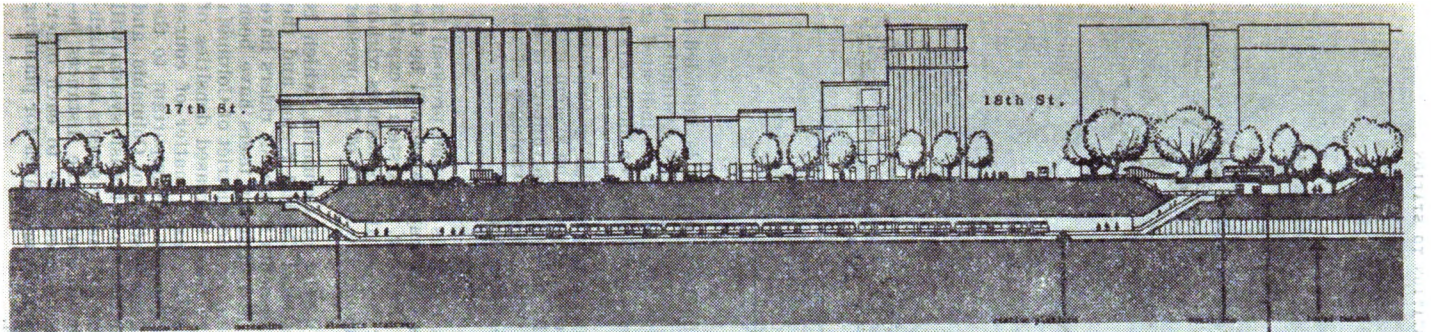
Turning back buses at rapid transit transfer points will permit greater utilization of buses in local service.

The greater speed and comfort of the combined bus-rail system will attract more riders to the buses.

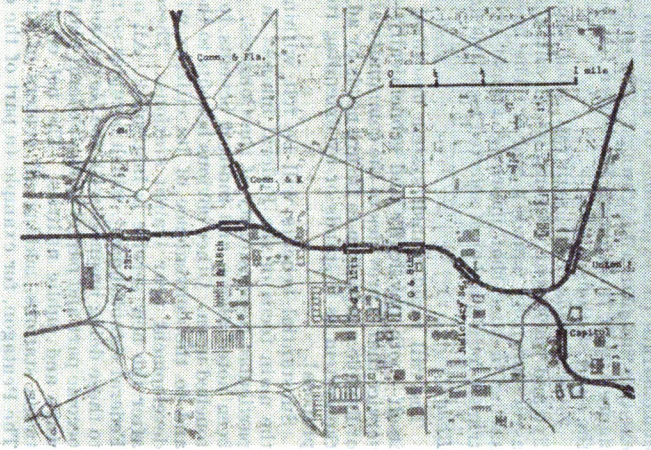
For the transit rider, the advantages consist mainly in time savings combined with broad coverage of the close-in suburbs. This coverage will be intensified through the efficient use of local feeder buses, each one making several trips in the time it would take to make one long trip all the way downtown.

Automobile connections.—Offstreet parking facilities are provided at all terminals except Columbia Heights and at all stations on the B. & O. route—nearly 12,000 spaces in all at 10 stations, in open lots, or in parking garages. As indicated in figure 5, these locations give access to the whole network of arterial highways at points well outside the central destination area, making it convenient for "park and ride" use of rail rapid transit. In addition, spaces will be set aside for "kiss and ride" commuters (those whose wives drive them to the station, allowing the family car to remain in use during the day). This practice also will be common at many stations without special parking facilities but with good arterial accessibility.

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H & 18th Station : Section Along H Street



STATION DESIGN The downtown subway will do more than bring people to their destinations. Each station will become a vital force in the future development of its immediate neighborhood. Without any sacrifice of utility, the public spaces of the transit system -- stairs, concourses, escalators, platforms -- will be designed to enhance the amenities of the street, with architectural treatment to match the best new buildings.

At some of the busiest street intersections, traffic conflicts between vehicles and pedestrians will be relieved by the ready access that subway entrances will provide. Mezzanines will extend across intersections and even into buildings where conditions are favorable. Attractive concession areas will be provided in mezzanines for the convenience of the public. In effect, the concourse areas of stations will be "all-weather" streets.

Several of these points are illustrated in the drawing above.

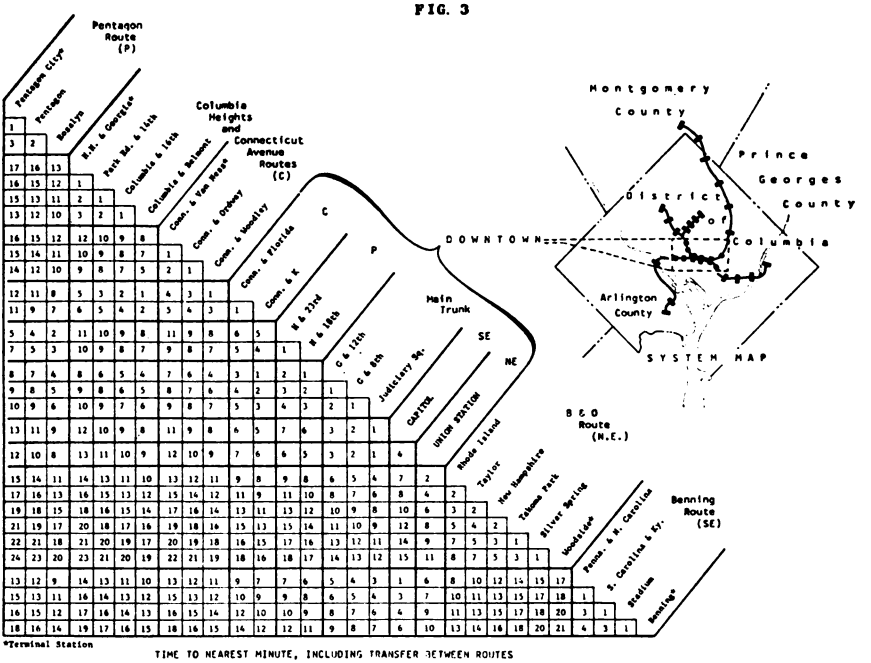
DOWNTOWN SUBWAY

Fig. 2

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RAIL RAPID TRANSIT TRAVEL TIME: STATION TO STATION

FIG. 3



TIME TO NEAREST MINUTE, INCLUDING TRANSFER BETWEEN ROUTES

Inner arterial connections are not shown in figure 5, which is intended to demonstrate the extensions of rail rapid transit service that are available on existing and planned highways. The entire network of arterials, as indicated in figure 1, will function all the better for the diversion of 12,000 or more cars at the outer stations.

Time savings.—Although rail rapid transit is most appreciated by those who live and work near stations, its advantages extend far beyond the system itself, as is shown by figures 4 and 5. The most readily measured advantage is the saving in time that improved transit provides. The time advantages of rail transit for a number of selected locations are indicated in figure 6.

Benefits

The rail rapid transit system described in this report is a sound proposal in itself—both physically and economically—but its chief importance will be the service that it provides to the community at large. Further, the system is capable of flexible adaptation to future needs by adjusting the operating schedules within the system as it stands or by extending routes beyond the limits of the present proposal.

Substantial benefits will be felt within the District of Columbia, which is the main focus of the Federal interest in the National Capital region and the particular responsibility of the Congress. Direct benefits to transit riders have been noted above, and indirect benefits to street and highway users have been touched upon. Other obvious benefits to the economy of the District of Columbia and to the convenience of its citizens will derive from increased densities of development near transit stations. These will follow as a matter of course after the new service is instituted. All of these benefits are important to the Federal establishment, which occupies so much of the District of Columbia, and to those doing business with the Government. The rail rapid transit system will become part and parcel of the Federal plant, as vital to it as the streets and highways and public utilities. The net effect will be to shrink the distances between stations, making all centers of activity more accessible to each other. The Pentagon, for example (a part of the central employment area for planning purposes), will be only 10 minutes from the Capitol.

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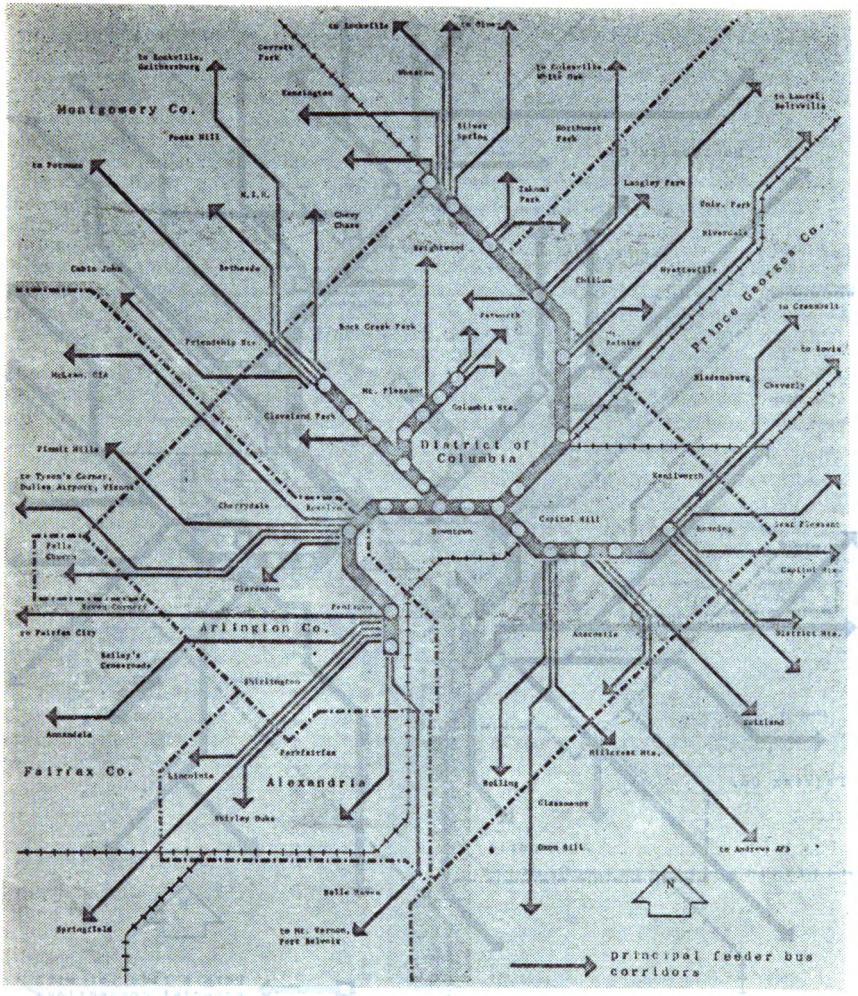


FIGURE 4.—RAIL RAPID TRANSIT FOR THE BUS RIDER

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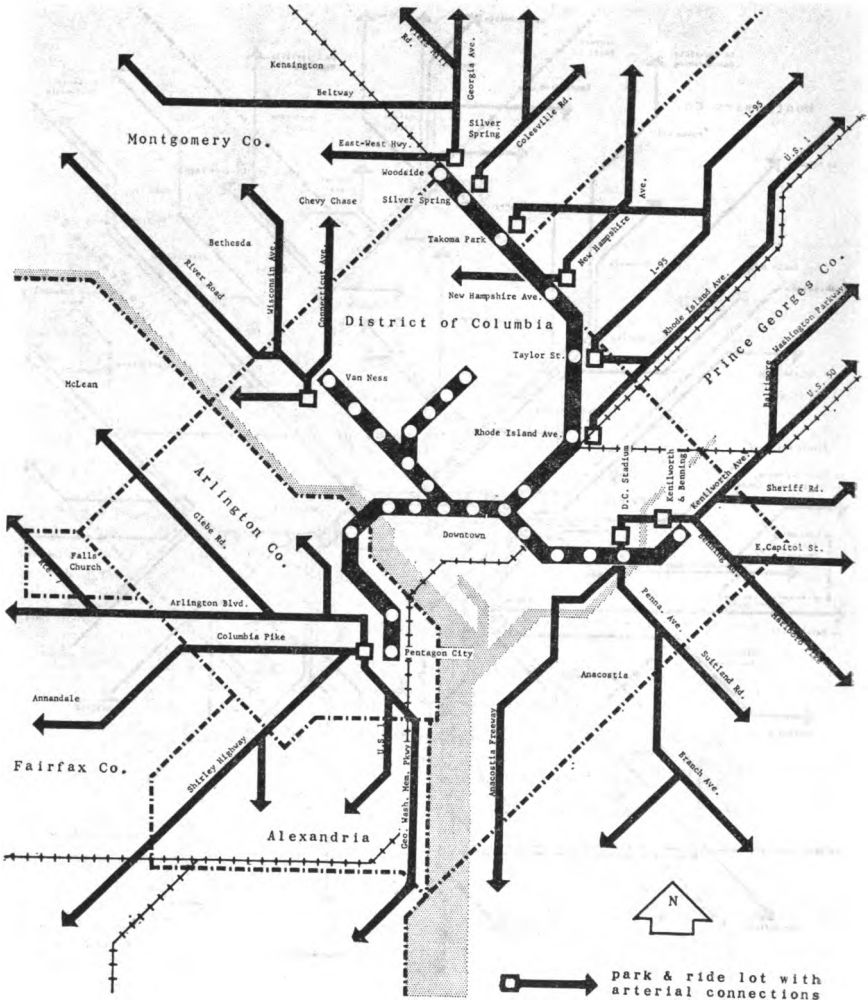


FIGURE 5.—RAIL RAPID TRANSIT FOR THE MOTORIST

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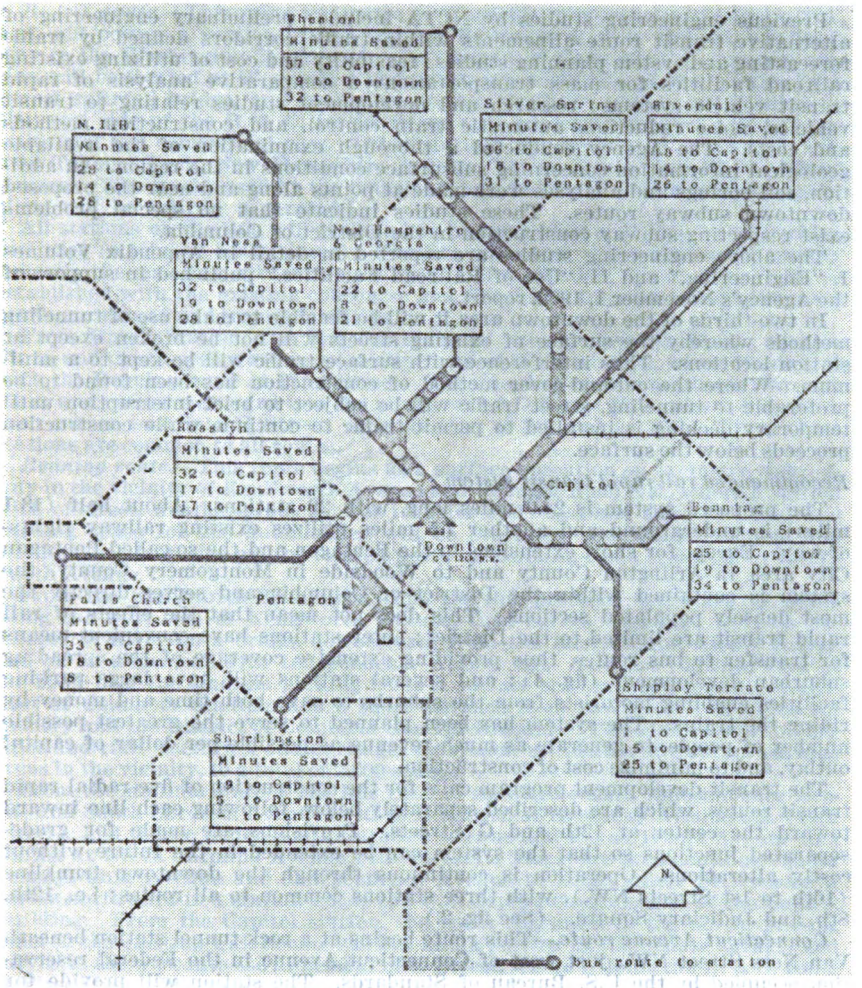


FIGURE 6.—RAIL RAPID TRANSIT SAVES TIME

Most important are the long-range benefits that derive from the interaction of transportation improvements and metropolitan growth, when directed by an enlightened public policy. Since the transportation network is the frame on which the regional growth is formed, careful programing of both rail and highway improvements will go far toward molding the future region in the public interest. The proposed transit program will be an important implementation of the President's policy directive for the development of the National Capital region.[1]

II. ENGINEERING

During 1963 and 1964, engineering study by the Agency has been concentrated on careful evaluation of the basic system recommended in the present report and illustrated by figure 1. The detailed results of this engineering study are embodied in a separate engineering supplement entitled "Engineering Plans and Cost Estimates."

[1] Memorandum for the heads of executive departments and establishments and the Commissioners of the District of Columbia, Nov. 27, 1962.

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Previous engineering studies by NCTA include: preliminary engineering of alternative transit route alinements within traffic corridors defined by traffic forecasting and system planning studies; feasibility and cost of utilizing existing railroad facilities for mass transportation; a comparative analysis of rapid transit vehicle systems; research and development studies relating to transit vehicles, noise reduction, automatic train control, and construction methods and costs. The Agency conducted a thorough examination of the available geological information concerning subsurface conditions in the region. In addition, soil borings and analyses were made at points along and near the proposed downtown subway routes. These studies indicate that no special problems exist respecting subway construction in the District of Columbia.

The above engineering studies are reported in detail in Appendix Volumes I, "Engineering," and II, "Use of Railroad Facilities," published in support of the Agency's November 1, 1962, report.

In two-thirds of the downtown area it will be feasible to make use of tunneling methods whereby the surface of existing streets will not be broken except at station locations. Thus interference with surface traffic will be kept to a minimum. Where the cut-and-cover method of construction has been found to be preferable to tunneling, street traffic will be subject to brief interruption until temporary decking is installed to permit traffic to continue while construction proceeds below the surface.

Recommended rail rapid transit system

The proposed system is 24.9 miles long, with 29 stations. About half (13.1 miles) is underground and another 7.5 miles utilizes existing railway rights-of-way. Except for short extensions to the Pentagon and the so-called Pentagon City area in Arlington County and to Woodside in Montgomery County, the system is contained within the District of Columbia and serves directly the most densely populated sections. This does not mean that the effects of rail rapid transit are limited to the District; outer stations have convenient means for transfer to bus routes, thus providing extensive coverage of the spreading suburban development (fig. 4); and several stations will have large parking facilities enabling motorists from the suburbs to save both time and money by riding the trains. The system has been planned to serve the greatest possible number of people, to generate as much revenue as possible per dollar of capital outlay, and to minimize cost of construction.

The transit development program calls for the construction of five radial rapid transit routes, which are described separately below, following each line inward toward the center at 12th and G Streets. Provisions are made for grade-separated junctions so that the system can be extended in the future without costly alterations. Operation is continuous through the downtown trunkline (16th to 1st Streets NW.), with three stations common to all routes; i.e., 12th, 8th, and Judiciary Square. (See fig. 2.)

Connecticut Avenue route.—This route begins at a rock tunnel station beneath Van Ness Street NW., just west of Connecticut Avenue in the Federal reservation occupied by the U.S. Bureau of Standards. The station will provide for feeder bus service utilizing offstreet, weather-protected bus transfer and "kiss and ride" facilities, and will include a 590-space multilevel parking garage. The route follows the alinement of Connecticut Avenue downtown, with stations located near Ordway Street, Woodley Road, Florida Avenue, and K Street. Provision is made, south of Columbia Road for a grade-separated junction with the Columbia Heights route. Except for aerial crossings of Klingle Valley and Rock Creek Park the entire line will be in subway. At H Street, the line leaves Connecticut Avenue and curves eastward beneath Lafayette Square where there is a grade-separated junction with the Pentagon route. Both routes then continue into the alinement of G Street NW., to a major transfer station at 12th and G Streets. Pedestrian connections with a subsequent north-south route under 12th Street can be arranged at this station.

Columbia Heights route.—This route originates at a station located on New Hampshire Avenue near its intersection with Georgia Avenue and will be served by bus transfer facilities. The line follows the alinement of New Hampshire Avenue, Park Road, and Columbia Road. A station on Park Road serves 13th and 14th Streets with bus transfer facilities. There are two stations on Columbia Road; at 16th Street and at Belmont Road. At Connecticut Avenue the route merges with the Connecticut Avenue route described above.

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B. & O. route.—This route originates at Woodside in Montgomery County, Md., and will occupy a portion of the existing Baltimore & Ohio Railroad right-of-way to the Washington Terminal in the District of Columbia. A terminal station will be located at Woodside a short distance northwest of the existing 16th Street railroad bridge, and equipment storage facilities will be established on the west side of the B. & O. tracks in an area presently devoted primarily to industrial and commercial uses. Other stations will be located at Georgia Avenue, Takoma Park, New Hampshire Avenue, Taylor Street, and Rhode Island Avenue. The tracks used by the transit system and the B. & O.'s railroad operations will be entirely separated.

All stations on the line will include bus transfer "kiss and ride," and parking facilities (a total of 6,550 spaces). The line will enter Union Station in subway beneath the existing structure. Within Union Station, connections will be established with the existing concourse and ticket hall to permit easy movement between railroad and transit facilities.

From Union Station, the line continues in subway beneath Union Station Plaza and curves westward into the alinement of D Street NW., where it emerges with the Benning route at First Street. The line then curves northwest through plaza and curves westward into the alinement of D Street NW., where it merges, then curves west into G Street, with stations at 8th and at 12th. These three stations are common to all routes.

Benning route.—This route begins as a surface operation on exclusive right-of-way in the vicinity of Kenilworth Avenue and Benning Road NE., where a station with offstreet, weather-protected bus transfer and "kiss and ride" facilities and parking space for 250 automobiles will be provided. Equipment storage and maintenance facilities will be located north of Benning Road and west of Kenilworth Avenue.

From the Kenilworth-Benning station, the line proceeds southwest at grade along the west side of Kenilworth Avenue, then curves westward to cross the Anacostia River on a bridge downstream from the East Capitol Street Bridge and on an alinement with Independence Avenue SE. The line contines west of the river over the stadium parking lot to a surface station located south of District of Columbia Stadium and a short distance from the District of Columbia Armory and the District of Columbia General Hospital. This station will include "kiss and ride" facilities, and envisages maximum utilization of existing parking areas in the vicinity, to a total of 2,500 spaces.

From the stadium station, the line runs in subway beneath Independence Avenue and South Carolina Avenue to its next station at Kentucky Avenue SE. (14th Street), and thence under South Carolina Avenue and Pennsylvania Avenue to a station at North Carolina Avenue (4th Street). The route then continues under Pennsylvania Avenue and Independence Avenue to First Street SE., where it curves northward to a station inside the U.S. Capitol Grounds east of the Capitol Building. From the Capitol station, the route continues to the north, passing beneath the existing U.S. Senate subway and a portion of the Senate garage, and curves to the west into the alinement of D Street, where it joins the B. & O. route at First Street NW., as described above.

Pentagon route.—This route begins in the so-called Pentagon City area in Arlington County, Va., with a terminal station located in a widened South Hayes Street to include bus transfer, "kiss and ride," and parking facilities (2,000 spaces). Provision for equipment storage also will be made within the Pentagon City area. From this terminal, the line proceeds north in open cut to a portal south of Shirley Highway and contiues in subway to the Pentagon station, which will include a major bus-transfer facility. From the Pentagon, the route proceeds northwest along the right-of-way of the old Rosslyn branch, Pennsylvania Railroad (a surface operation) until it runs into a portal south of the Marine Memorial. A multilevel station will be located beneath the Rosslyn commercial area, constructed so as to permit later extension of a route from this station westward into Arlington and Fairfax Counties.

From Rosslyn the line curves to the east beneath the Potomac River and into the alinement of H Street NW., with stations at 23d and 18th Streets. The route merges with the Connecticut Avenue route beneath Lafayette Square.

Stations.—Of the 29 stations in the recommended system, 20 will be constructed in subway. Platforms of all stations will be 600 feet long to accommodate 8-car trains. Except in a few cases where side platforms are dictated by physical

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limitations, all stations will have center platforms, and all stations will have escalators as well as stairs for movement between levels. All subway stations will have a mezzanine level providing for centralized fare collection and access to both sides of the street above. Concession space will be provided in many stations.

Stations will be well lighted and ventilated, and as attractive and comfortable as modern architectural design can make them. Walls will be of glazed title, structural glass, baked enamel on steel, or other material with durable, easily cleaned surfaces. Rapid identification of stations will be facilitated by different color schemes.

Displacement.—The clearance required by construction of rapid transit routes has been considered carefully and relocation of families has been kept to a minimum. It is estimated that no more than 128 family units will be displaced.

Variants from prior recommendations

There are three major changes from previous plans in the present proposal: (1) the Pentagon route; (2) substitution of the Benning route for the Anacostia route; (3) elimination of the commuter railroad line to Bowie.

1. The Pentagon route provides improved service to Virginia by combining two branches into a single line, permitting more frequent scheduling, and better utilization of trains.

2. The Benning route serves more of the built-up area of the District than the previously planned Anacostia route which was justified in the Agency's original proposal by potential growth in the "Henson Creek corridor" in Prince Georges County. Service to the armory and the stadium is also a factor, as well as a better location for storage yards and shops.

3. Commuter railroad service to Bowie is not essential to the initial system in view of change (2). Express bus service from the Benning route via Kenilworth and Annapolis Expressways will reach more destinations in the same area.

Rapid transit vehicles

The passenger equipment for the recommended rail rapid transit system is being designed from the point of view of the passenger and his needs for comfort, convenience, and economy of time.

The Agency has studied and evaluated all of the transit vehicle systems presently in use in the United States and abroad, and has carefully considered many new mass transportation concepts, including rubber-tired vehicles and monorail. The Agency is cooperating with transit operators, manufacturers, and planners in other cities in a continuing search for a high-performance vehicle of advanced design. Available improvements will be incorporated in the vehicles ultimately purchased for use on the system.

Equipment requirements are estimated to consist of 184 rapid transit cars which will incorporate the latest available high-performance features and the latest engineering advances of equipment recently introduced in Chicago and Toronto. The cars will be 75 feet in length, have an overall width of 10 feet, will seat 84 passengers, and will be capable of rapid acceleration permitting speeds of up to 75 miles per hour. They will be air conditioned, attractively appointed, quiet, and comfortable. The total estimated cost of the rapid transit cars is $26,100,000, and is based upon actual cost experience in other cities and cost estimates obtained from equipment manufacturers.

Capital cost

The total estimated cost of constructing and equipping the proposed facilities is $431 million. A route-by-route breakdown of the estimate is presented in table 2 and distances by type of construction are presented in table 3. These figures are the result of preliminary engineering studies conducted by NCTA's Office of Engineering and its consultants, and take account of the experience of other cities in designing or constructing similar facilities. Route plans and profiles and details of the construction cost estimate are contained in the engineering supplement.

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TABLE 2.—*Estimated capital cost*

[In millions of dollars]

	Connecticut Ave.	Columbia Heights	Baltimore & Ohio	Benning	Pentagon	Total
Basic construction	59.5	28.8	48.8	66.9	65.8	269.8
Public utilities	.6	.3	.2	4.0	.6	5.7
Track and special work	1.6	.7	3.5	2.5	2.1	10.4
Power distribution	1.2	.6	3.2	2.2	1.9	9.1
Signals and interlocking	1.5	.7	3.5	1.9	2.0	9.6
Communications	.1	.1	.2	.1	.2	.7
Substation equipment	1.9	1.1	2.7	2.9	2.1	10.7
Subtotal, construction	66.4	32.3	62.1	80.5	74.7	316.0
Engineering (10 percent)	6.6	3.2	6.2	8.1	7.5	31.6
Right-of-way	8.0	2.3	7.3	4.4	5.7	20.5
Contingency (10 percent)	7.4	3.8	7.6	9.3	8.7	36.8
Total, excluding vehicles	81.2	41.6	83.2	102.3	96.6	404.9
Vehicles, 184 cars						26.1
System total						431.0

TABLE 3.—*Distances (miles) by type of construction*

Route	Tunnel	Cut and cover	Aerial structure	Railroad right-of-way	Other open construction	Total
Connecticut Ave	1.9	1.7	[1] 0.3			3.9
Columbia Heights	1.5	.4				1.9
Baltimore & Ohio	.2	.6	[2] 1.6	6.6		9.0
Benning	2.6	.9	[3] .7		0.8	5.0
Pentagon	2.5	.8		.9	.9	5.1
System total	8.7	4.4	2.6	7.5	1.7	24.9
Percent of system	35.0	17.7	10.4	30.1	6.8	100.0
Percent of underground construction	66.0	34.0				100.0

[1] Rock Creek and Klingle Valley Bridges.
[2] Washington Terminal Co.
[3] Anacostia River Bridge and approaches.

Staging of construction

The entire system proposed here can be put into operation by 1972. Service would be initiated 2 years earlier, however, on one through route, which must include the terminal at Benning Road, needed for its car-maintenance facilities. Operation from the Pentagon, where many buslines converge, through downtown to the Capitol and eastward to the stadium, with its extensive parking, and to Benning Road, with its heavily traveled feeder buslines, would make a dramatic demonstration at a very early stage of the service that rail rapid transit can provide.

III. REVENUES AND EXPENSES

The Agency has estimated revenues from both passenger traffic and from commercial services; i.e., sale of advertising and leasing of concessions. Calculations of expenses have been based on industry experience applied to specific schedules and operating conditions applicable to the proposed system.

Traffic

The Agency has estimated that the percentage of persons using public transportation to downtown Washington in the peak hours will be raised from the present 40 to 48 percent by introduction of the proposed rail transit system. These estimates are conservative, compared with other cities that have rapid transit systems in operation. Table 4 shows that cities such as Chicago, Philadelphia, Boston, and Toronto achieve percentages ranging from 70 to 80 percent.

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TABLE 4.—*Percent of peak hour total trips to downtown by public transportation*

	Percent
New York	90
Chicago	80
Philadelphia	75
Toronto	70
Boston	70
Cleveland	55
Washington [1]	48

[1] Estimate assuming introduction of rail rapid transit.

The traffic forecasts were developed by projecting present riding habits in the region, taking account of the experience of other cities with rapid transit systems. In addition, the resulting estimates were spot checked against forecasts of future highway and public transportation usage previously made by the Agency, in collaboration with the area highway departments, and were found to accord with these forecasts.

Estimates were made for three potential sources of traffic: (*a*) persons who would find it convenient to walk between their homes and the nearest rapid transit transit station; (*b*) feeder bus passengers who would use bus services to connect with the rapid transit system; and (*c*) persons who would either be driven to and from the rapid transit stations or who would drive their autos and park them in parking areas adjacent to the rapid transit stations.

Passengers walking to and from stations.—Based on current Washington riding habits and research on riding habits in cities with rapid transit systems, the Agency estimated that 70 percent of all persons residing with 1,500 feet of a station, and working in the downtown area within 1,500 feet of a station, would use the rapid transit system to and from work. Residential population figures were derived from the 1960 census. Downtown employment figures are consistent with those previously used for traffic forecasting purposes by the Agency and the area highway departments and by the National Capital Planning Commission for general development planning purposes.

Feeder bus passengers.—Actual counts of current bus passengers, traveling in the corridors to be served by the rapid transit system, form the basis for the estimate of total bus passengers. This estimate was expanded to account for the projected increase in downtown employment. The number of bus passengers who would transfer to the rapid transit system was estimated by use of diversion curves based on field surveys and experience in other cities. Diversion percentages, based on time savings, were calculated for each busline passing a rapid transit station.

Passengers using automobiles.—A total of almost 12,000 parking spaces will be provided adjacent to various stations on the rapid transit system. Based on experience of comparable rapid transit parking lots in other cities, particularly in Cleveland, the Agency's traffic forecasts assume that these lots will be fully utilized. The Agency has not included in the traffic forecasts potential passengers who might park their cars on surface streets near rapid transit stations, though experience indicates it would be reasonable to expect traffic from this source.

Studies of other cities with rapid transit systems show that persons who are driven to rapid transit stations account for between 5 and 15 percent of downtown-destined peak-hour rapid transit ridership in these cities. A 5-percent figure was used by the Agency in calculating such patronage.

Total yearly passengers.—The foregoing sources of traffic were estimated to produce, in 1980, a total of 50,797 rapid transit passengers passing the maximum load point en route to the downtown area in the morning peak hour. It was estimated that local passengers—those beginning and ending their trips either inside or outside the maximum load point—would amount to 20 percent of those passing the maximum load point. This percentage is substantially lower than the experience of Toronto and Philadelphia, in both of which local traffic amounts to more than 30 percent of traffic passing the maximum load point. Also, the percentage does not take into account the fact that Washington has a good deal more tourist traffic than either of these other two cities and that it is virtually certain that a great many tourists visiting Washington will use the subway system.

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Several factors were applied to the estimate of the total number of passengers that could be expected to use the rapid transit system in 1980 in the morning peak hour to obtain an estimate of total ridership for that year. First, it was assumed that morning peak-hour ridership would represent 13.5 percent of total daily ridership. This percentage is higher than that indicated by the latest available data for D.C. Transit and accords with industry experience. Second, the resulting estimate of total daily ridership was multiplied by 299.6 to obtain an estimate of total yearly ridership. This factor, too, is in accordance with industry experience.

Revenues

Passenger revenue.—The Agency's estimate of total yearly revenue from passenger traffic for 1980 is shown in table 7, page 28. This is based on a rapid transit fare of 25 cents at all stations except Silver Spring and Woodside, outside the District line, where the fare will be 35 cents, and on the further assumption that the rapid transit system would receive only 12.5 cents for each feeder bus passenger transferring to or from the rapid transit system within the 25-cent zone. The bus operators would retain the remaining 12.5 cents.

Other revenue.—In addition to passenger revenues, it was estimated that revenue accruing from advertising, the leasing of concessions, and similar activities would amount to 1 cent per passenger. (See table 7.)

Expenses

In order to obtain operating cost estimates, train schedules were developed by the Agency for the entire rapid transit system. These schedules were designed to provide capacity in peak and offpeak periods of carry all of the estimated traffic without undue delay or an excessive number of standees.

On the basis of these schedules, the consulting engineering firms of Coverdale & Colpitts and Kaiser Engineers developed for the Agency an analysis of all costs that would be incurred in the operation of the system. For each facet of the operation—e.g., maintenance, station operations, and train schedules—the consulting engineers, prepared estimates of the total number of personnel that would be required. These manpower requirements accord with safety and operating practices of the rapid transit industry. Work rules and working conditions were assumed to be those set forth in the current agreement between D.C. Transit System, Inc., and division 689, Amalgamated Transit Union, AFL–CIO.

Operating expenses.—Wage rates and annual salaries were estimated on the basis of the current agreement between D.C. Transit and division 689. Where D.C. Transit presently has job classifications that are comparable with rapid transit classifications, the wage rates adhered to by D.C. Transit were used in estimating rapid transit wage costs. Where there were no comparable job classifications, wage rates were estimated on the basis of the existing differentials on other rapid transit systems, principally that in New York. Administrative salaries were based on salary levels prevailing in the rapid transit industry.

Since it is anticipated that the proposed rapid rail facilities will be contracted out for operation by private enterprise, a sum has been added to the estimate of general and administrative costs to cover the expense of an operating contract.

A summary of operating expenses for 1980, excluding depreciation but including a 10-percent contingency item, is shown in table 5. These expenses, when measured against the Agency's estimate that a total of 9,519,000 car-miles will have to be operated each year to accommodate forecast traffic, result in an estimated cost of 77.39 cents per car-mile for the Washington rapid transit operation before the 10-percent contingency item is included. The cost, after allowing for contingencies, is 85.13 cents per car-mile.

Depreciation expense.—The basis for the Agency's estimate of $848,796 for annual equipment depreciation expense is shown in table 6. Other depreciation expenses covering items such as turnstiles, escalators, ticket booths, wiring, etc., have been estimated at 6 percent of operating expenses. These other depreciation expenses are estimated to amount to $486,600 annually. Total annual deprecation expense is thus estimated at $1,334,800.

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TABLE 5.—*Operating expense for 1980, excluding depreciation*

Daily car-miles		31,190
Annualization factor		305.2
Annual car-miles		9,519,000
Operating expenses (thousands of dollars).		
Maintenance-of-way and structure (9.6 cents per car-mile)		913.4
Maintenance of equipment (4.09 cents per car-mile)		389.2
Conducting transportation (22.17 cents per car-mile)		2,110.1
Power (18.37 cents per car-mile)		1,749.1
Injury and damage (6.46 cents per car-mile)		615.0
General and administrative (16.7 cents per car-mile)		1,590.0
Operating expense		7,366.8
10-percent contingency		736.7
Total operating expenses		8,103.5

TABLE 6.—*Depreciation on rapid transit vehicles*

Vehicles required	184
Average cost per vehicle	$141,939
Investment	$26,116,800
Residual at 2½ percent	$652,920
Depreciable base	$25,463,880
Annual depreciation over 30 years	$848,796

Summary of revenues and expenses

Table 7 shows the Agency's estimate of 1980 revenues available to meet debt service charges. Total operating revenue is estimated at $26,991,000, and operating expenses, including depreciation, is estimated at $9,439,000. Thus, total yearly revenue, after depreciation, available to meet debt service charges is estimated at $17,552,000.

Table 8 sets forth the Agency's estimate of total yearly revenues and expenses for the year 1970 and then for each succeeding year until 2010 when it is estimated that the debt incurred for the construction of the system will be repaid.

TABLE 7.—*1980 revenues available to meet debt service charges*

[In thousands of dollars]

Gross passenger revenue		34,657
Maximum load point traffic [1]	29,020	
Local traffic [2]	5,637	
Less payment to feeder bus [3]		9,019
Net passenger revenue		25,638
Non-fare-box revenue [4]		1,353
Total operating revenue		26,991
Operating and maintenance expense [5]		8,104
Depreciation [6]		1,335
Vehicle	849	
Other	486	
Total operating expense		9,439
Revenue available to meet debt service charge after depreciation		17,552

[1] Based on annual maximum load traffic of 112,731,691.
[2] Based on 22,546.338 annual passengers.
[3] Based on 72,148.283 annual passengers at 12.5 cents per passenger of which 67,639,015 passengers represent 60 percent of maximum load traffic and 4,509,268 passengers represent 20 percent of local traffic.
[4] Based on 135,278,029 total passengers using system, at 1 cent each.
[5] See table 5.
[6] See table 6.

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TABLE 8.—*Estimated revenues and expenses*

[In thousands of dollars]

Fiscal year	Gross revenues	Operating expenses excluding depreciation	Revenues before depreciation	Depreciation	Net revenues after depreciation
1970	1,619	3,242	(−1,623)		(−1,623)
1971	6,748	6,888	(−140)	1,201	(−1,341)
1972	13,496	7,091	6,405	1,274	5,131
1973	17,544	7,294	10,250	1,287	8,963
1974	20,243	7,415	12,828	1,294	11,534
1975	22,942	7,537	15,405	1,301	14,104
1976	24,292	7,658	16,634	1,308	15,326
1977	24,967	7,780	17,187	1,316	15,871
1978	25,641	7,901	17,740	1,323	16,417
1979	26,316	8,023	18,293	1,330	16,963
1980	26,991	8,104	18,887	1,335	17,552
1981	27,261	8,185	19,076	1,340	17,736
1982	27,534	8,267	19,267	1,345	17,922
1983	27,809	8,350	19,459	1,350	18,109
1984	28,087	8,434	19,653	1,355	18,298
1985	28,368	8,518	19,850	1,360	18,490
1986	28,652	8,603	20,049	1,365	18,684
1987	28,939	8,689	20,250	1,370	18,880
1988	29,228	8,776	20,452	1,376	19,076
1989	29,520	3,864	20,656	1,381	19,275
1990	29,815	8,953	20,862	1,886	19,476
1991	30,014	9,013	21,001	1,390	19,611
1992	30,214	9,073	21,141	1,393	19,748
1993	30,416	9,134	21,282	1,397	19,885
1994	30,619	9,195	21,424	1,401	20,023
1995	30,823	9,256	21,567	1,404	20,163
1996	31,029	9,318	21,711	1,408	20,303
1997	31,236	9,380	21,856	1,412	20,444
1998	31,444	9,443	22,001	1,416	20,585
1999	31,654	9,506	22,148	1,419	20,729
2000	31,865	9,569	22,296	1,423	20,873
2001	31,971	9,601	22,370	1,425	20,945
2002	32,077	9,633	22,444	1,427	21,017
2003	32,184	9,665	22,519	1,429	21,090
2004	32,291	9,697	22,594	1,431	21,163
2005	32,398	9,729	22,669	1,433	21,236
2006	32,506	9,761	22,745	1,435	21,310
2007	32,614	9,794	22,820	1,437	21,383
2008	32,723	9,827	22,896	1,439	21,457
2009	32,832	9,860	22,972	1,441	21,531
2010	32,941	9,893	23,048	1,443	21,605
Total	1,129,863	354,919	774,944	55,000	719,944

IV. FINANCING THE PROGRAM

On the matter of financing the transit development program, section 204(g) of the National Capital Transportation Act of 1960, provides, in part, as follows: "* * * *Provided*, That any recommendations submitted by the Agency shall provide as far as possible for the payment of all costs by persons using or benefitting from regional transportation facilities and services, and shall provide for the equitable sharing of any remaining costs among the Federal, State, and local governments."

It will cost an estimated $431 million (excluding interest) to construct and equip the proposed rail rapid transit system. The Agency estimates that revenues from the system will be sufficient to cover all operating expenses, and to repay 65 percent of the costs of construction, equipment, and financing. Thus, under the Agency's estimates, user charges will be sufficient to meet the bulk of the financial burden involved. The balance of the funds required, in the amount of $150 million, will have to be provided by the Federal and District of Columbia governments.

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The financing plan

First, in order to launch construction of the system, the Agency recommends that the Congress authorize expenditures from appropriated funds in the total amount of $150 million—$100 million in the Federal budget and $50 million in the District of Columbia government budget. In the Agency's view, such a two-thirds and one-third sharing of the initial expense is equitable. It is also compatible with the pattern for Federal-local financing established in the Urban Mass Transportation Act of 1964.

Second, the Agency recommends that the remaining $281 million of capital funds, plus an additional $52 million to cover interest charges during the construction period, be raised through the sale of bonds, to be repaid out of system revenues. However, since such bond financing will be necessary prior to the completion of the construction period, to assure their marketability at acceptable rates of interest, additional security will be required. To supply this necessary security, the Agency proposes that the Federal and District of Columbia governments be authorized to underwrite the bonds, on a fully taxable basis, and that the ultimate responsibility for such underwriting be shared according to the same two-third and one-third formula recommended with respect to the appropriations described above.

Timing of capital outlays

Table 9 shows the schedule of capital outlays, together with sources of capital, for the period 1966–75. Federal and District of Columbia appropriations provide all needed funds for the first 2 years of design and construction and the bulk of the funds for the third year. Thereafter, the private loans would be required.

Repayment

The anticipated schedule for repayment of bonds is shown in table 10. It is expected that all bonds will be retired by the year 2010. At that time, the system would be debt free with adequate funds in a depreciation account to insure the continuance of modern and efficient equipment and facilities.

TABLE 9.—*Schedule of capital outlays by source*

[Thousands of dollars]

Fiscal year	Revenue bonds	Grants		Total capital outlays
		Federal	District of Columbia	
1966		11,467	5,733	17,200
1967		35,400	17,700	53,100
1968	5,500	53,133	26,567	85,200
1969	109,000			109,000
1970	114,000			114,000
1971	73,500			73,500
1972	21,000			21,000
1973	5,500			5,500
1974	3,500			3,500
1975	1,000			1,000
Total	[1] 333,000	100,000	50,000	483,000

[1] Includes $52,000,000 to cover payment of interest charges during construction.

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TABLE 10.—*Anticipated payout schedule—Capital outlays—Financed by $150, 000, 000 in appropriated funds and $333,000,000 in bonds (4½ percent nontax exempt publicly underwritten), estimated principal and interest payments assume that excess net revenues are used to retire bonds prior to maturity*

[In thousands of dollars]

Fiscal year	Capital outlays	Net revenue before depreciation	Depreciation account (cumulative)	Annual interest on depreciation fund at 3¾ percent [1]	Net revenue after depreciation	Appropriations	Bonds	Total bonds outstanding	Interest on bonds at 4½ percent	Principal payments	Total debt service	Cash balance	Interest on cash balance at 3¾ percent [2]	Balance
1966	17,200					17,200								
1967	53,100					53,100								
1968	84,800					79,700	5,500	5,500	248		248	152		
1969	103,900						109,000	114,500	5,152		5,152	100		
1970	102,100	−1,623			−1,623		114,000	228,500	10,282		10,282	95		
1971	58,600	−140	1,201		−1,341		73,500	302,000	13,590		13,590	64		
1972	11,300	6,405	2,475		5,131		21,000	323,000	14,535		14,535	360		
1973		10,250	3,762		8,963		5,500	328,500	14,782		14,782	41		
1974		12,828	5,056		11,534		3,500	332,000	14,940		14,940	135		
1975		15,405	6,357		14,104		1,000	333,000	14,985		14,985	254		254
1976		16,634	7,665		15,326			333,000	14,985		14,985	595	10	605
1977		17,187	8,981		15,871			333,000	14,985		14,985	1,491	23	1,514
1978		17,740	10,304		16,417			333,000	14,985		14,985	2,946	57	3,003
1979		18,293	11,634	1,717	16,963			332,000	14,985	1,000	15,985	5,698	113	5,811
1980		18,887	12,969	436	17,552			331,500	14,940	500	15,440	8,359	218	8,577
1981		19,076	14,309	486	17,736			330,500	14,918	1,000	15,918	10,881	322	11,203
1982		19,267	15,654	537	17,922			329,500	14,872	1,000	15,872	13,790	420	14,210
1983		19,459	17,004	587	18,109			327,500	14,828	2,000	16,828	16,078	533	16,611
1984		19,653	18,359	638	18,298			323,000	14,738	4,500	19,238	16,309	623	16,932
1985		19,850	19,719	688	18,490			318,000	14,535	5,000	19,535	16,575	635	17,210
1986		20,049	20,671	739	18,684			312,500	14,310	5,500	19,810	16,823	645	17,468
1987		20,250	21,616	775	18,880			306,500	14,062	6,000	20,062	17,061	655	17,716
1988		20,452	22,554	811	19,076			299,500	13,792	7,000	20,792	16,811	664	17,475
1989		20,656	23,490	846	19,275			292,500	13,478	7,000	20,478	17,118	655	17,773
1990		20,862	24,424	881	19,476			285,000	13,162	7,500	20,662	17,468	666	18,134
1991		21,001	25,355	916	19,611			277,000	12,825	8,000	20,825	17,836	680	18,516
1992		21,141	26,281	951	19,748			268,500	12,465	8,500	20,965	18,250	694	18,944
1993		21,282	27,204	986	19,885			259,000	12,082	9,500	21,582	18,233	710	18,943

See footnotes at end of table.

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TABLE 10.—*Anticipated payout schedule—Capital outlays—Financed by $150,000,000 in appropriated funds and $333,000,000 in bonds (4⅓ percent nontax exempt public lyunder written), estimated principal and interest payments assume that excess net revenues are used to retire bonds prior to maturity*—Continued

[In thousands of dollars]

Fiscal year	Capital outlays	Net revenue before depreciation	Depreciation account (cumulative)	Annual interest on depreciation fund at 3¾ percent [1]	Net revenue after depreciation	Appropriations	Bonds	Total bonds outstanding	Interest on bonds at 4½ percent	Principal payments	Total debt service	Cash balance	Interest on cash balance at 3¾ percent [2]	Balance
1994		21,424	28,124	1,020	20,023			248,500	11,655	10,500	22,155	17,831	710	18,540
1995		21,567	29,042	1,055	20,162			238,000	11,182	10,500	21,682	18,077	695	18,772
1996		21,711	29,959	1,089	20,303			227,000	10,710	11,000	21,710	18,454	704	19,158
1997		21,856	30,875	1,123	20,444			215,500	10,215	11,500	21,715	19,010	718	19,728
1998		22,001	31,790	1,158	20,585			202,500	9,698	13,000	22,698	18,773	740	19,513
1999		22,148	32,703	1,192	20,729			189,000	9,112	13,500	22,612	18,822	732	19,554
2000		22,296	33,615	1,226	20,873			174,500	8,505	14,500	23,005	18,648	733	19,391
2001		22,370	10,870	1,261	20,945			159,000	7,852	15,500	23,352	18,235	727	18,962
2002		22,444	9,972	408	21,017			144,000	7,155	15,000	22,155	18,232	711	18,943
2003		22,519	10,874	374	21,090			128,500	6,480	15,500	21,980	18,427	710	19,137
2004		22,594	11,773	408	21,163			112,000	5,782	16,500	22,282	18,426	718	19,144
2005		22,669	12,669	441	21,236			94,500	5,040	17,500	22,540	18,281	718	18,999
2006		22,745	13,563	475	21,310			76,500	4,252	18,000	22,252	18,532	712	19,244
2007		22,820	14,452	509	21,383			57,500	3,442	19,000	22,442	18,694	722	19,416
2008		22,896	15,339	542	21,457			37,500	2,588	20,500	23,088	18,327	728	19,055
2009		22,972	16,225	575	21,531			16,500	1,665	20,500	22,165	18,996	715	19,711
2010		23,048	17,109	608	21,605			[3]	742	16,500	17,242	24,682	739	25,421
Total	431,000	774,944		25,458	719,944	150,000	[4] 333,000		459,536	333,000	792,536		20,555	

[1] Use of interest from depreciation account deferred until 1st year of debt retirement.

[2] No interest on cash balance account assumed during the period in which private bonds are issued.

[3] Bonds of up to 50-year maturity will be issued. The schedule of debt service payments is so related to net revenues as to provide 1.25 times coverage at all times. This results in a reserve accumulation that permits actual retirement of the total bonded in debtedness in 42 years, provided the anticipated revenues are realized.

[4] Includes $281,000,000 for payment of capital costs and $52,000,000 for payment of interest during construction.

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V. ORGANIZATION AND OPERATION

It is proposed that the Agency begin the work of constructing and equipping the system. In the meanwhile, it is expected that efforts will be made to obtain enactment by the legislatures of Virginia and Maryland of the interstate compact contemplated by title III of the National Capital Transportation Act of 1960. Once the compact has been enacted by the States, it will be transmitted to the Congress for approval. Following such approval, title III provides for the submission by the President to the Congress of a plan for transferring responsibility for the system from the National Capital Transportation Agency to the compact agency.

Pending the establishment of the compact agency, the powers granted under the 1960 act and those sought in the present legislation will be sufficient to permit the Agency to begin at once with construction of the system. If the contemplated interstate compact with appropriate financing powers, has been approved by the time additional funds for capital outlay are needed, the interstate agency thus created would continue the construction and develop plans for additions and extensions. If not, then the question of organization and finance can be reviewed and appropriate legislation enacted to provide for continued construction.

It is proposed that the system be operated by a private company. Examination of the experience of other cities where mass transportation systems are publicly owned but managed by private enterprise has persuaded the Agency that a satisfactory arrangement can be worked out with a private operator that will provide efficient operation and will adequately protect the public interest in the rapid transit facilties.

In the cities referred to above, the public agencies concerned are vested with control over system operation, including key matters affecting the public interest such as fares, schedules, purchase of equipment, maintenance policies, etc. Such controls would be retained by the Agency under any arrangement with a private operator. Also, under the Agency's proposal, any such arrangement would include provisions for the protection of the rights of existing transit company employees. These would be the same as those provided nationally under the Urban Mass Transportation Act of 1964.

VI. CONCLUSIONS AND RECOMMENDATIONS

The principal transportation problem confronting the National Capital region, and every other large metropolitan area, is the ever-increasing traffic congestion caused by the movement of multitudes of people to and from their places of employment during a few hours of peak demand each day.

The solution to the problem is to develop an alternative to travel by automobile that will offer convenient, fast, economical home-to-work transportation and will enable the highway system to function more effectively by encouraging some people who might otherwise drive to make use of public transportation.

The Agency concludes that—

The most efficient and economical method of transporting large numbers of people during peak demand periods is by high-capacity, high-performance rail rapid transit.

Such a system involves minimal right-of-way requirements, preserves taxable property, reduces the problem of displacing and relocating families and business establishments, and reduces the burden of traffic on streets and highways.

By utilizing underground routes, the integrity of neighborhoods and central Washington will be protected and the beauty and dignity of the Nation's Capital preserved.

The downtown subway and the network of rapid transit routes described in this transit development program are not only required but are economically practicable.

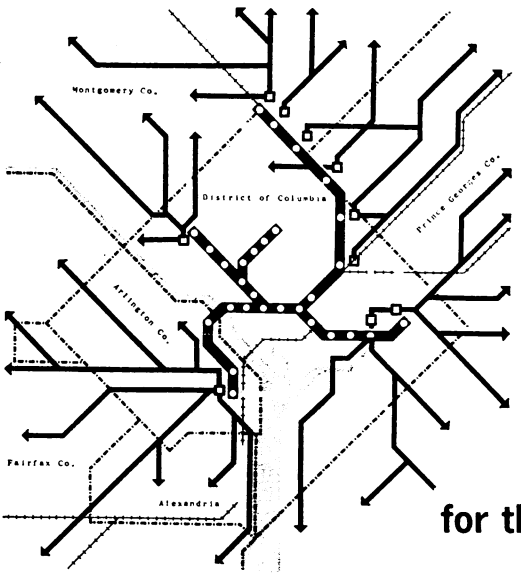
The Agency recommends—

That the Congress authorize the Agency to undertake development of the rail rapid transit system described in this report and detailed in the engineering supplement.

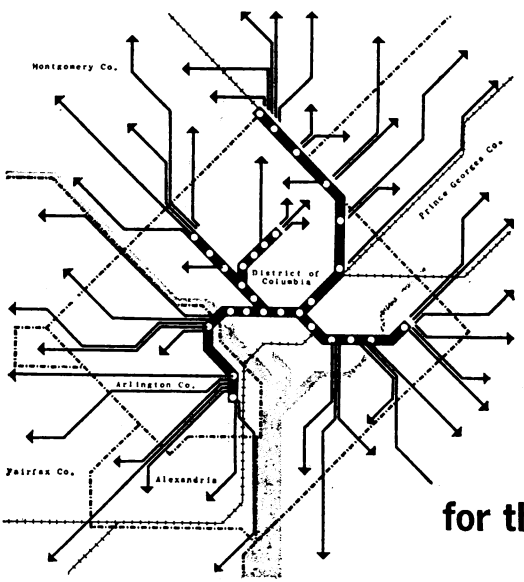
That Congress appropriate the funds necessary to implement the transit development program.

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NCTA RAIL RAPID TRANSIT



for the **MOTORIST**



for the **BUS RIDER**

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The CHAIRMAN. Our next witness is Mr. Elmer B. Staats, Deputy Director, Bureau of the Budget. Mr. Staats, we are happy to have you with us this morning.

STATEMENT OF HON. ELMER B. STAATS, DEPUTY DIRECTOR, BUREAU OF THE BUDGET

Mr. STAATS. Thank you, Mr. Chairman, I have a brief statement and I would like, with your permission, to read it for the record.

I would like first of all to say I recall appearing before this committee at the time the original legislation was enacted with you in the chair so we have both shared a long history of debate and are pleased this legislation has made the progress it has.

I am pleased to appear today in support of S. 1117 and H.R. 4822, which were recommended to the Congress by the President on February 10, 1965. H.R. 4822 was approved by the House of Representatives in slightly amended form on July 15.

The proposed bills would authorize the National Capital Transportation Agency to proceed with the detailed design and construction of the rail rapid transit system described in the January 1965 report entitled "Rail Rapid Transit for the Nation's Capital" and transmitted to the Congress by the President with the proposed bill.

It is now 10 years since the Congress authorized then a general transportation survey of the National Capital region. During that decade there has been both comprehensive and intensive study of and planning for transportation in this area. As a result of those studies and plans, a rail rapid transit system was recommended to the Congress by both President Eisenhower and President Kennedy, and is now recommended by President Johnson. The need for the system which would be authorized by S. 1117 and H.R. 4822 is no longer open to serious question.

The Congress, moreover, by its actions throughout the past decade has recognized that the mass transit problems of this region ought to be dealt with separately from those elsewhere in the United States, which are provided for under the Urban Mass Transportation Act of 1964.

As early as 1955, the Congress recognized that Federal leadership was required to aid in the planning and development of an adequate mass transportation system for the National Capital region, and authorized a comprehensive transportation study.

In 1960, with the results of that study before it, Congress created a separate agency—the National Capital Transportation Agency—to develop a program for this region. Both of these actions indicate the belief of the Congress—with which the administration agrees—that the unique and major Federal interest in this area justifies legislative action separate from the provisions of the national law.

The reason for this Federal interest in the provisions of an adequate transportation system in the District of Columbia and in the Washington metropolitan region is clear. The Federal Government employs a substantial proportion of the working force of the region. It has a direct stake in assuring efficiency in the conduct of its business, including the home to work movement of its employees. It has an interest, too, in assuring that the provision of adequate transportation

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facilities should not involve any unnecessary sacrifice of other significant values.

All of this is summarized in the congressional finding in the 1960 act that improved transportation in this region is essential—both—

for the continued and effective performance of the functions of the Government of the United States, and for the welfare of the District of Columbia, for the orderly growth and development of the National Capital region, and for the preservation of the beauty and dignity of the Nation's Capital.

I would like to comment now on the present proposal. The Bureau of the Budget received the tentative draft of the 1965 transit development program in December 1964. In the intervening period, before it was formally transmitted to the President by the Agency on February 1, the program was reviewed and favorably reported on by other departments and agencies of the Federal Government.

Thus the President had advice from many sources before he transmitted the program to the Congress on February 10 and with his approval, and with the expression of his hope that the program would receive prompt and favorable consideration.

In view of the extended consideration which this matter has had in recent years, I will limit my comments to a few points on which perhaps I can be helpful.

First, our review of the Agency's financing plan has led us to conclude that it is both feasible and consistent with the mandate of Congress in the 1960 act that—

the Agency shall provide as far as possible for the payment of all costs by persons using or benefiting from regional transportation facilities.

The Agency proposes a $431 million system, designed to pay for itself after a share of the initial capital cost—$150 million, or about 35 percent—has been assumed by the Federal and District Governments. In our judgment a capital contribution of $150 million is appropriate, the division of the $150 million between the Federal and District governments on a two-thirds, one-third basis is proper, and the prediction of the agency that the balance of the capital costs can be met from revenues is reasonable.

The CHAIRMAN. Of course, one of the areas that has always caused concern in this mass transit system is the price tag, the price of $431 million. Can you say with any reasonable assurance, what the system will cost when fully constructed?

Mr. STAATS. We have reviewed this matter very carefully and I am sure Mr. McCarter will be in a position to give you a great deal more detail of his own personal scrutiny of this matter, but this price we feel is reasonable.

It includes a contingency of 10 percent against the price increases and it seems to be in line with other Federal construction costs estimates that we have had experience with. It is not possible to compare it on an item-by-item basis with other systems that have been constructed because the situation is different, but based on the evidence we have and that furnished to us by the NCTA we feel this is a reasonable estimate of cost and the contingency is a reasonable one in relationship to other Federal construction programs.

The CHAIRMAN. As you indicated Mr. McCarter will undoubtedly testify to that at some length.

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Mr. STAATS. Yes; he will be prepared to go into some detail.

The CHAIRMAN. Thank you. Please continue.

Mr. STAATS. Second, we strongly recommend and commend the decision reflected in S. 1117 and H.R. 4822 that it is inappropriate at this time to decide on future financing of the system beyond the $150 million in capital contributions.

These contributions will enable the program to get underway immediately and will supply all the funds needed until near the end of fiscal year 1968. The more important thing, however, is that during that time work can continue on an interstate compact which both the Congress and the administration believe to be the best organizational solution to the mass transit problems of this region.

A compact has been prepared, and was approved by the Maryland Legislature this year. It will be considered by Virginia next year, and we hope will even be approved early enough that the Congress can consider it during its next session. Under this compact, responsibility for continuing the financing and construction of the system would be vested in an interstate agency, with authority to issue and sell the revenue bonds needed to meet the remainder of the costs.

If such a compact can be agreed upon by Virginia and the District of Columbia and is approved by the Congress, the future financing would be worked out in that framework. In the light of these negotiations, it is both unnecessary and unwise to include in S. 1117 and H.R. 4822 provisions regarding the funding of the proposed system beyond the initial $150 million contribution.

Third, we recognize, of course, that there is no certainty that an interstate compact agency will be created in time to carry out this additional financing. In order that there will be no delay in constructing the system once it is begun, the administration has an alternative financing plan which it will be prepared to recommend to the Congress in the event it is necessary.

While this alternative plan will be a matter of continuing study, our present views contemplate that the further financing for the system now proposed would be undertaken through the creation of a District of Columbia government corporation which would replace the present Agency.

This corporation would operate under a Board of Directors appointed by the President and including representation of the District government. The corporation would be empowered to issue necessary revenue bonds, continue construction and, if necessary, provide for the operation of the presently proposed system until a compact agency could in turn succeed to these responsibilities.

The administration is prepared to recommend that the revenue bonds, which would be fully subject to Federal taxation, would in effect be underwritten by the Federal and District Governments on the same two-thirds one-third division that S. 1117 and H.R. 4822 applies to the initial capital contributions. I should add that the administration would recommend that a similar arrangement as to underwriting for the system now proposed if the bonds for it were to be issued by the compact agency.

I want to say again, however, that we do not believe it is appropriate to decide these issues in the bill. Later there will be ample time to give consideration to the course to be pursued.

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Fourth, as the President has indicated in his letter transmitting this proposed legislation, the rail rapid transit system for which authorization is now sought is an appropriate beginning and a major step toward meeting the mass transit needs of the whole area.

To be sure, that system will serve the Nation's Capital far better after it is extended further into the Maryland and Virginia suburbs, as it almost surely will in years to come. The system you are now considering is so designed that it can be expanded into a full system for the National Capital region.

At the same time, the presently proposed system can stand on its own feet financially. For that reason it does not appear necessary now to resolve the rather complex questions which may arise in connection with the financing and construction of later extensions.

These questions may be resolved by the interstate compact. If they are not, they can be solved much more readily when they are more immediate and can be more precisely defined. We are satisfied that both Maryland and Virginia and the suburban jurisdictions of each of them are strongly in favor of a full regional system and are prepared to cooperate in achieving it.

Fifth, on other provisions of the bill, as distinguished from its financial aspects, there is little I need to add to what will be said by the representatives of the Agency. We have carefully considered the provision requiring the private operation of the system and the provision dealing with labor relations and working conditions, and we consider them appropriate. We believe the provisions of section 7 of the bill, which would expand the present Advisory Board of the Agency from five to seven members and permit the President to nominate Federal or District officials to the Board, is desirable.

Sixth, I would add that we have studied the amendments which were made to H.R. 4822 then by the House of Representatives and are quite prepared to accept them. As the report of the House committee makes clear, they are designed to clarify the purpose and the effect of the legislation, particularly as to its effect on the presently existing transit companies.

In conclusion, Mr. Chairman, may I repeat the view expressed by three administrations: The National Capital region urgently requires decisive action to provide a balanced transportation system. The highway program, financed by Federal aid grants, is moving forward, and its future progress is assured.

That program has been planned on the assumption that an efficient and effective mass transportation system would come into being.

S. 1117 and H.R. 4822 will furnish a similar assurance that the mass transit system needed to complement the highway system will also move forward promptly. As I indicated earlier in my statement, both the legislative and executive branches have been working for a very long time to develop a proposal for the Congress which would provide for a balanced transportation system for the Nation's Capital.

We are very much encouraged by the action of the House of Representatives in passing, with very few changes, the administration's proposal. We hope that this proposal will likewise be acceptable to the Senate and that early and favorable consideration of the bill will enable the National Capital Transportation Agency to begin implementation of the proposed system.

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This concludes my prepared statement, Mr. Chairman.

The CHAIRMAN. Thank you very much. I would only question one area with you because it seems from reading the House debate and through the medium of the newspapers and radio and television, in whatever order we may use those three great mass media, that the main problem is the problem of who operates this transit system and under what conditions.

As I understand it, the system is to be operated by private parties under contract with the Agency. Is that correct?

Mr. STAATS. That is right.

The CHAIRMAN. Would you care to develop that a little more fully?

Mr. STAATS. This is not a unique arrangement. This arrangement has been applied in other cities. Memphis, I believe has a system and Philadelphia, essentially the same system. I believe it is the considered view of the executive branch after a great deal of debate, that this is the appropriate way of operating a mass transit system in the District of Columbia.

We certainly feel you have effective competition for the effective operating arrangements of the system. We feel therefore the taxpayer will be protected and feel this is no doubt the best way of operating the system here.

The CHAIRMAN. In your opinion does H.R. 4822, as it was enacted in the House, adequately handle the operating problems, as well as include necessary safeguards?

Mr. STAATS. In our opinion, it does. We do not find anything in the House amendments which are in conflict with the original discussions that we had in preparing this administration bill. We think they are helpful, clarifying, and for that reason we can fully support them as being consistent with the intent of the draft submitted by the President.

The CHAIRMAN. I have no further questions, Mr. Staats; thank you very, very much.

Mr. STAATS. Thank you.

The CHAIRMAN. I know of the long years of service you have devoted to attempting to develop a mass transit system and I commend your efforts in that field. I know it has been long, laborious work. Possibly we are getting toward the end of the road.

Thank you very much.

Our next witness is Mr. Walter J. McCarter, Administrator of the National Capital Transportation Agency.

STATEMENT OF HON. WALTER J. McCARTER, ADMINISTRATOR, NATIONAL CAPITAL TRANSPORTATION AGENCY; ACCOMPANIED BY OWEN J. MALONE, ACTING GENERAL COUNSEL; HOWARD LYON, ACTING CHIEF ENGINEER; WILLIAM HERMAN, ACTING DIRECTOR, OFFICE OF PLANNING AND ADVANCES; AND EDWIN H. SEEGER, CONSULTANT

The CHAIRMAN. There has been presented to me, Mr. McCarter, your full statement, of which the statement in chief is 24 pages long and with the additional appendix attached thereto puts it in the neighborhood of 35 or 40 pages in length, so the statement will be

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incorporated in full in the record and I will ask you to develop it in your own manner.

(The document referred to follows:)

STATEMENT OF WALTER J. MCCARTER, ADMINISTRATOR, NATIONAL CAPITAL TRANSPORTATION AGENCY

Mr. Chairman and members of the committee, I am Walter J. McCarter, Administrator of the National Capital Transportation Agency. I appear today in support of S. 1117 and its companion bill H.R. 4822, legislation to authorize the prosecution of a transit development program for the National Capital region, and to further the objectives of the act of July 14, 1960.

These bills would carry out the President's recommendation for the establishment in the Nation's Capital of a system of high-speed, high-capacity rail rapid transit lines and related facilities operating in subways and on other exclusive rights-of-way. In his letter transmitting the administration's draft bill to the Congress, the President stated that—

"The problem of mass transportation in the Washington area is critical. It is also a problem in which the Federal Government has a unique interest and responsibility. As Congress found in the National Capital Transportation Act of 1960, an improved transportation system for this area "is essential for the continued and effective performance of the functions of the Government of the United States, for the welfare of the District of Columbia, for the orderly growth and development of the National Capital region, and for the preservation of the beauty and dignity of the Nation's Capital."

"There is widespread agreement that a high-speed and high-capacity rail transit system operating over separate rights-of-way through the more densely populated sections of the Washington metropolitan area provides the most promising approach to a long-range solution. Such a system will preserve the beauty, the dignity, and the historic and monumental character of our Capital City. It will exercise a desirable influence on the pattern of growth of the metropolitan area. And such a system is vital if we are to achieve the goal of a balanced transportation system for the area. The highway network now proposed for the area is predicated on an adequate rail transit system."

* * * * * * *

"The National Capital area should no longer be denied the forms of urban transportation which are vital to its welfare. The proposed program is an appropriate beginning—indeed, a long step toward the total transportation needs of the area. I hope that the Congress will give prompt and favorable consideration to the legislation which is needed to get the program underway."

The system the present legislation would authorize is described in a report entitled "Rail Rapid Transit for the Nation's Capital, January 1965" which was transmitted to the Congress by President Johnson on Februray 10, 1965, and is referred to in section 3(a) of the bill. Preliminary engineering plans and profiles for the system, and the construction cost estimate, are contained in a supplemental report entitled "Engineering Plans and Cost Estimates, January 1965."

Copies of these reports have been supplied to each member of the committee and to the committee staff. It is requested that the report entitled "Rail Rapid Transit for the Nation's Capital" be incorporated in the hearing record, and that the engineering supplement be made a part of the committee's file. In addition, appendix A of this statement contains a listing of a number of other pertinent reports dealing with various phases of the Agency's work on the transit development program. These have been made available to the committee.

Before discussing the need for this legislation, and the work that has gone into the preparation of the program, I want to outline the recommended program very briefly.

The transit development program authorized by S. 1117 and H.R. 4822 provides for the creation of 24.9 miles of double-track rail rapid transit lines. Approximately one-half of the total mileage (13.1 miles) would be in subway. Seven and one-half miles would utilize portions of existing railroad rights-of-way, and the balance would occupy other exclusive rights-of-way.

The recommended system includes 29 stations, and would consist of the following lines and facilities:

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(1) A downtown subway line between Lafayette Park on the west and Judiciary Square on the east, largely beneath G Street with major stations at 12th and G Streets NW., 8th and G Streets NW., and Judiciary Square. This section would be common to all of the radial routes of the system.

(2) A Pentagon route running west from G Street and Lafayette Park in the alinement of H Street NW., then beneath the Potomac River to Rosslyn, Va., and from there south to the Pentagon and to a terminal within or near the so-called Pentagon City development area in Arlington County.

(3) A Connecticut Avenue route running northwest from Lafayette Park beneath Connecticut Avenue to a point near Van Ness Street NW.

(4) A Columbia Heights route branching from the Connecticut Avenue route at Columbia Road NW., and running to the vicinity of Georgia and New Hampshire Avenues NW.

(5) A B. & O. route running east from G Street and Judiciary Square beneath Union Station and on the right-of-way of the Baltimore & Ohio Railroad, to Woodside in Montgomery County, Md.

(6) A Benning route running from Judiciary Square to the U.S. Capitol and thence to the District of Columbia Stadium and a terminal and maintenance base in the vicinity of Benning Road and Kenilworth Avenue NE.

The outlying stations would include bus transfer facilities and parking spaces for approximately 12,000 automobiles.

The system is limited largely to the District of Columbia. The only extensions beyond the District line are one into Arlington County, Va., to serve the heavy Federal employment concentration at the Pentagon, and one other short extension into Montgomery County, Md., in order to reach a suitable terminal location.

It will cost an estimated $431 million, exclusive of interest requirements, to construct and equip this system, and, under the recommended program, the cost would be financed as follows:

	Millions
Federal contribution	$100
District of Columbia contribution	50
Public sale of revenue bonds	281

The system would be designed, engineered, constructed, and equipped by private architects, engineers, construction firms, and equipment suppliers under contracts with the Federal Government.

The bills provide for private enterprise operation of the system. Section 3(b)(3) requires that the system shall not be operated except under contract by private transit companies, private railroads, or other private persons, and that such contracts would be entered into only after formal advertisement and negotiations with all interested and qualified parties, including the private mass transportation companies in the National Capital region.

The bills incorporate the labor protective provisions of the Urban Mass Transportation Act of 1964, and thus assure labor in the National Capital region the same protections already accorded transit workers in other cities. The operating and maintenance personnel required for the new system would be employees of the private operator and not Federal employees. The established pattern of labor-management relations in the local transit industry would not be disturbed.

Finally, the legislation also authorizes relocation assistance for persons and businesses that may be displaced by reason of the construction of the transit system. The bill makes the act of October 6, 1964, applicable to displacements caused by the Agency. It makes available the services of the District of Columbia Relocation Assistance Office established by the 1964 act, and relocation payments of up to $200 in the case of an individual or family or $3,000 (or, if greater, the total certified actual moving expenses not to exceed $25,000) in the case of a business concern or nonprofit organization.

NEED FOR THE SYSTEM

Practically no one questions either the need for the present program—or its urgency. Washington is now the fastest growing major metropolitan area in the United States. In 1960, there were 2 million people in the National Capital region. By 1980—only 15 years hence—there will be some 3.5 million, and a population approximately 5 million is anticipated by the year 2000. Also, there are now some 800,000 motor vehicles in the region, and if prevailing population

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and vehicle ownership trends continue, there will be almost a million more by 1980.

I think the need for the present program was best expressed by the Congress itself when it passed the National Capital Transportation Act 5 years ago. That act was preceded by many years of transportation planning. Under the leadership of Senator Bible and Congressman McMillan, the Joint Committee on Washington Metropolitan Problems of the 85th and 86th Congresses recognized that traffic congestion was—even then—the most important single problem confronting the area. The joint committee prepared and published more than half a dozen reports dealing with the problem and possible solution. It conducted hearings on the question in 1958, and in 1959 devoted 6 days to public hearings on the "Mass Transportation Survey Report and Plan" published that year by the National Capital Planning Commission and the National Capital Regional Planning Council. The record of those hearings runs to more than a thousand pages. It contains the testimony of more than 70 witnesses from the Federal, State, and local governments, transit companies, railroads, business organizations, citizen's associations and a number of nationally known planners and transportation experts, virtually all of whom supported the concept of a rail rapid transit system for the Nation's Capital.

Thus, when Congress passed the 1960 act it had full knowledge of the nature of Washington's transportation problem, the need for a solution, and the fact that a rail system had to be a part of that solution. The purpose of the 1960 act was to produce an engineering and financial plan for such a system.

Mr. Chairman, there is no questioning the wisdom of that action. I have spent the past 43 years in the field of transportation in Chicago, Cleveland, and Milwaukee. I have also watched developments here in Washington very closely over the years. To me it is absolutely clear that a rail system for Washington is essential and that there is no other more efficient, economical way to move heavy volumes of people throughout this city, while at the same time preserving the vitality, the livability, and the beauty, and dignity of Washington as the National Capital.

It is equally clear that unless we act the consequence will be a never-ending spiral of increased traffic congestion, slower travel by bus and auto through the city, further decline in utilization of the present transit system, and still greater reliance on automobile travel particularly during the commuter rush hours. The solution now proposed for Washington has already been adopted by 33 of the world's cities. Of these cities, 13 are national capitals—Washington is alone among major Western capitals in not having such a mass transit facility.

Programs for development of rail rapid transit in North America have been very active in recent years. Four U.S. cities with long-established subway systems (Boston, New York, Philadelphia, Chicago) have made considerable progress in extending and modernizing their facilities. Since 1945, new systems have been opened in Cleveland and Toronto; both are being extended. A large system is now being constructed in the San Francisco Bay area at a cost of $792 million. In the southern New Jersey suburbs of Camden and Philadelphia a new line is under construction and in the Atlanta, Ga., area an authority has been established to prepare a rapid transit development program.

Support for rail rapid transit for Washington has not diminished since 1960. The extensive public hearings in the House of Representatives in 1963 and this year demonstrate that, if anything, the demand for such a system has become even more emphatic. There is universal agreement that an element of balance must be introduced into the overall transportation system, and that highways, automobiles, and buses alone cannot possibly handle the total transportation job, especially during rush hours. Highway planning for the National Capital region is predicated on the early development of an adequate rail rapid transit system.

THE RECOMMENDED PROGRAM

As the committee knows, the recommended transit development program was prepared, and well along the legislative pathway, when I was sworn in as Administrator. I recall that when I appeared here recently in connection with my confirmation, your distinguished chairman suggested that I examine the bill, the program, and the work done by the Agency in putting it together, and that in due time the committee would want my views.

I am very pleased with the opportunity to be back here so soon in a working role to report my findings.

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I should point out that the Washington program and the work that has gone into it over the past 4 years was not entirely new to me when I was appointed. I've spent all my life in the urban transportation business and have made it a point to keep abreast of developments throughout the country. Events in Washington have been of particular interest, for in transportation as in everything else, the Nation looks to the Capital for leadership and good example. So, I was to some extent familiar with this program when I arrived here.

Since I came to Washington in May, the program has occupied all of my time. I've become acquainted with the personnel who developed it, and have been able to focus attention on the details of the work that produced the present plan. I have examined the layout of the proposed routes in terms of the service they will provide, and I've paid particular attention to the matters of costs, traffic, revenues, and the recommended financial plan.

AGENCY STAFF AND CONSULTANTS

First, I want to say a few words about the people who put this program together—the NCTA staff and the many outside consultants who have assisted the Agency in its work over the past 4 years. I am very favorably impressed by the work that has been done. I find that the NCTA staff is a highly competent team of individuals dedicated to the mission given them by the Congress. Their work on this program has been done very thoroughly, and in keeping with the highest professional standards. I am pleased to adopt the results of their efforts.

And my satisfaction with this program is fortified by the fact that from the beginning the Agency has turned to some of the ablest and most experienced transportation experts and engineering firms in the country for independent advice and assistance. The list is a long and distinguished one. It includes Mr. Donald C. Hyde, the general manager of the Cleveland Transit System, who served as a member of the Agency's Advisory Board and was a source of continuing advice as the program developed. Mr. Robert Pollock of the Cleveland system, Mr. Joe Ong of Cincinnati and the firm of Coverdale & Colpitts of New York, all of whom are experienced, nationally recognized transit experts familiar with all the facets of rapid transit operations, worked closely with the Agency staff in the development of traffic projections, equipment requirements, schedules, and operating cost estimates.

The Agency's engineering consultants included DeLeuw Cather & Associates of Chicago, Kaiser Engineers of Oakland, Calif., and Louis T. Klauder & Associates of Philadelphia, all of which are nationally recognized, highly respected organizations. DeLeuw Cather served as consultant on construction of the State Street Subway in Chicago, the Cleveland rapid transit system, and has had a major role in the design and construction of the Toronto, Canada, subway system. Kaiser Engineers' projects include the State Street and Dearborn Street subways in Chicago, and the subway now under construction in Montreal, Canada. Louis T. Klauder & Associates has been engaged in transit engineering work since 1935. Their projects include the Delaware River Bridge high-speed line, the Delaware River Port Authority's extension of the Philadelphia subway system, and extensive railroad and transit work for the State of New Jersey and the city of Philadelphia.

The Agency also engaged the services of the firm of Dames & Moore of New York, who are nationally recognized specialists in earth science and soils analysis, to study the subsurface conditions in Washington and conduct a soil boring program to ascertain whether subway construction is feasible in Washington. Their determination, and that of the Agency's other engineers, is that is perfectly feasible to build a subway in Washington.

These are only a few of the outside experts who have assisted the Agency in its work. Others include Wainwright & Ramsey of New York, municipal financial consultants, Traffic Research Corp. of New York, traffic analysis experts, and many more.

All of these are responsible, widely respected specialists in their respective fields. I mention them to demonstrate the breadth and quality of the talent that has figured in the 4 years of work on this program. I have reviewed the work that has been done and, in my judgment, the Congress can be confident that it was done by a very able staff with the assistance of some of the best qualified transit and engineering experts in the country.

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SERVICE CHARACTERISTICS OF THE SYSTEM

The routes of the recommended system have been well designed to provide a very high level of transit service throughout the commercial and employment centers in downtown Washington and in the most heavily traveled traffic corridors into and out of the District of Columbia.

Service on this system will be provided by fast, modern, lightweight, attractively designed transit trains that will incorporate the latest advances in high performance rapid transit technology. These trains will operate at an average speed, including station stops, of 34 miles per hour—almost double the average system speeds on other American rail systems today—three times as fast as today's bus service to downtown—and twice as fast as today's automobile travel time.

During rush hour periods, there will be a train every 90 seconds on the downtown portion of the system between Lafayette Park and Judiciary Square, and 3-minute headways would be maintained throughout the working day over most of the system.

Figure 2, which faces page 6 of the report, shows the detail of the downtown portion of the system. The location of stations in such as to bring 60 percent of the future downtown commuters within a 5-minute walking distance of their offices. This part of the system will improve the daytime circulation of people in the downtown area and will make downtown Washington a more convenient place to visit, work, and shop.

A rapid transit trip from Capitol Hill to the hotel area on Connecticut Avenue will take about 5 minutes. Depending on the weather and traffic conditions, such a trip by surface transit today can very from 20 minutes to over half an hour. The subway system will operate free of the surface congestion and will not be affected by the weather. It will serve to unify and tie together Washington's widely dispersed central area.

This rail rapid transit system is not intended to operate in isolation from the rest of the area's transportation facilities and services. Rail service would be coordinated with the surface transit services provided by the area's bus companies. Figure 4 of the Agency's report illustrates how existing buslines would tie into the proposed rail routes, and convenient transfer facilities from bus-to-rail and rail-to-bus will be provided at station locations outside the downtown area.

The system will also be coordinated with the street and highway network. The plans for the system include parking facilities—some 12,000 spaces in all—at 10 of the outlying transit stations. This will permit the so-called park-and-ride and kiss-and-ride operations that are very popular in other rail transit cities. Those who wish to could drive their automobiles part of the way downtown, park them at the station and ride the train over the congested part of the trip. Others could have someone drive them to the transit station and pick them up in the evening, freeing the family car for use at home during the day.

The Agency's studies show that given this rail system, combination bus-rail or all-rail trips will bring dramatic time savings compared with today's surface transit service. This is illustrated in figure 6 opposite page 9 of the report. For example, a half hour or more would be saved on trips from upper Connecticut Avenue, Silver Spring, Rosslyn, and Falls Church on the one hand, and Capitol Hill on the other.

The system will also be attractive to the millions of tourists and visitors who come to Washington each year from all over the country, and who find it increasingly difficult to park in and move about the downtown area. This system would ease both the central area congestion and improve circulation at the Capitol where movement becomes so difficult during the peak tourist periods due to the heavy street traffic and the parking problem.

TECHNOLOGY

The rolling stock and other equipment of the proposed system will be an advanced version of conventional steel-wheeled rapid transit trains operating on steel tracks, and incorporating the latest developments in train control equipment, noise and vibration suppression features. It will reflect the very highest state of rail rapid transit development, and will surpass practically all of the other rapid rail systems serving the world's metropolitan area in terms of performance capability and operating economy.

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Before recommending a conventional rail system for Washington, the Agency expended a great deal of time and effort in the study of alternative systems, the numerous types of "monorails," more exotic concepts such as ground-effect machines, and a number of proprietary proposals.

The technology chosen by the Agency is not merely the best that is available now or in the foreseeable future, it is the only technology that has been thoroughly tested by experience, and assures the high standards of performance, economy, and public acceptability required to meet today's urban mass transit problem.

Studies elsewhere have reached the same conclusion. Modern versions of conventional rail rapid transit have been selected for San Francisco, for the South Jersey extension of the Philadelphia transit system, and for the proposed Los Angeles system.

FINANCING THE PROGRAM

As I've already mentioned, it will cost an estimated $431 million to construct and equip this system. The President's letter transmitting the program to the Congress outlines the recommended financial plan.

First—and I want to emphasize this—under the recommended plan, the Federal Government's investment in the system will amount to $100 million, or less than 25 percent of the total investment.

Second, under the plan, the District of Columbia's investment will be $50 million, or about 12 percent.

And, third, the remainder of the cost—amounting to $281 million, plus an additional $52 million to cover interest requirements during the construction period—would be raised through the sale of bonds, to be repaid out of the revenues of the transit system over a period of years. To secure these bonds the Federal and District of Columbia Governments would underwrite them, and would share the underwriting obligation on the same two-thirds to one-third basis established for the initial investment of $150 million.

In other words, it is recommended that 34.5 percent of the necessary funds be provided in the form of direct public grants, and that the remaining 65.5 percent of the cost be paid by the transit system itself.

I want to preface my remarks on this financial plan with two observations that I think are important for they established the ground rules, so to speak, for its development.

First, when the Congress commissioned the Agency to prepare the transit development program in the National Capital Transportation Act of 1960, it specifically directed that any recommendations for financing new facilities must provide, as far as possible, for the payment of all costs by the persons using or benefiting from such facilities, and for the equitable sharing of any remaining costs among the Federal and local governments.

Second, in the Urban Mass Transportation Act of 1964 the Congress established a formula for Federal financial assistance for urban mass transit improvement throughout the Nation. Under that act, when assistance is sought for the development of a new facility the first inquiry is, "How much of the total cost can the facility itself reasonably be expected to bear?" The excess over that amount is termed the "net project cost"—the amount that cannot reasonably be financed out of transit revenues. Under that act a Federal grant of two-thirds of the "net project cost" is made available if the remaining one-third is committed by the local public agency involved.

The present financial plan adheres to these ground rules. It looks to the users of the transit system to repay as much of the capital cost as possible, and it calls for an equitable sharing of the remaining expense by the Federal and District of Columbia Governments according to the two-thirds to one-third pattern established by the national bill.

In its report that accompanied the 1960 act, this committee pointed out that if the Nation's Capital is to have a subway rapid transit system it is squarely up to the Federal Government—the largest employer and landowner in the area—to take the first step. The committee also expressed its belief, and that of the Bureau of the Budget, that if the Federal Government participates and makes its credit available over a period of years, a rapid transit system would not only pay its operating costs, but would repay a large part of its capital costs.

This belief is borne out by the work done by the Agency. Since my appointment, I have carefully reviewed the construction and equipment cost estimates, the revenue projections, and the operating cost estimates for the recommended

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system. In my judgment, there is every reason to expect that the revenues of this system will be sufficient not only to meet all operating expenses, but to repay 65.5 percent of its capital costs, plus interest charges, in accordance with the proposed financial plan.

Construction cost

The capital cost estimate for the system is described in the engineering supplement to the Agency's report. It is based on extensive preliminary engineering work done by several firms of independent consulting engineers. I've already mentioned these consultants. They are some of the most experienced and reliable transportation engineers in the country. Their skill and responsibility in this area is not open to serious question.

The estimate is a comprehensive one, and has been carefully prepared to a high level of detail in accordance with accepted standards of professional engineering. It is consistent with the actual cost experience in other cities that have undertaken rapid transit construction in recent years. In my judgment, the Agency's estimate is a sound and reasonable one.

Operating costs

The Agency's operating expense estimates are based on a complete scheduling of the recommended system. The estimate was actually prepared by Coverdale & Colpitts, of New York, a widely know, highly respected firm of experts in transportation cost-analysis. The estimate provides for the complete staffing of the system, and includes a 10-percent contingency factor. As in the case of the construction costs, the Agency reviewed the operating cost experience of other rapid transit systems. Its forecast compares very favorably with that experience. Based upon my own experience in managing rapid transit systems, I can say with confidence that the Agency's estimate is completely realistic.

Revenues

The Agency's revenue estimates for the recommended system have been derived from forecasts of future travel in the region; estimates of the number of trips that will be made on the rail system, by the application to these forecasts of an assumed fare structure; and from studies of rapid transit usage in other cities.

The traffic estimates for the system were developed by projecting present riding habits in the region and taking into account the experience of other cities with rail rapid transit systems. They include estimates (1) of the number of persons who will find it convenient to walk to the rail transit stations; (2) the number of feeder bus passengers that can reasonably be expected to use bus services to connect with the rail system; and (3) the number of people who would be driven to and from the rail stations and who would drive part of the way downtown and park their cars in the parking lots and garages located at transit stations.

The Agency estimates that in 1980 the recommended system will carry more than 50,000 passengers to the downtown area during the morning peak hour and approximately 135 million revenue passengers annually. The revenue estimates for the system are based on a 25-cent cash fare at all stations except the two located beyond the District line in Maryland, where the fare would be 35 cents. They also assume that the rapid transit system would receive only 12.5 cents for each bus passenger transferring to or from the rail system within the 25-cent fare zone. The bus operators would retain the remaining 12.5 cents.

The reasonableness of the Agency's forecast is apparent when transit riding in Washington is compared to transit riding in other American cities that have rail rapid transit systems. Today, approximately 40 percent of the people traveling to downtown Washington during the morning peak hour use the present all-bus transit system. The Agency's estimates assume that with the introduction of a modern, high-speed, high-capacity, exclusive right-of-way rail system, this percentage will increase to 48 percent.

Compared with the experience in existing rail rapid transit cities, this estimate is decidedly conservative. In New York, Chicago, Philadelphia, Toronto, Boston, and Cleveland, from 55 to 90 percent of the peak-hour trips to downtown are by public transportation.

In my judgment, it is entirely realistic to expect this system to meet its operating expenses and to repay the bulk of its capital costs over a 41-year payout period.

I want to point out, also, that while the Agency's traffic forecasts and revenue projections are sound ones, the recommended financial plan includes safeguards in the event these fall short of expectations. Under the plan, the bond amorti-

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zation period has been estimated at 41 years. If necessary, this could be extended to 50 years to reduce annual debt requirements. Also, the program calls for a substantial cash depreciation reserve which, if necessary, could be applied to debt service.

If transit usage did not increase to the 48 percent anticipated by the Agency, but reached only 41 or 42 percent, the debt service charges could still be met, and there would be no necessity for any call against the underwriting obligations on the bonds. This is an added reason why the Congress can be confident that the requested $100 million will be the Federal Government's total outlay for the system recommended in this legislation.

BUS TRANSIT SERVICE

Now, I want to devote a few minutes to the matter of bus transit service, and how the existing privately owned bus companies fit into this program.

The committee will, I am sure, recall that during the hearings on H.R. 4822 before the House District Committee, Mr. O. Roy Chalk, president of the D.C. Transit System, Inc.—the principal local bus carrier in the region—expressed his company's approval of subway development, and also indicated his concern that the rights of the private carriers now serving the area be protected.

Also, during the House committee hearings, the Washington Metropolitan Area Transit Commission, the official body responsible for the regulation of bus fares and service, requested that the present legislation be amended to make it clear that nothing in these bills will be construed as altering or amending its present regulatory jurisdiction.

In consequence, as it comes to the Senate from the House, H.R. 4822 contains a number of changes.

Section 2(c) has been amended to provide that "nothing in this Act shall be construed as altering or amending the Washington Metropolitan Area Transit Regulation Compact." As introduced, neither S. 1117 nor H.R. 4822 was intended to affect in any way the regulatory Commission's jurisdiction under the compact. This amendment makes this clear.

Section 2(e) of H.R. 4822 has been amended to delete the words "that unnecessary duplicating service be eliminated" appearing on lines 5 to 6 of page 4 of the bill. Section 2(e) is part of the statement of findings and purposes of the bill. A number of the private bus operators expressed concern that this language might be construed to require the discontinuance of bus services along the routes of the rail transit system.

This is not the intent of the bill. The House committee points out in its report that while it is the intent that rapid rail and bus services be coordinated, there is no intent that privately owned companies would be forced to discontinue a service merely because it was paralleled by, or was competitive with, rapid rail service.

As changed by the House, section 2(e) contains a congressional finding and declaration that rail and bus services should be coordinated. This would be accomplished, in any case, through cooperative arrangements with the bus companies and through the processes of the transit regulatory Commission. In my opinion, the House change in no way impairs the bill. If duplicating service were, in fact, unnecessary and a losing proposition, neither the bus companies nor the rail system would be anxious to render it in any event.

Section 3 of H.R. 4822 has been amended to add two new subsections—numbered sections 3 (c) and (d). These appear on page 7 of the bill.

The new subsection 3(c) provides that "nothing in this act shall be construed to affect any right to damages which any common carrier engaged in the private transportation of persons in the National Capital region may have by virtue of Public Law 757 of the 84th Congress (the D.C. Transit Franchise Act) or Public Law 669 of the 86th Congress (the act creating the NCTA and authorizing the preparation of the transit development program).

The new subsection 3(d) provides that the protection accorded the private bus companies under the provisions of the National Capital Transportation Act of 1960, and particularly under section 205(a)(2) thereof, shall not be impaired by this legislation. Section 205(a)(2) of the 1960 act prohibits the Agency from acquiring the property or rights-of-way of private motorbus companies, and from operating buses or making agreements for the operation of bus services in competition with private companies.

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As pointed out by the House committee in its report, these amendments were proposed by the local transportation companies, and their purpose is to preserve intact the existing rights of the privately owned bus companies now serving the region.

As introduced, S. 1117 and H.R. 4822 were not intended to deprive these companies of any of their rights. The House amendments make this abundantly clear, and should remove whatever doubts that may exist.

THE BUS COMPANIES

I have already pointed out that the recommended rail system has not been designed to operate in isolation from the other mass transit systems now operating in the region. Under this program bus service will be essential and will be provided by the existing privately owned bus companies.

In view of the growth in population and employment, and the increased commercial and cultural activity forecast for the region, there is every indication that more, not less, bus service will be required. The introduction of the rail system and the time savings it will bring can be expected to enhance the overall attractiveness of public transportation—including bus transportation. The speed, economy, and convenience of combined bus-rail trips between home and downtown, especially during the rush hours, is certain to encourage many people who would not use public transit under today's conditions to leave their automobiles at home and ride the buses to the rail stations. Under the recommended program, bus and rail schedules will be closely coordinated to eliminate delays at connecting points, and free transfer arrangements will be worked out between the bus companies and the rail system.

The rapid transit system will also benefit the bus companies in other ways. Most importantly, it will enable them to effect very substantial savings in operating costs. In Washington, as in every other major urban area in the country, bus operating expenses are escalating sharply year by year. The principal reason for this is traffic congestion. Bus travel times become slower, patronage does not increase, and operating expenses grow constantly higher.

Today, the average systemwide speed of the D.C. Transit System is approximately 11 miles per hour. The average downtown speed during rush hours is about 4 miles per hour. To illustrate the magnitude of the expense involved, Mr. Donald C. Hyde, general manager of the Cleveland Transit System, testified before the House District Committee in 1963 that a systemwide increase of 1 mile per hour would mean a cost saving of more than three-quarters of a million dollars.

The recommended rail system will relieve the bus companies of the necessity for operating much of their equipment downtown, and will enable them to utilize it more productively elsewhere.

In my judgment, the rail system will be beneficial—not harmful—to bus operations. Today, in the face of ever-increasing costs, the bus companies are generating little, if any, new business, notwithstanding the population growth the region is experiencing. Also, there is no indication that, standing alone, bus service will hold any greater appeal in the future. With the proposed rail rapid transit system, however, a new level of service will be added. Together, bus and rail will be able to compete effectively for a larger share of the growing transportation market, and will provide the region the kind of efficient public transportation system it needs.

Traffic congestion, not the rail system, is the most serious threat to the economic well-being of the bus companies.

PUBLIC SAFETY

Before concluding, Mr. Chairman, I want to address, for a moment, the matter of public safety and subway policing. The committee may recall that this was a matter of some interest during the hearings in the House.

I want to say first—and I understand that the Board of Commissioners of the District of Columbia agrees—that policing of the subway system will be a matter primarily within the jurisdiction and responsibility of the Metropolitan Police Department.

Secondly, the Agency is entirely aware of the importance of this problem. It has been in touch with other transit cities to ascertain how they have dealt with it, and what more can be done to discourage criminal activity on transit systems.

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Two things are clear. First, the design and physical layout of stations, the ready availability of up-to-date communications, and the surveillance of the public areas of the system are most important. The design of the facilities can do much to discourage would-be offenders, enhance passenger safety, and facilitate policing.

Washington's will be an entirely new system, and its public spaces will be designed and equipped with a view to providing the greatest possible measure of safety.

For instance, the mezzanine and platform areas of stations will be designed to be viewable throughout by station attendants. The numerous supporting columns and blind corners that characterize some of the older systems will be eliminated. Stations will be designed with a view to congregating passengers together on center platforms rather than isolating them on separate ones. During off-peak hours, facilities will be provided to permit the closing off of unnecessary mezzanine and platform space so as to keep the passengers together.

All stations will be finished in bright, revealing colors, and will be fully illuminated by modern fluorescent lighting. They will be equipped with modern communications that will enable a quick response to trouble whenever and wherever it might occur.

Train operations can also do much to assure safety. Under present planning, the system would be shut down completely from 1 a.m. to 5 a.m., and would not operate throughout the night as is done in New York for instance. Also, during off-peak periods the size of trains would be reduced. Single or double car units would be used during very late hours when the traffic is light. The trains will be equipped with telephones so that the operator can phone ahead for help if it is needed.

There is a great deal that can be done to meet this problem. I want to assure the committee that the Agency is, and will continue to be, alert to it. The Washingon system will be designed, constructed, and equipped so as to provide the maximum possible security for its users.

CONCLUSION

The need for a rail rapid transit system in Washington is apparent. The development of the recommended rail rapid transit facilities has been enthusiastically endorsed, not only by the people of the District of Columbia and of the surrounding suburban communities in Maryland and Virginia, but by most of the civic, trade, religious, labor, professional, and other organizations concerned with the welfare and orderly development of the National Capital region. The program has the general endorsement of the Governors of Maryland and Virginia, or their representatives, and has been officially endorsed by virtually all of the local governments and planning agencies of the region. There is attached to this statement a list of the public and other groups that have indicated their approval.

The rapid rail transit system authorized by S. 1117 and H.R. 4822 has been carefully designed to meet the region's needs with the least possible financial burden on the Federal Government.

The National Capital Transportation Agency respectfully urges the committee to approve this legislation.

APPENDIX A

Appendixes to November 1, 1962, Report to the President

Volume I. Engineering: Sets forth engineering details, including plan and profile drawings and cost estimates, for the rail rapid transit system recommended by Agency. Subjects covered include route alinements and profiles, establishment of criteria for the system, methods of construction, costs of construction and equipment, analysis of rapid transit vehicle systems, and boring logs.

Volume II. Study of commuter service using existing railroad facilities for Washington, D.C.: A report prepared by Louis T. Klauder & Associates, Philadelphia, Pa., describing existing rail facilities in the National Capital region. Includes an analysis of alternative proposals for use of these facilities for commuter service, both with and without rapid transit. The report details estimated capital and operating costs, patronage, operating schedules, and requirements for new facilities and equipment. A note on the contractor appears under Report 5, below.

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Volume III. Traffic forecasting: Describing in full detail the traffic forecasting process on which the Agency's traffic estimates were based.

Volume IV. A model for estimating travel mode usage in Washington, D.C.: A report to the Agency by Traffic Research Corp., New York, N.Y., containing further details on the Agency's traffic forecasts. Includes a discussion of (1) program specification, (2) input to modal split program block, (3) calculation procedures followed by modal split program, (4) program output and (5) operating instructions. Also, graphs of 1955 and 1961 showing relationship of travel time, cost, convenience, and economic status to people's choice of method of travel (transit or highway). A note on the contractor appears under Report 3, below.

Volume V. System planning: Describes the Agency's highway and transit traffic forecast by route, estimated transit revenue and costs, including express and feeder bus operations, an evaluation of the 1959 MTS plan, and a description of alternative transportation systems tested by the Agency.

Volume VI. Organization and finance—Chapter I: Report of Wainwright & Ramsey, Inc. "Recommendations on Methods of Financing the Proposed Rapid Transit System for the National Capital Region."

Wainwright & Ramsey, Inc., is a prominent firm of municipal financial consultants, providing expert advice on all phases of public finance. Among its clients have been towns, cities, counties, States, and authorities all over the country.

Chapter II: Report of Hawkins, Delafield & Wood on "Organization for Transportation in the National Capital Region." A detailed legal analysis of various organization alternatives, with emphasis on an interstate contract.

The consultant is a New York law firm, nationally known for its experience in the municipal bond field.

NCTA Technical Report—A Study of Bus Rapid Transit Operations for the National Capital Region, 1963

This technical report summarizes Agency studies on the use of buses to provide rapid transit service in the National Capital region. Prepared by Agency staff, it includes also three studies developed by engineering consultants to the Agency. The main conclusions of the report are—

(*a*) A rail subway is the only feasible method of providing rush-hour transit distribution in Washington's downtown employment area.

(*b*) For the high volume transit corridors, rail transit provides better service at lower cost than bus.

Capital and operating cost estimates were developed for a downtown bus subway and a trunkline route. The bus subway was clearly infeasible from the standpoint of capital cost alone. The trunkline study consisted of comparisons of costs, service, and capacity for the Route 66 line. The comparisons show train clearly superior to bus for this corridor. On corridors with higher traffic volumes, the comparisons would favor rail to an even greater degree.

1. Comparative analysis of rapid transit vehicle systems, preliminary study (date of report, July 1962).

Contractor: Operations Research, Silver Spring, Md. Operations Research Inc., is one of the largest independent operations research analysis firms in the United States. It has a staff of approximately 100 professional research people with a varied background and training in physics, mathematics, statistics, all engineering fields, management sciences, and chemistry.

In addition to services performed for a variety of agencies of the U.S. Government, Operations Research, Inc., has undertaken studies for commercial organizations, among which are included Western Maryland Railroad Co., Delta Airlines, General Motors Corp., and Slick Airways.

Scope: Analysis of different kinds of rapid transit vehicles (both existing vehicles and those in the research and development stage) including (1) five conventional train systems; (2) a dual-purpose vehicle bus capable of operating as a single unit on public streets and of being coupled as trains on an exclusive right-of-way; (3) ground effect machines.

Use of report: Basis for choice of vehicle system.

2. High-level and low-level subways, preliminary engineering study (date of report, November 1961).

Contractor: Parsons, Brinckerhoff, Quade & Douglas, New York, N.Y. Parsons, Brinckerhoff, Quade & Douglas has been engaged in transportation engineering

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for over 60 years. The first subway to be built in the United States was designed and constructed by this firm in New York City a half century ago. Since then extensive preliminary engineering, final design and/or construction has been undertaken by this firm for the New York companies on an almost continuous basis.

Scope: Comparison of high-level and low-level subways, producing information on design, construction procedures, and estimated construction costs. Methods of construction analyzed were cut-and-cover, shield tunneling, ground solidification, and the Milan method.

Use of report: Engineering design decisions.

3. A model for estimating travel mode usage in Washington, D.C. (date of report, July 1962).

Contractor: Traffic Research Corp., New York, N.Y., an outstanding consultant in traffic analysis techniques. Their comprehensive regional traffic forecasting technique has been successfully used in transportation planning studies conducted by the Toronto Planning Board. The technique has been reported on in detail in recent highway research board publications.

Scope: Discussion of (1) program specification, (2) input to modal split program block, (3) calculation procedures followed by modal split program (4) program output, and (5) operating instructions. Also graphs of 1955 and 1961 showing relationship of traveltime, cost, convenience, and economic status to people's choice of method of travel (transit or highway).

Use of report: Procedures developed in these studies were used by NCTA in estimating transit and highway use.

4. Notes on land use for 1980 Washington metropolitan area (date of report, May 1962).

Contractor: Hammer & Co., Associates, Washington, D.C., Hammer & Co. is experienced in land use studies for industrial development, area redevelopment, shopping centers and housing markets.

Scope: A forecast of where people will live and work.

Use of report: Traffic forecasts in the 552 small areas which comprise the Washington metropolitan area.

5. Commuter railroad study (date of report, May 1962).

Contractor: Louis T. Klauder & Associates, Philadelphia, Pa. This firm has been engaged in transit engineering work since 1935. The firm worked on the Delaware River Bridge high-speed line as well as extensive railroad and transit work for the New Jersey Department of Economic Development, the city of Philadelphia, the New Jersey Highway Department, and the South Jersey high-speed project.

Scope: Analysis of engineering feasibility and cost of using rail lines in the National Capital region for commuter services on an interim basis, and on a long-term basis to be meshed with a downtown subway system.

Use of report: Provided a basis for the final decision to use the Pennsylvania Railroad line to Bowie for commuter rail operations and to use the B. & O. and R.F. & P. rights-of-way for rapid transit operations.

6. Proposed subways as dual-purpose fallout shelters, preliminary study of incremental costs (date of report, September 13, 1962).

Contractor: Parsons, Brinckerhoff, Quade & Douglas, New York, N.Y.

Scope: To explore use of the proposed Washington subway as community fallout shelters, to develop preliminary estimates of the additional costs that might be involved, and to determine the number of people that could be accommodated.

Result: Led the Agency to conclude that it is feasible to incorporate fallout protection features in the proposed subway. A subway used as a fallout shelter will accommodate 3,100 to 3,300 per 1,000 linear feet. The cost would vary between $176 to $1,000 per linear foot of subway, depending upon whether the cut-and-cover or the tunneling method of subway construction is used.

7. Transit station impact (date of report, September 1962).

Contractor: Alan M. Voorhees & Associates, Robert Gladstone, Washington, D.C. Alan Voorhees Associates is a highly respected traffic and land planning firm.

Scope: This was an investigation of the projected impact of a proposed transit line and station, Takoma Park, upon land development in the immediately surrounding area. Study was also made of the actual impact of rapid transit stations in Toronto and in U.S. cities with rapid transit systems.

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Use of report: This report helped to establish the principle that station locations should be determined to a large degree on the basis of growth potential for high density residential and commercial uses.

8. Report, foundation investigation, phase I, proposed rapid transit system (date of report, August 1962).

9. Report, foundation investigation, phase II, priorities I and II (date of report, September 1962).

10. Preliminary report, foundation investigation, phase II, priority I (date of report, December 1962).

11. Report, foundation investigation, phase II, priorities I, II, III, IV, and IV–A (date of report, April 1963).

Contractor: Dames & Moore, New York, N.Y. The firm of Dames & Moore has been engaged in the practice of earth sciences engineering since 1938. A staff of well over 100 operating out of 11 offices throughout the United States, have served clients in 39 countries on soils problems of a widely diversified nature requiring field operations, laboratory tests, engineering studies and analyses. Among their clients are major organizations in industry and government including the U.S. Corps of Engineers, Atomic Energy Commission, Navy, Air Force, and the National Aeronautics and Space Administration.

Scope: This was a two-part study. First, the contractor collected all available data concerning subsurface conditions in Washington, D.C., along proposed alternative routes for a Washington, D.C. subway. This included soil data from various departments and agencies of the District of Columbia, the U.S. Government, and private companies. This data was analyzed and used as the basis for planning more extensive foundation investigations. Part 2 of the study involved soil borings along the proposed routes of the subway.

Use of the report: To establish the proposed construction techniques and the cost estimates contained in the November report.

12. Preliminary engineering and estimate of cost for routes A, B, and C of a rapid transit system for the National Capital Transportation Agency (date of report, September 1962).

Contractor: Kaiser Engineers, Oakland, Calif. The Kaiser organization has been engaged in a broad range of engineering and construction services since 1914. A substantial portion of this work has involved major underground engineering and construction throughout the world including aqueduct, hydropower, vehicular and rapid transit tunnels. A few examples are the Delaware Aqueduct for New York; State Street and Dearborn Street subways in Chicago; the Snowy Mountain project in Australia involving 22 miles of tunnels; and the recently completed 11-mile Clear Creek project.

Scope: Preparation of preliminary plans and cost estimates of a major portion of the downtown subway.

Use of report: Used to develop final cost estimates presented in November 1962 report to the President.

13. Use of excess land and air rights, case study (date of report, August 1962).

Contractor: Larry Smith & Co., Washington, D.C. This firm provides market and financial counsel for real estate development. In this country it has done work for Downtown Progress, Washington, D.C.; the Pittsburgh Regional Planning Commission, the Philadelphia Planning Commission, the Philadelphia Industrial Development Corp., and a number of redevelopment authorities.

Scope: Explored the possibilities for resale of surface and air rights of rapid transit right-of-way.

Use of Report: Background information in preparation of the November report.

14. Difficult ground-tunneling techniques, engineering study (date of report, December 1962).

Contractor: Parsons, Brinckerhoff, Quade & Douglas, New York, N.Y.

Scope: Engineering study to review and evaluate existing tunneling techniques and to discover new or improved techniques which may be applied to subway construction in Washington, D.C.

Use of report: Used in development of cost estimates of subway construction.

15. Final report, rail rapid transit on the Alexandria-Springfield route, Lafayette Square to Four-Mile Run (date of report, March 1963).

Contractor: De Leuw, Cather & Associates, Chicago, Ill. De Leuw, Cather & Co. is a recognized authority in transportation, planning, design, and construction. The firm has served as consultant on construction of the State Street subway in Chicago; served as principal consultant on the design and con-

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struction of the Cleveland rapid transit system and played a major role in the design and construction of the Yonge Street subway system in Toronto. Since then the firm has engaged in additional projects in design and supervision of construction on University and Bloor-Danforth routes in the same city.

Scope: Preparation of preliminary plans and estimates of costs of the rail rapid transit route extending from the vicinity of 15th Street and Pennsylvania Avenue NW., in the District of Columbia past Pentagon City, Arlington County, Va., to the right-of-way of the Richmond, Fredericksburg & Potomac Railroad.

Use of report: Provided information concerning construction costs used by the Agency in its November report.

16. Preliminary report, alternate plans for rail rapid transit crossing of the Potomac River (date of report, October 1962).

Contractor: De Leuw, Cather & Associates, Chicago, Ill.

Scope: Comparison of construction characteristics, construction cost, operating characteristics and operating costs of alternate plans for rail rapid transit crossings of the Potomac River.

Use of report: Basis for Agency's decision that savings in construction costs justified using a single river crossing.

17. Construction cost estimates of two subways for motorbus operation (date of report, October 1962).

Contractor: Day & Zimmerman, Inc., Philadelphia, Pa. This firm has diversified experience in engineering design and construction, feasibility studies, traffic and transportation, engineering and economic studies for financial institutions, industrial organization, public utilities, and goverment agencies. It has made traffic and transportation studies of highways, railroads, bus, high-speed rapid transit, airports, bridges, and tunnels.

Scope: Determined the cost of a bus subway which could ultimately be converted to rail operations.

Use of report: Study showed a bus subway with a capacity of 7,500 to 15,000 persons per hour would cost approximately $23 million per mile to build. This was considerably higher than construction costs for a rail subway with a capacity of 30,000 to 40,000 persons per hour. This was a factor in the Agency's decision not to recommend an all-bus system.

18. Consumer services revenue development, report phase I (date of report, September 1962).

Contractor: Horace S. Ely & Co., New York, N.Y. This firm is one of the Nation's oldest and best known real estate companies. It is the only real estate company which has a public terminal consumer revenue department which includes recognized authorities on the creation and development of sources of revenue from consumer services at railroad and bus terminals and airports.

Scope: The study provided the Agency with estimates of revenues which might be derived from sources other than the farebox, such as restaurants, newsstands, and other concessionaires. Types and numbers of revenue sources and facilities were supplied to the Agency for its proposed rapid transit system. Data from the experience of other cities were also supplied by the contractor.

Use of report: This information was used by the Agency as a basis for estimating potential nonpassenger revenue, which estimates were included in the November report.

19. Pilot research study on intrazero sector trips (date of report, September 1961).

Contractor: Sidney Hollander Associates, Baltimore, Md. Contractor is well-known market research firm, well qualified in data techniques, sampling, and analysis.

Scope: This study was designed to test the feasibility of gathering information on downtown trips by use of a telephone interview.

Use of report: Used for traffic studies.

20. Evaluating comparative costs and benefits of alternative programs for meeting incremental transportation needs of Washington, D.C. (date of report, March 1962).

Contractor: Economics Associates, Washington, D.C. This firm has a broad background in transportation, as well as industrial, community, and regional development.

Scope: Develop a detailed procedure to be used in analysis of relative costs and benefits of alternative transportation systems for the National Capital region.

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Use of report: Basic guidelines formulated by study were utilized in analysis of alternative transportation systems.

21. Cost comparisons of alternative transportation systems in the Shirley Highway corridor (date of report, June 1962).

Contractor: Economics Associates, Washington, D.C.

Scope: A study of each route in the Shirley Highway corridor as proposed by NCTA and the MTS, based on relative costs and benefits.

Use of report: Used as background information for decision on routes in Shirley Highway corridor.

22. An express street system for the north corridor of the inner loop—a case study (date of report, October 1962).

Contractor: Blair & Stein Associates, Washington, D.C. This firm has recognized ability in traffic operations and traffic planning work, including highway design.

Scope: A study of alternatives to an interstate freeway in the north leg area including cost and relocation estimates.

Use of report: Utilized by the Agency in making its final recommendations on highways.

23. A survey of commuter attitudes toward rapid transit systems (date of report, March 1963).

Contractor: National Analysts, Inc., Philadelphia, Pa. National Analysts, Inc., is one of the Nation's leading market research firms. It has performed market research and public opinion surveys for a number of the largest American corporations, as well as for many government and private research organizations. Their expertise in the field of statistical sampling, questionnaire design, and qualitative research techniques is well known. The firm has a national staff of trained field interviewers on which it calls for local opinion surveys.

Scope: A survey, conducted according to the latest accepted methods of scientific sampling, of a sample of 2,005 people who commute regularly to and from the downtown District of Columbia area. Its purpose was to determine reactions and attitudes toward rapid transit as contrasted to other possible methods of transportation. On the basis of the survey, the contractor concluded that: (1) The market for a rapid transit system is estimated to be as high as between 85 and 90 percent of Washington commuters, (2) commuters prefer a rapid transit system to improve highways almost 2 to 1, (3) commuters prefer rail vehicles to buses by 3 to 1, (4) commuters who live in other cities where rail rapid transit and/or commuter railroad facilities are part of the public transportation make use of them and like them.

Use of study: Agency initiated this study as a check on the validity of its traffic estimates.

24. Report to the National Capital Transportation Agency on operating costs of a proposed 24-mile rapid transit system, August 7, 1964, by Coverdale & Colpitts, consulting engineers, New York, N.Y.

25. Bus-rapid transit study, prepared by Wyer, Dick & Co., Upper Montclair, N.J.

National Capital Transportation Agency

CODY PFANSTIEHL, DIRECTOR, OFFICE OF PUBLIC INFORMATION AND COMMUNITY SERVICES, WASHINGTON, D.C.

The following organizations have notified the National Capital Transportation Agency of their endorsement of rail rapid transit for the National Capital region.

REGIONAL

Interfederation Council.
League of Women Voters, Metropolitan.
Metropolitan Citizens Council for Rapid Transit.
Metropolitan Washington Board of Trade.
Metropolitan Washington Council of Governments.
Metropolitan Washington Society of Physical Medicine & Rehabilitation.
National Capital Regional Planning Council.
Washington Metropolitan Area Transit Commission.

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DISTRICT OF COLUMBIA

Advertising Club of Metropolitan Washington, D.C.
AFL–CIO.
American Association of Retired Persons, District of Columbia Chapter of.
American Institute of Architects.
American Institute of Chemical Engineers.
American Institute of Industrial Engineers.
American Institute of Mining, Metallurgical & Petroleum Engineers.
American Institute of Planners.
American Society for Metals.
American Society of Agricultural Engineers.
American Society of Civil Engineers
American Society of Heating, Refrigeration & Air Conditioning Engineers.
American Society of Plant Engineers.
American University Park Citizens Association.
Association of Oldest Inhabitants of the District of Columbia.
Association of Senior Engineers of the Bureau of Ships.
Association of Yacht Haven Community.
Baptist Ministers' Conference of the District of Columbia and Vicinity.
Brookland Area Coordinating Council.
Brookland Neighborhood Civic Association.
Building & Construction Trade Department, AFL–CIO.
Business and Professional Association of the Far Northeast.
Business and Professional Women's Club of the District of Columbia, L'Enfant Chapter.
Business Preservation Association.
Capitol Hill Community Council, Inc.
Capitol Hill Southeast Citizens Association.
Cathedral Heights-Cleveland Park Citizens Association.
Citizens Association of Georgetown.
Citizens Committee on Homes and Highways.
Citizens Transit Improvement Association.
Columbia Lighthouse for the Blind.
Commission of Fine Arts.
Committee for the Rights of the Washington, District of Columbia Business Community.
Committee on One Hundred on the Federal City.
Connecticut Avenue Association.
Connecticut Avenue Citizens Association.
Consulting Engineers Council.
Council of Engineering and Architectural Societies, District of Columbia.
Delta Nu Alpha Fraternity.
Democratic Central Committee, District of Columbia.
Department of Highways and Traffic, District of Columbia.
District Commissioners Planning and Urban Renewal Advisory Council.
District of Columbia Board of Commissioners.
Downtown Progress.
Dupont Circle Citizens Association.
Edgewood Civic Association.
Far Northeast Council (12 civic associations).
Federal City Council.
Federal Employees for Action on Transportation (7 Federal employee organizations).
Federation of Citizens Associations of the District of Columbia (40 associations).
Federation of Civic Associations, District of Columbia (41 associations).
Federation of Federal Employee Unions, District of Columbia.
Foggy Bottom Citizens Association.
Forest Hills Citizens Association.
Fort Davis Citizens Association.
General Agents and Managers Association of Washington, D.C.
Home Builders Association of Metropolitan Washington.
Illuminating Engineers Society.
Independent Citizens of Adams-Morgan.
Indoor Sports Club, Inc., District of Columbia Area Chapter.
Institute of Electrical and Electronic Engineers.
Institute of Traffic Engineers, Washington section.

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Instrument Society of America.
Insurance Institute for Highway Safety.
Insurance Rating Bureau of the District of Columbia.
Ivy City-Trinidad Civic Association.
Janney School Parent-Teachers Association.
Jewish Community Center of Greater Washington.
Joint Committee on Transportation for Metropolitan Washington.
Kalorama Citizens Association.
Laundry-Dry Cleaning Association of Greater Washington.
Lamond-Riggs Citizens Association.
Loomis Sayles & Co. (investment counselors).
Medical Society, District of Columbia.
Multiple Sclerosis Association of Greater Washington.
National Capital Area Chapter, the National Foundation.
National Capital Chapter, National Association of the Physically Handicapped, Inc.
National Capital Local Division 689, Amalgamated Association of Street Electrict Railway & Motor Coach Employees Association.
National Capital Planning Commission.
National Capital Voters Association.
National Executive Search, Inc.
National Multiple Sclerosis Society, District of Columbia Area Chapter.
Neighbors, Inc.
North Cleveland Park Citizens Association.
North Washington Council of Citizens Associations.
Northwest Committee for Transportation Planning.
Optometric Society of the District of Columbia.
Organization of Professional Employees, Department of Agriculture.
Palisades Citizens' Association.
Paralyzed Veterans of America, District of Columbia Chapter.
Pennsylvania Railroad Co.
Podiatry Society of the District of Columbia.
President's Committee on Employment of the Handicapped.
Railway Labor Executives Union (30).
Redevelopment Land Agency.
Rehabilitation and Chronic Illness Committee of District of Columbia Medical Society.
Republican Committee, District of Columbia.
Restaurant Association of Metropolitan Washington, Inc.
St. Anthony's Association of Washington.
Section of Physical Medicine and Rehabilitation District of Columbia Medical Society.
Senators, The (Baseball Club).
Sertoma Club of Washington, D.C.
Society for Crippled Children, District of Columbia.
Society for Experimental Stress Analysis.
Society of American Military Engineers.
Society of Fire Protection Engineers.
Southwest Civic Association.
Summit Park Citizens Association.
The District of Columbia Department of the Disabled American Veterans.
The Gray Line, Inc.
The Greater Washington Chiropractic Society, Inc.
The Washington Post.
The Washington Star.
United Cerebral Palsy, District of Columbia Chapter of.
Washington-Baltimore Helicopter Airways, Inc.
Washington Board of Realtors.
Washington Building Congress.
Washington Heart Association, Inc.
Washington Metropolitan Chapter, American Institute of Architects.
Washington Planning and Housing Association.
Washington Sightseeing Operator's Association.
Washington Society of Engineers.
WMAL AM-FM-TV
Woodridge Civic Association.

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Woodside Forest Citizens Association.
WTOP AM–FM–TV
Young Democratic Club of the District of Columbia.

MARYLAND

Montgomery County:
Allied Civic Group.
American Institute of Architects, Potomac Valley Chapter.
Bethesda-Chevy Chase Chamber of Commerce.
Brookmont & Vicinity Civic League.
Burnt Mills Hills Citizens Association.
Glenmont & Vicinity Citizens Association.
Hillandale Citizens Association.
Kensington-Wheaton Democratic Club.
League of Women Voters.
Maryland Municipal League, Montgomery County chapter.
Montgomery County Board of Realtors, Inc.
Montgomery County Citizens' Planning Association.
Montgomery County Civic Federation (85 associations).
Montgomery County Council.
Non-Partisans for a Better Montgomery County.
Potomac Valley League.
Record Publishing Co.
Rockville, mayor and Council of the City of.
The Silver Spring Board of Trade, Inc.
Western Suburban Democratic Club.
Wheaton Chamber of Commerce.
Women's Suburban Democratic Club.
Prince Georges County:
Belair-Bowie, Citizens Association of.
Board of Commissioners, Prince Georges County.
Bowie, Md., City Council.
Bowie, Md., Planning and Zoning Committee.
Carrollton Civic Association.
Chamber of Commerce, Prince Georges County.
Cheverly, Md., town of.
City of College Park.
Civic Federation (85 associations), Prince Georges County.
Other organizations:
Maryland-National Capital Park and Planning Commission.
Maryland Society for Crippled Children and Adults.
Maryland State Roads Commission.
State of Maryland Planning Department.

VIRGINIA

Alexandria:
Dowden Terrace Civic Association.
League of Women Voters.
Arlington:
Arlington County Civic Federation (36 associations).
Arlingtonians for the Preservation of the Palisades.
County Board of Arlington County.
League of Women Voters of Arlington County.
North Highlands Citizens Association.
Parkway Citizens Association.
Fairfax County:
Board of County Supervisors.
Chamber of Commerce, Fairfax County.
City of Fairfax, City Council.
Fairfax Sun Echo.
Federation of Citizens Associations.
League of Women Voters.
Vienna, Town Council.
Falls Church:
Falls Church City Council.
League of Women Voters.

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Prince William County Board of County Supervisors.
Other organizations:
Apartment Owners Association, Inc., Northern Virginia.
Commonwealth of Virginia.
Northern Virginia Board of Realtors.
Northern Virginia Regional Planning & Economic Development Commission.
Northern Virginia Sun.
Northern Virginia Transportation Commission.
Richmond, Fredericksburg & Potomac Railroad Co.
Virginia Society for Crippled Children & Adults, Inc.
WAVA radio.
Other: Whittlesey & Conklin (architects and planners), New York, N.Y.

Mr. McCARTER. Thank you, Mr. Chairman.

Mr. Chairman, it is a pleasure to appear before you in support of S. 1117 and H.R. 4822, and I hope that you can adopt the House version of this bill without further amendment and since my prepared testimony is rather lengthy I would like to submit it for the record.

The CHAIRMAN. That has been done.

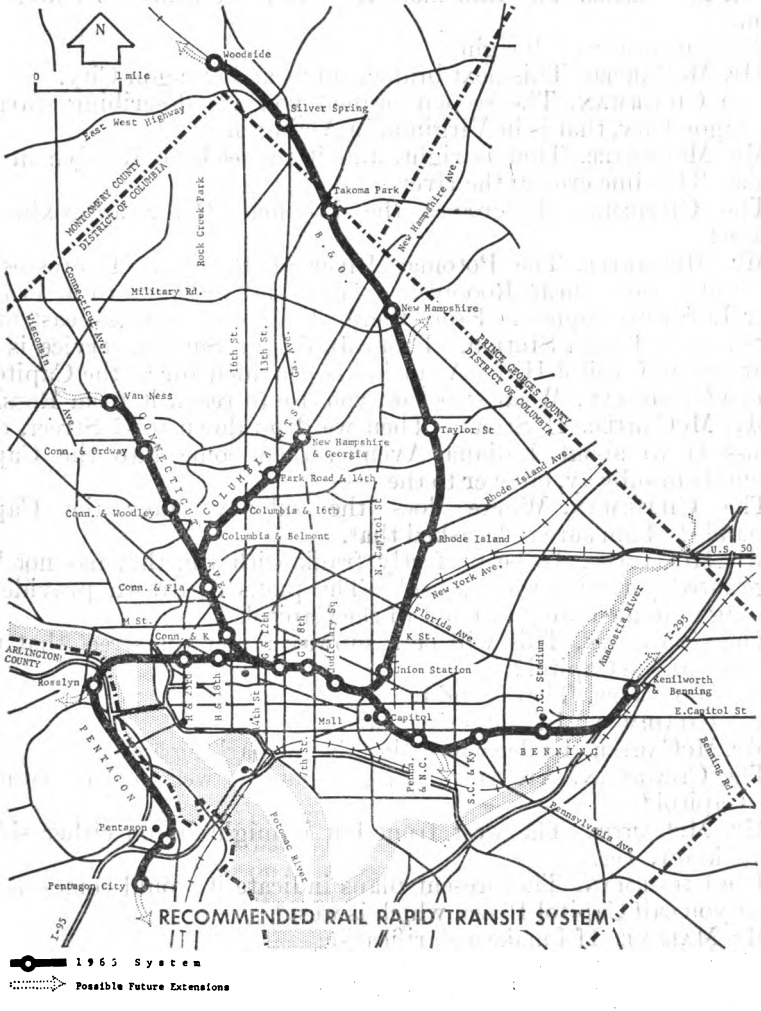
Mr. McCARTER. I wish to state that all of us who are concerned with the future of our Nation's Capital, and who realize rapid transportation is a vital element in that future, feel a deep sense of gratitude to the chairman and other members of this committee whose pioneering efforts led to the establishment of the National Capital Transit Agency. At a time when the concept of such a system was new and yet to take hold, Senator Bible and Congressman McMillan on the House side were willing to take the lead, and it is through their efforts that we are now at the point where we can at last take a big step forward in the solution of our Capital's transportation crisis.

There is visible evidence of this crisis every morning and evening when the city's streets are swamped with traffic. Each year travel in the downtown area becomes more difficult and will continue to do so unless we are able to develop an underground transit system free from surface traffic congestion. All the forces creating our congestion are steadily increasing. The National Capital region is growing by leaps and bounds from a population of 2 million in 1960 to an expected three and a half million people in 1980. Automobile ownership will likely increase over 100 percent during this period, which means 1 million more cars on the road by 1980. And bus patronage is barely holding its own; bus service cannot conceivably attract the thousands we must attract to public transportation if we are to make a dent in today's congestion.

There is throughout this region virtually unanimous recognition that the answer is a rail rapid transit system. Thirty-three world cities have adopted plans for constructing new systems or are extending the ones they have. San Francisco and Montreal are in the process of constructing new systems. Chicago, Cleveland, and Toronto are extending their present systems. Rapid transit authorities have been established in Atlanta and Pittsburgh. Thanks to your foresight the National Capital Transportation Agency has developed a plan for Washington. I think it is a fine plan worthy of immediate action. Let me describe it to you.

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The system, as shown here on this map, has been called the bobtail system. I prefer to call it the basic rapid transit system for the Capital region.



The portion in solid black is subway. The remainder of the system consists of other types of exclusive right-of-way. About 13½ miles of the total 25-mile system is in subway.

The agency was instructed to determine the cost of such a system. I have examined——

The CHAIRMAN. Before you get to cost, and for the record, describe the routes for us that you have in your system, and also provide the location of the terminal.

Mr. MCCARTER. This terminal here, is on the Baltimore & Ohio Railroad right-of-way at Woodside.

The CHAIRMAN. Where is Woodside?

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Mr. McCARTER. Woodside is in Maryland. There are two stations in Maryland. The other stations are within the District of Columbia.

The CHAIRMAN. That comes to where?

Mr. McCARTER. The Baltimore & Ohio route comes to Union Station.

The CHAIRMAN. All right.

Mr. McCARTER. This next branch starts at Pentagon City.

The CHAIRMAN. The second branch you are describing starts at Pentagon City, that is in Virginia, in Arlington?

Mr. McCARTER. That is right, and it proceeds to Rosslyn in Virginia. This line crosses the river.

The CHAIRMAN. It crosses the Potomac River approximately where?

Mr. McCARTER. The Potomac River at Rosslyn. It crosses the river at a point near Roosevelt Island, and proceeds to a terminal near Lafayette Square. From there, the line runs to the east under G Street to Union Station. From Judiciary Square, service is also provided to Capitol Hill. A station is provided for at the Capitol.

The CHAIRMAN. What street do you use to reach it from Rosslyn?

Mr. McCARTER. H Street. Then we drop down to G Street, come across G to about Indiana Avenue, then come into the Capitol Grounds in subway, on over to the——

The CHAIRMAN. Where does the subway enter the Capitol Grounds? I am sure to be asked that.

Mr. McCARTER. To be perfectly frank with you that has not been negotiated yet with the Capitol. The plans as drawn provide for coming in immediately in front of the Capitol.

The CHAIRMAN. This will be a subway under the street that runs in front of the Capitol?

Mr. McCARTER. That is right.

The CHAIRMAN. In that general area?

Mr. McCARTER. Under what might be the parking area.

The CHAIRMAN. Are you talking about the west or east front of the Capitol?

Mr. McCARTER. The west front but it might be on either side, I don't know, yet.

The CHAIRMAN. The present plans indicate it would come—is this what you call Capitol Plaza, which is west?

Mr. MALONE. If I make a clarification——

The CHAIRMAN. First identify yourself.

Mr. MALONE. Owen J. Malone, acting general counsel for the agency. The bill contains language that any construction within the Capitol Grounds will require approval of the Commission for Extension of the Capitol. While the plan does provide for crossing under the east plaza of the Capitol this is subject to further discussions and, as I say, to approval by the Office of the Architect and the Commission for the extension of the Capitol.

Mr. McCARTER. I have had preliminary discussions with the Architect of the Capitol but until we are in business we felt we could not go into any great detail.

The CHAIRMAN. I understand. I am just trying to get a rough idea where this runs. It then goes to Union Station?

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Mr. McCarter. Well, the present plan is that the connection will be just beyond Union Station, right about there. This branch would come in through here, and these branches would come in this way.

The Chairman. You are going to have to be a little more definite in defining the routes, I am sure the reporter can't translate that into language that we can understand in the record.

Mr. McCarter. The line I am indicating is called the Benning route, and will run from the Capitol, eastward, to the District of Columbia Stadium.

The Chairman. That is subway?

Mr. McCarter. Yes, that is subway. This line then crosses the Anacostia River on a bridge into a terminal near Benning Road and Kenilworth Avenue NE.

The Chairman. That is the Benning route which you described as running from Judiciary Square to the U.S. Capitol, to the District of Columbia Stadium, and a terminal in the vicinity of Benning Road and Kenilworth Avenue NE.?

Mr. McCarter. Yes; then there are two branches of what we call the Connecticut Avenue route.

The Chairman. One of these is a Connecticut Avenue route running northwest to Van Ness Street NW.

Mr. McCarter. That is correct.

The Chairman. What is the next route?

Mr. McCarter. The Columbia Heights branch.

The Chairman. That would branch from the Connecticut Avenue line at Columbia Road NW. and would run to the vicinity of Georgia and New Hampshire Avenues NW.?

Mr. McCarter. That is correct.

The Chairman. Those six routes represent the present subways and the rail transit lines that would be embraced within the bill that is before us?

Mr. McCarter. That is correct.

The Chairman. This is approximately 25 miles long and 13 miles of it is subway?

Mr. McCarter. That is correct.

The Chairman. The balance is on other exclusive rights-of-way?

Mr. McCarter. Yes; on existing railroad property in open cuts on the surface, and, of course, where we bridge the river.

The Chairman. It includes 29 stations?

Mr. McCarter. That is correct. Thank you very much for your assistance. This system has been estimated to cost $431 million.

The Chairman. Be seated, Mr. McCarter, make your self comfortable.

Mr. McCarter. I have examined the estimate.

The Chairman. Before you get into costs, after you come to one of these stations, are you chargeable with furnishing any other transportation facilities beyond the station?

Mr. McCarter. No, we are not, but we expect to coordinate with the bus services, and we expect to have 12,000 parking spaces at the outlying stations.

The Chairman. You say you expect to have 12,000 parking spaces; these are to be acquired by the agency?

Mr. McCarter. It's part of the cost, yes.

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The CHAIRMAN. It's embraced within the overall cost?

Mr. MCCARTER. Yes.

So we expect to have a unified system unified with the bus operations, with the automobile, both by parking and by what I have paraphrased "kiss and ride," where people are delivered by some member of the family and by people who walk to the station, so that combination must be a unified system.

The CHAIRMAN. Assuming my wife drives me to the station and I get on the transit at New Hampshire and Georgia, do I then come in to any one of the areas shown as stations on this map?

Mr. MCCARTER. That is correct. And it has been my experience that wives drive their husbands to stations and husbands drive their wives to stations. I was surprised to find that besides the wives who drive their husbands to the rail station on existing systems, there is about an equal number of husbands who drive their working wives to the stations.

The CHAIRMAN. If I drive myself to the station at Georgia and New Hampshire, and parking space is available, do I pay for parking my automobile?

Mr. MCCARTER. The estimates of revenue do not include any charge for parking. It has been my experience you would ordinarily pay 25 cents for parking your car. That income was not included in the revenue estimate developed by the Agency.

The CHAIRMAN. Is that a general pattern?

Mr. MCCARTER. Yes.

The CHAIRMAN. Is that what you do in Chicago?

Mr. MCCARTER. Yes, we do in Chicago and in several places there is some free parking where we did not improve the parking lot. In other words, where we just threw some cinders and left place for parking. But in improved lots we charge 25 cents. All our lots were overloaded; we should have had more. For instance, on the so-called Skokie Swift on the Congress Expressway, at the east terminal we had 400-car parking lots. They were filled by 7:30 in the morning and the people in Chicago are still trying to expand their parking but have not been able to do it yet.

So it is a very popular coordination between the automobile and transit to be able to drive and park or have your family drive you and take the car home.

The CHAIRMAN. You started a number of times to tell us about the cost.

Mr. MCCARTER. All right.

I have assembled the cost in several ways but in determining the cost our engineering department——

The CHAIRMAN. Just be seated, I think you will be more comfortable. If you want members of your staff with you while you testify, please have them come to the witness table and join you.

Mr. MCCARTER. All right.

The CHAIRMAN. Let's have the second gentleman identified.

Mr. LYON. Howard Lyon, acting chief engineer.

The CHAIRMAN. And the acting chief counsel has already been identified.

Mr. MCCARTER. I would like to say first, that on coming to the NCTA I found a very dedicated small staff who were so dedicated they

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stayed on through the recent transition period. They are professionally competent and I am proud of them. Howard Lyon, with the assistance of several consulting engineering firms, one of which was De Leuw-Cather, of Chicago, made the construction cost estimates for the subway system. Charlie De Leuw, a friend of mine for 25 years, was chief engineer of the State Street Subway in Chicago. He has been a consulting engineer in Chicago for many years. His firm has been one of the principal engineering consultants for the Toronto, Canada, system where he has kept a staff all during the construction period.

He has been a consultant-in-chief in Cleveland and he has also been a highway consultant. I trust his figures because I know his experience and he produced the basic subway costs for us.

Also, the Kaiser Engineers, of Oakland, Calif., who have had tremendous construction experience, produced part of the figures. Lou Klauder, of Philadelphia, who has had a lot of railroad experience, made the estimates in connection with the portion of the system that occupies existing railroad right-of-way.

Now, the particular estimates for the subway were checked out with the cost of subway construction in Toronto, and with the cost estimates in San Francisco. The first contract for the first tunnel in San Francisco was under their estimates. I think that the Agency's estimate of the per foot cost of this subway is high, if anything.

In other words, I think it is a conservative estimate, one prepared with a view to assuring as much as possible that the Agency could live within it. I have checked several points based on my personal knowledge. For instance the electric substations were estimated by the Agency at $400,000 per substation. I built two in Chicago just before I left at $290,000. These were of the same capacity proposed here. Chicago's cost did not include the building, because we already had that. I think the Agency's is a conservative estimate.

On the railroad right-of-way part of this system, I think the Agency's estimates are probably high. Cleveland is just extending their rapid transit system $3\frac{8}{10}$ miles to the airport at an estimated cost of $3 million, or about $800,000 per mile. In Chicago the expressway was built without the right-of-way which was furnished partly by the highway departments, and cost $1,100,000 per mile. That was in 1956.

The Agency's estimates are considerably higher than that because negotiations have not yet been had with the B. & O. Railroad as to right-of-way. The present estimate is a preliminary one, but I am confident that it can be built for less than the estimate. So I have a strong feeling that $431 million is an outside figure, and I would hope to do it for less money than the $431 million.

The CHAIRMAN. Can you give us a breakdown of how you arrived at the $431 million? How much of the $431 million goes to building subways?

Mr. MCCARTER. Mr. Lyon, could you get that?

The CHAIRMAN. I wonder, Mr. Lyon, if you could tell us the nature of the subway, how far underground, its width, and its physical characteristics.

Mr. MCCARTER. I might add one more statement here prior to his statement. The Agency used Dames & Moore to explore the underground situation in Washington on G Street, which is supposed to be one of the most difficult areas. They found that that subway could be

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built in their opinion without air pressure. Now if you have water flowing—sand and water flowing clay—it has to be built under air pressure.

In Chicago we built 8 miles of terminal subways downtown in water-bearing sand under air pressure for a hundred and five million dollars.

That, of course, was in the late thirties and early forties. There is every indication that this subway could be easier to build and less expensive than the Chicago subway.

The CHAIRMAN. Very well; now Mr. Lyon.

Mr. LYON. Mr. Chairman, of the 13 miles contemplated to be in subway on this system there are actually four different types of construction proposed. There are 5.52 miles in earth or alluvial tunnel. When we speak of "tunnel" we mean it is driven in a circular section underground with the aid of a shield and perhaps the aid of a mechanical miner so there is no disturbance of the surface.

There would be 0.71 mile in what we call mixed-faced tunnel, which means the section is partly rock and partly alluvial materials. This calls for different consideration. There would be 2.46 miles in rock tunnel, and the balance of the subway, 4.45 miles, would be in what we call cut and cover.

Cut-and-cover construction involves digging a trench to open up the surface, constructing the facility in the form of a concrete box, decking over the street temporarily while this construction proceeds underneath, removing the decking, backfilling, and restoring the street surface.

The cut-and-cover method is usually used where the depth of the profile or depth of the subway is not too deep, making it feasible to open up the surface and more economical to construct by that method.

Generally the tunnel method, as distinguished from this, involves greater depth.

In answer to your question, the depth of the subway varies throughout the system, depending on the profile at that point. We get as low as 10 feet of cover on the cut-and-cover sections, and in the tunnel sections we find ourselves with as much as 50 feet over the top.

The CHAIRMAN. What are the physical dimensions, how wide and how high?

Mr. LYON. Sixteen feet inside diameter.

The CHAIRMAN. That is 16 feet wide?

Mr. LYON. That is 16 feet diameter; to that we would have to add for our alluvial tunnel, which has been estimated on the basis of cast iron lining, approximately a foot for overall diameter.

The CHAIRMAN. How high?

Mr. LYON. Sixteen feet.

The CHAIRMAN. How many tracks does it accommodate?

Mr. LYON. That would accommodate one track, and, of course, there would be a similar tube alongside.

The CHAIRMAN. These are built in tubes, the subways?

Mr. LYON. In the tunnel portion.

The CHAIRMAN. What is the total cost, estimated cost of the subway?

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Mr. LYON. Yes, sir; $22 million by 13 miles is the figure for the subway portion.

Mr. LYON. Just of the 13 miles. I could multiply that figure for you. Thirteen miles of it, and the average mile is $22 million.

The CHAIRMAN. $22 million by 13 miles?

The CHAIRMAN. What are the balance of the costs?

Mr. MCCARTER. Mr. Chairman, we have furnished detailed engineering plans and cost estimates in great detail and by sections to indicate the various costs of the parts of the property. If we could submit that for the record——

The CHAIRMAN. Yes; it may be inserted in the record by reference. It has a good many graphs. It is very, very detailed and is entitled "Engineering Plans and Cost Estimates" and is dated January 1965, submitted by the NCTA that will be made a part of the record by reference for the information of the committee of the Senate.

(The document referred to may be found in the files of the committee.)

The CHAIRMAN. Now, simply for my own information, how do you acquire a right-of-way for a subway?

Mr. MCCARTER. The right-of-way will be principally under the streets and will be arranged for by agreement with the District of Columbia.

The CHAIRMAN. All of the subways will be constructed under streets; you do not plan to go under private property?

Mr. MCCARTER. There might be some private property and in that case we would have to make an arrangement if it went under and did not disturb the property. It might be in some cases you would have to buy the property and that has been included.

The CHAIRMAN. That has been included as part of the cost?

Mr. MCCARTER. Yes.

The CHAIRMAN. What is the cost of the part of the subway that runs along the right-of-way of the B. & O.? Do you have the total price tag per mile?

Mr. LYON. The total for that is some $80 million for approximately 9 miles. Approximately $9 million per mile.

The CHAIRMAN. What are the costs included in this portion of the system?

Mr. LYON. The cost estimates include sums for right-of-way, construction, track work, terminals, and equipment.

The CHAIRMAN. That is detailed in both of these reports?

Mr. MCCARTER. Yes, sir; substations and passenger stations and all others.

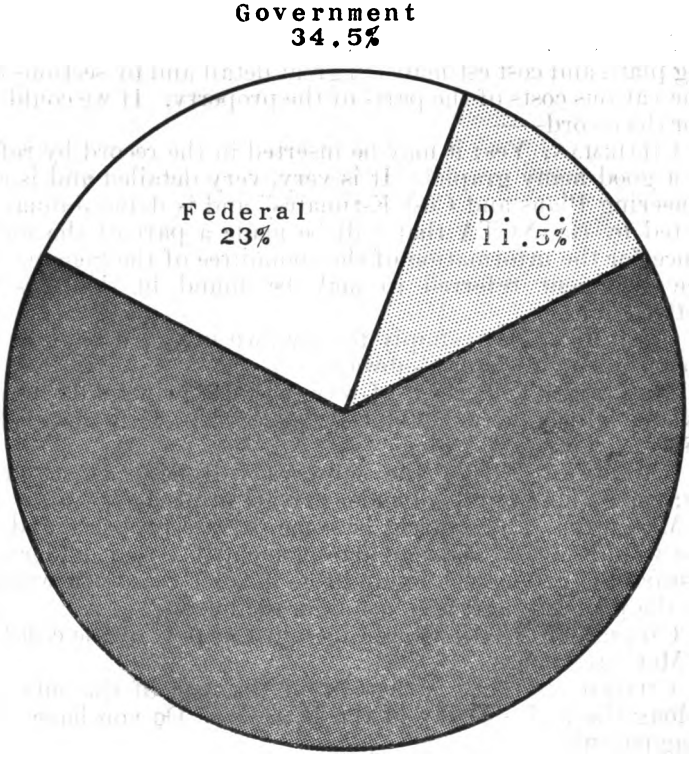
The CHAIRMAN. As I understand it the estimated cost of $431 million is paid for by Federal contribution of a hundred million, the District of Columbia will be $50 million, and public sale of revenue bonds $281 million. Is that incorporated in these earlier exhibits?

Mr. MCCARTER. This chart indicates the division of the $431 million as between the transit riders, and the Federal and District of Columbia Governments.

The CHAIRMAN. That can be incorporated as part of the record if it has not already been done.

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W H O W I L L P A Y



Mr. McCarter. 65½ percent of the cost would be liquidated by the riders of the system, 23 percent by the Federal Government and 11½ percent by the District of Columbia. The 1960 legislation directed that once the cost of the system had been determined, any plan for financing should require the transit riders to pay as much of the cost as possible, and that the remainder—what is termed the "net project costs," in the national transit aid bill—would be shared by the Federal and District of Columbia Governments.

The Chairman. What is the estimated time for repayment?

Mr. McCarter. Well, the present estimate is 41 years. It could be 50 years. We have had estimates of 38 and 41 years and could go to 50 years, but that would depend on the operating results. In that connection I would like to discuss this chart entitled "Safeguards in Revenue Forecasts."

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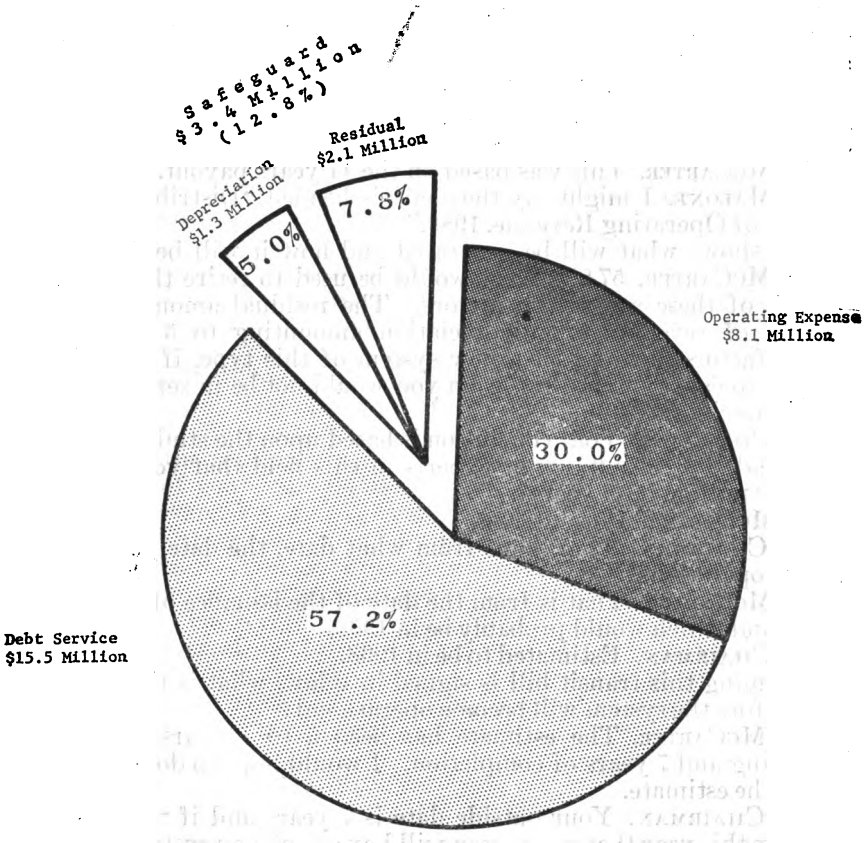
The CHAIRMAN. Are those charts in this earlier pamphlet I just made part of the record?

Mr. MCCARTER. No, this is not. We can submit it.

The CHAIRMAN. If it can be conveniently submitted so we can refer to it.

SAFEGUARDS IN REVENUE FORECAST - 1980

Distribution of $27.0 Million of Operating Revenue



Mr. MCCARTER. Yes, sir.

Now to develop its operating cost estimates, including depreciation, the Agency employed the firm of Coverdale & Colpitts to examine the operating and maintenance expenses for this system and compared these with the operating and maintenance expenses on other systems.

It just happens that the man with Coverdale & Colpitts who worked up these estimates is well known to me. He spent many years with the Cleveland system where he became the supervisor of rapid transit

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before he went into consulting work. He is an experienced man in rapid transit. While he was working this out he came to Chicago and spent a few days with me and with my staff reviewing the anticipated operating expenses and comparing them with Toronto and other places. Their determination of the necessary operating expenses was very thoroughly done.

The CHAIRMAN. Why don't you define that for the record? What does it show or prove?

Mr. MCCARTER. It shows that in 1980 the operating expenses, less depreciation and residual, and less the debt service, will be 30 percent of the total revenue. Five percent for depreciation and 7 9/10 percent as a safety factor.

The CHAIRMAN. Taking those components together, does that prove you could retire $281 million worth of bonds somewhere between 41 and 50 years?

Mr. MCCARTER. This was based on the 41 years payout.

Mr. MALONE. I might say the chart is headed "Distribution of $27 Million of Operating Revenue, 1980."

This shows what will be generated and how it will be distributed.

Mr. MCCARTER. 57.2 percent would be used to retire the debts.

Both of these are safety factors. The residual amounting to 7.8 percent of revenues and depreciation amounting to 5 percent are safety factors, because on a new system of this type, if you did not happen to earn your depreciation you would not be in serious trouble. The depreciation——

The CHAIRMAN. Your conclusion is based upon the studies that have been made by consultants or experts in this field that you can repay the $270 million in 41 years?

Mr. MCCARTER. Plus interest.

The CHAIRMAN. That dates from what date, the date you actually go into operations?

Mr. MCCARTER. That is from the date of the issuance of the revenue bonds and which would probably be in 1968.

The CHAIRMAN. Estimated to be in 1968.

Assuming this transit bill is signed into law, what is the estimated time before the system will become operational?

Mr. MCCARTER. The estimate has been 5 to 7 years: 5 years to beginning and 7 years of completion. I would hope to do it faster but that is the estimate.

The CHAIRMAN. Your outside date is 7 years and if this is signed into law this year that means you will have a subway system operating in the Nation's Capital in 1972?

Mr. MCCARTER. Yes, I believe that is right.

The CHAIRMAN. Late 1972 is target date?

Mr. MCCARTER. Yes.

Mr. LYON. We feel the first operation will be in midcalendar year 1971 and another year to complete.

The CHAIRMAN. Arriving at the estimate for these bonds, what assumption do you make as to passengers and as to fares?

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Mr. McCarter. I would like to introduce Bill Herman of our staff.

The Chairman. Mr. Herman, we are very happy to have you with us. What is your first name?

Mr. Herman. William.

The Chairman. Your responsibility is what?

Mr. Herman. Acting Director of the Office of Planning and Finances. We have assumed a 4½-percent interest rate on these bonds; 50-year bonds. Our estimates show we anticipate that 135 million revenue passengers will use this system in 1980. We estimate that more than 50,000 people will use the system to come downtown in the morning peak hour. Our estimates show that the revenue will be sufficient, as Mr. McCarter has explained, to more than repay the bonds.

Under our estimates, the fare on the system would be a flat 25-cent fare with the exception of the two stations in Maryland which would be 35 cents.

The Chairman. If I get on the subway in Maryland it will cost me 35 cents to ride to Union Station?

Mr. Herman. Yes, sir.

The Chairman. If I want to park my car at the parking lot available in Maryland it will cost me an additional 25 cents for parking?

Mr. Herman. We have not included that in our forecast, this is another safety factor.

Mr. McCarter. That is my idea that we should charge 25 cents.

The Chairman. The fare for getting on the subway will be 25 cents in the District, 25 cents in Virginia, and 35 cents in the two Maryland stations and the revenues from such fares would pay off the bonds in the estimate of your experts, in 41 years?

Mr. McCarter. Yes, sir; 41 years. The bonds will be 50-year term bonds but we expect to pay them out in 41 years.

The Chairman. You expect to have one part of the system operating in 1971 and the complete system operating in 1972?

Mr. Lyon. That is right.

Mr. McCarter. I would like to introduce Mr. Edwin Seeger, longtime counsel for the Agency who had a great deal to do with these figures and who is working now with the Agency on a consulting basis.

The Chairman. Yes; I know Mr. Seeger. I know he has made some great contributions.

Mr. Seeger. Thank you, Mr. Chairman.

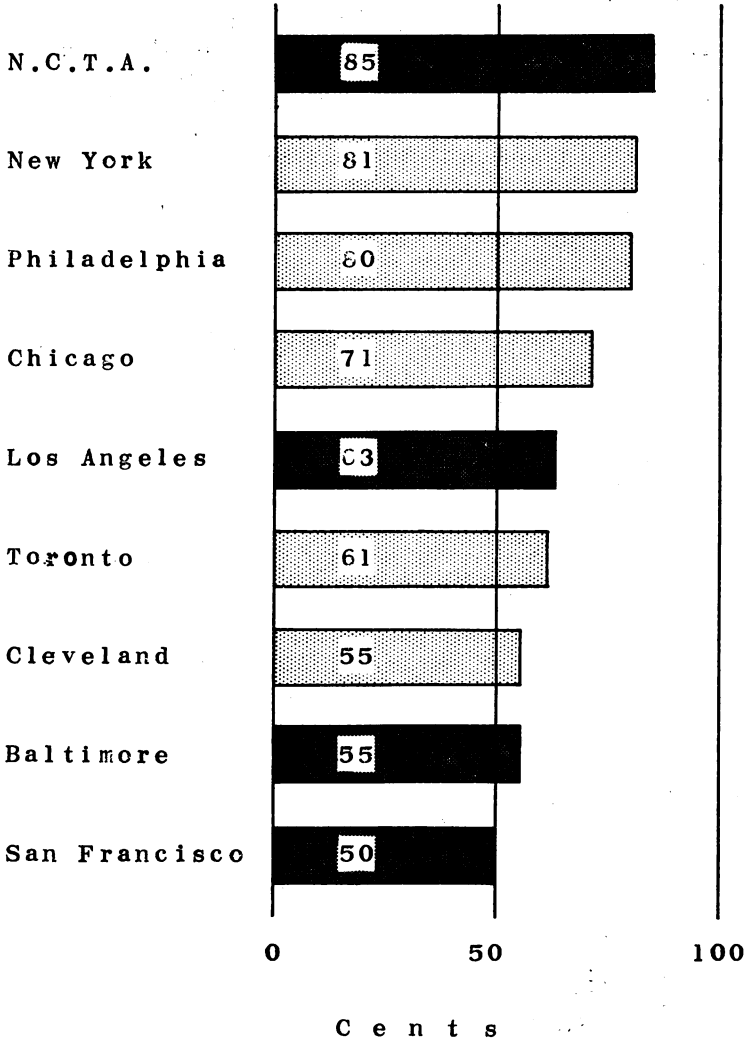
The Chairman. You may proceed, Mr. McCarter.

Mr. McCarter. I have here another chart showing operating costs per car-mile, excluding debt service, depreciation, and taxes. It compares operating costs per car-mile on other systems with those estimated for this system.

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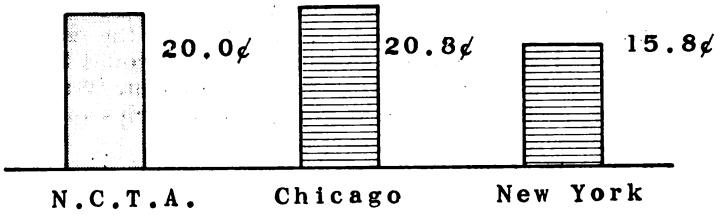
OPERATING COSTS PER CAR MILE

(Excluding Debt Service, Depreciation, and Taxes)

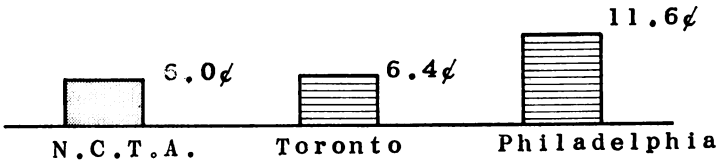


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REVENUE PER PASSENGER



OPERATING COST PER PASSENGER



Mr. McCarter. The Agency's estimate for the Washington system is 85 cents per car-mile; the comparable cost in New York, 81 cents; in Philadelphia, 80 cents; in Chicago, 71 cents; in Los Angeles an estimated 63 cents; in Toronto, 61 cents; in Cleveland, 55 cents; in Baltimore an estimated 55 cents; and in San Francisco, 50 cents. To me, this illustrates another safety factor. The Agency has been extremely conservative in its estimates. I think that on a new system such as this, the cost per car-mile will be less.

But this is the figure they used to determine the operating expenses per car-mile and I would say the estimates of the Agency were conservative.

This figure was examined by Alton Imhoff who is the dean of rapid transit in Chicago, now retired, and he assured me that we could do this well or better on the Washington system.

The Chairman. What is its significance?

Mr. McCarter. It shows that the operating expenses for this system are estimated on the high side, if anything. Now they may be higher in the future but my present judgment is that they are estimated on the high side.

Senator Kennedy. May I ask a question?

The Chairman. The Senator from New York.

Senator Kennedy. Why is there such a difference between the operating costs in the various cities?

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Mr. McCarter. There is a difference because of the length of the system, because of the age of the system, the speed of the system. Take Chicago for instance. In Chicago the average length of ride on the rapid transit is seven and a half miles, for which the rider pays a fare of 25 cents. Here, the average length of ride would be 4 miles. In building a schedule for operating your equipment, if the ride is shorter and the speed is faster and you get more trips out of your equipment, your operating expenses are much less.

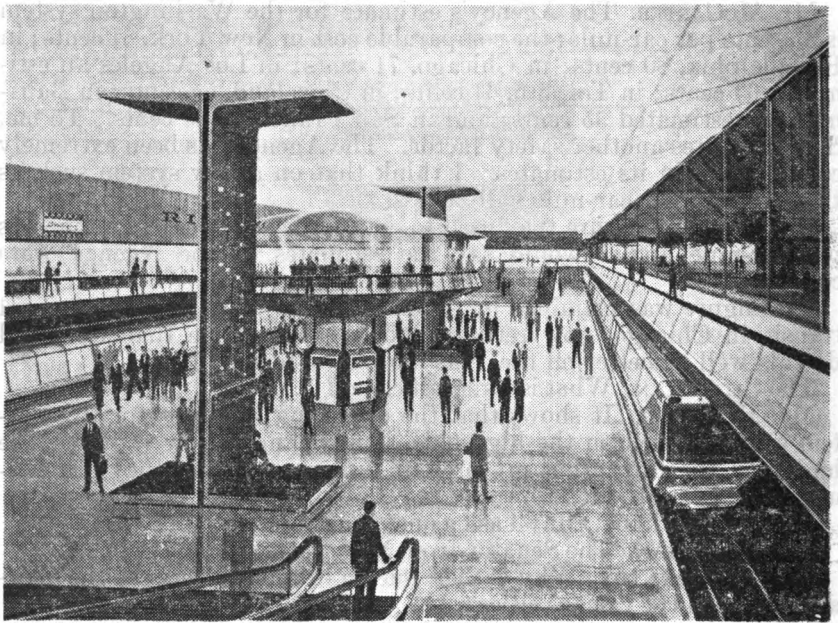
Senator Kennedy. I see.

Mr. McCarter. I think here the expenses would be about the lowest in the country on this basic system. As the system is expanded it might go higher, I am talking of just the basic system.

Senator Kennedy. Thank you, sir.

The Chairman. Proceed, Mr. McCarter.

Mr. McCarter. I would like to say that in designing this system, it is my desire that this be the finest system in the world, the quietest, the most functional, the safest, and that its appearance and the noise level be the best possible. To illustrate what can be done I have a picture back here—an artist's conception of a subway station. I have not seen anything like this anyplace in the world, but this is what a subway station could look like. You will notice here that this is a two-level station, with a mezzanine above and a train platform below. Normally, the mezzanine and platform levels are isolated from one another so that the people on the different levels are on separate floors separated from observation from the other area. In this concept both the mezzanine and the platform occupy a common area, and all the activity in the entire station is viewable.



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I think this Washington system should have stations with complete observation at all times of all the people. This is important from an appearance standpoint, and because it is functional. But, very importantly, the stations will be safest if the public areas can be under observation at all times. In this concept you will notice that there are stairways at both ends and escalators. The fare collection would be handled on the upper level with automatic turnstiles under supervision by a station attendant.

I notice that there are a good many handicapped people here today. To meet their special needs, instead of a complete stairway, ramps can be provided. In building the Congress Expressway, I used ramps entirely, no stairways, and I found the public liked ramps better.

The CHAIRMAN. The Congress Subway is in Chicago?

Mr. MCCARTER. That is the Congress Expressway that runs from downtown out, nine and a half miles.

The CHAIRMAN. What is the complete name?

Mr. MCCARTER. It is called Congress Subway and it is really in the median strip of the Eisenhower Expressway—recently renamed the Eisenhower Expressway.

I put those ramps in largely because of a study in New York at their Union Terminal where they found that most people used ramps rather than stairways. I would hope we would have ramps. We could even have moving ramps. At one station in Chicago I experimented with a moving ramp instead of an escalator.

The CHAIRMAN. I think each of us have received mail from some of the handicapped people, people on crutches, in wheel chairs and so forth. And they inquire as to how the system would be designed and constructed so as to take care of their problems in getting abroad. My understanding is that you do this by providing a ramp system. Is that right?

Mr. MCCARTER. That is right.

The CHAIRMAN. This is what is done in the Congress system in Chicago and it has worked out satisfactorily there?

Mr. MCCARTER. Very satisfactory, as a matter of fact I was surprised at how pleased the public was with the ramps and they were fairly long ramps. They are very pleased with them rather than stairways.

The CHAIRMAN. You have given this problem extensive consideration in the design of your system?

Mr. MCCARTER. I met with a number of people and they knew of my experience in Chicago with the moving ramp so I think we understand each other.

The CHAIRMAN. Very well.

Mr. MCCARTER. Now, there has been a good deal of discussion about the safety. I think a subway can be one of the safest places in the city if it is properly designed.

The CHAIRMAN. From what standpoint, robberies, or engineering safety?

Mr. MCCARTER. Robberies, vandalism, hoodlumism, youngsters getting overexuberant, that sort of thing. I feel these problems can be controlled first by extremely well-lighted equipment and stations, and by extremely quick communications. For instance, on every subway

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car in Chicago there is a radio telephone on which the operator can immediately call the dispatcher and the dispatcher can immediately call the police department by direct line.

I had cases where youngsters were cutting up the seats and we had the police meeting the train at the next station because of immediate communications. If people understand the likelihood of apprehension then you have decreased the possibility of wrong doing. We did have at one station two holdups. Nobody was hurt but they stole the money.

In one instance, we put in a camera pointed to the station window and we identified the man by taking his photograph. The police followed up and apprehended him.

In Toronto there is at least one unattended station that they use only as an exit for part of the day. Closed circuit television has been installed at that station, so they know what is going on there at all times, and have no difficulty. So with a combination of good communications, surveillance and lighting, I think the subway can be one of the safest places in the city.

Senator KENNEDY. May I ask another question?

The CHAIRMAN. The Senator from New York desires to ask a question of you.

Senator KENNEDY. I was interested in the emphasis you placed originally on the appearance of the subway station. Evidently you are going to make a good deal of effort in that area.

Mr. MCCARTER. We certainly are.

Senator KENNEDY. Have you ever had opportunity to see the subways of Moscow?

Mr. MCCARTER. No; I have not. I have seen the pictures.

Senator KENNEDY. They have really done a remarkable job and it is really very, very beautiful.

Mr. MCCARTER. They are almost too beautiful too with their chandeliers. We won't go to that extent but I think we will do a better job.

Senator KENNEDY. I think any emphasis placed on that is really worthwhile.

Mr. MCCARTER. I have already had meetings with the Fine Arts Commission here. I know the pressure they are getting and I know they will keep the pressure on us. This is my idea and I want it to be the best.

Senator KENNEDY. It might be a worthwhile thing to find out how they handled this situation in Moscow.

Mr. MCCARTER. Yes; and if you are suggesting I go to Moscow, I will be delighted.

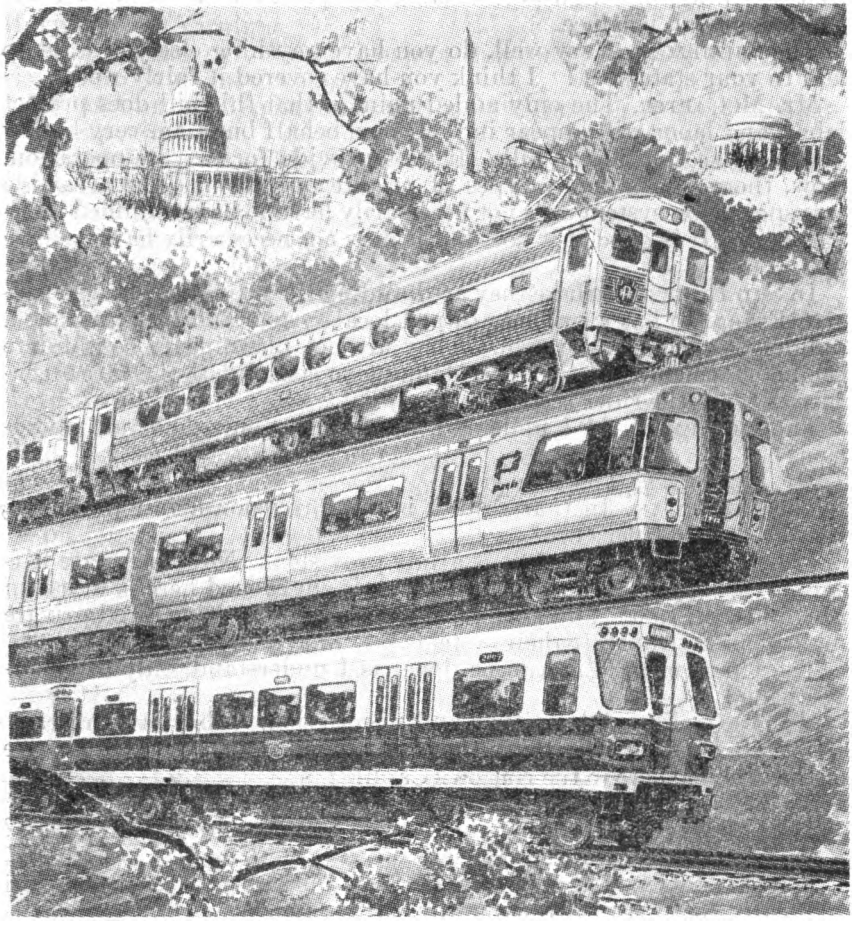
Senator KENNEDY. I thought the Senate District Committee might, although I suppose it is more likely that we would end up writing a letter.

Mr. MCCARTER. The agency has all the information and the pictures on the Moscow system and the other European subways. As a matter of fact I might say at this time that I think almost every capital in the world has a subway except our Nation's Capital and I hope we can catch up and do a better job.

Now, concerning equipment. I have a picture over here of three types of subway equipment built by the three manufacturers. The top

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two are more commuter type and the bottom one is Chicago's latest equipment. This is quiet, extremely well lighted, and they are now putting in automatic cab controls. This equipment has the highest performance from the standpoint of motive power and braking, as a matter of fact——



The CHAIRMAN. What are the capacities of those cars?

Mr. MCCARTER. These cars are smaller capacity than we will have because of curves on the older systems.

The CHAIRMAN. You plan on what capacity here?

Mr. MCCARTER. Eighty-four seats, when building a new subway such as this you don't have to worry about the curves, you build them to handle the larger cars.

The CHAIRMAN. I think many of us saw some of the cars on display at Union Station not long ago.

Mr. MCCARTER. That is right. I think the technology in the last few years has really developed. As you know, I was president of the Transit Research Corp. that developed the quiet street car in the later

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years and have been for the past 4 years with the Institute for Rapid Transit. We really have put the pressure on the manufacturers to come up with modern technology and I think the art has really progressed. San Francisco is doing a lot of experimenting with modern technology. We will get the benefits of that, so I am confident that Washington's high-performance equipment will be the best the technology can produce.

The CHAIRMAN. Very well, do you have anything else you want to add to your statement? I think you have covered it fairly well.

Mr. MCCARTER. The only added point is that this bill does protect labor, and labor will appear in their own behalf but I am very happy with that section of the bill. It does provide for private operation. Now, there can be many types of private operation. The areawide transportation system does not necessarily have to have a unified management. It is good if it does but it does not necessarily have to have it.

In San Francisco where they are building the rapid transit system—San Francisco has a publicly owned local system and Oakland has a publicly owned local system. They are not planning to consolidate the managements but they are planning to consolidate the fare structure as far as the rider is concerned.

The CHAIRMAN. If I understand, this bill requires private operation?

Mr. MCCARTER. That is correct.

The CHAIRMAN. In that respect is this provision a fair provision, based on your experience?

Mr. MCCARTER. I think it is a fair provision. Now, there are different types but this form that I think is envisioned here is in use in Memphis, St. Louis, and Dade County, Fla. They have hired private management to operate their systems.

The CHAIRMAN. This can be done, as I understand, only after advertising?

Mr. MCCARTER. Advertising and negotiation. That is correct.

The CHAIRMAN. You think that is designed adequately to take care of the problem here in the Nation's Capital?

Mr. MCCARTER. Yes.

The CHAIRMAN. Anything further you want to add, Mr. McCarter?

Mr. MCCARTER. Nothing further.

The CHAIRMAN. The Senator from New York.

Senator KENNEDY. A few questions, if I may.

What would the responsibilities be of the agency created by this interstate compact?

Mr. MCCARTER. It would depend on the final outcome of the interstate compact. It was suggested this morning by Elmer Staats that we negotiate an interstate compact. If that is negotiated they would determine fares, determine the method of operation of the system, and determine the service and that sort of thing. It could be done by this Agency or a compact agency.

Senator KENNEDY. That has not been defined and is still rather nebulous?

Mr. MCCARTER. That is right.

Senator KENNEDY. When will that be worked out?

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Mr. McCarter. Maryland has passed a law authorizing entering the compact, Virginia is making studies and I understand the compact will be presented in their next session of legislature early next year. The compact negotiating committee, of which Congressman Sickles is chairman, is now considering that. As a matter of fact I am having a meeting with them next week. The compact will depend on Maryland and Virginia.

Senator Kennedy. I see. I expect this committee will be kept advised as to how that develops?

Mr. McCarter. We have to come back to the committee with whatever results we have.

Senator Kennedy. Why was the decision to use private management arrived at?

Mr. McCarter. Why?

Senator Kennedy. Yes.

Mr. McCarter. That was arrived at before I came here, I can tell you why they arrived at it in St. Louis.

Senator Kennedy. Do you approve this approach?

Mr. McCarter. Yes.

Senator Kennedy. Why?

Mr. McCarter. I believe in private management. I believe in the efficiency of private management. Every job I have had I have been hired because I was a private manager and was given the complete power to operate. The Chicago law says that they must hire a general manager experienced in operating transportation systems. I was the professional they hired. The law also says that the general manager shall have the operation of the property and the employees thereof. I was hired on a salary as a public general manager but I was hired to get the effect of private management.

Senator Kennedy. Would you think it appropriate to give greater private franchise participation in this system?

Mr. McCarter. I think at this time this is completely adequate. We don't know what the compact is going to do. We don't know what the future is. We don't know the nature of the revenue bonds yet, I don't think we should tie our hands at this time until we know the other answers.

Senator Kennedy. What if you just made it available to a private franchise, to the low bidder through a system of low bids, would not that be even more successful?

Mr. McCarter. A negotiated low bid, yes. I would want to be sure whoever the private operator was would be dedicated to making this operation a success.

Senator Kennedy. Would you be opposed to having it on a low-bid franchise basis as we run it here?

Mr. McCarter. I am not sure. It depends on whether the low bidder would qualify.

Senator Kennedy. If he qualified?

Mr. McCarter. No, I would not be opposed to it then.

Senator Kennedy. Is there an analogy between making these facilities available to private enterprise and the way in which roads are built and then made available to a bus transit company?

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Mr. McCARTER. You have here a Federal contribution and a District contribution of some magnitude. When you sell the revenue bonds, prospective investors are going to have to know, before you can float the bonds, who they are dealing with and under what conditions. You can't say now that it is going to be a franchise. It might be when we have financed the complete system but we will have to see what the best thing to do at that time is.

Senator KENNEDY. You don't think we can make that determination at the present time?

Mr. McCARTER. I don't think so, if you did you would have great difficulty with your revenue bonds.

Senator KENNEDY. On page 5 of this bill, it says:

> The rail rapid transit lines and related facilities authorized by this act shall not be operated except under contract by private transit companies, private railroads, or other private persons.

Doesn't that already make the decision.

Mr. McCARTER. It does not necessarily need to be a franchise but it can be a contract.

Senator KENNEDY. Doesn't it really in effect prohibit a franchise?

Mr. SEEGER. You can't grant a franchise for a system that is entirely publicly owned. The question is, With a contract, how much responsibility for the system is given to the contractor? The agency has leaned in the direction of a fixed-price contract for the operation of the system. The bill is drafted so as to permit any contract arrangement that might be arrived at. The one thing to try to avoid is to turn over the entire system financed with public money to a private operator.

Senator KENNEDY. Is that your position also?

Mr. McCARTER. Yes, sir.

Senator KENNEDY. You are opposed to turning the system over to a private operator?

Mr. McCARTER. Except under a contract. We must see that this system repays most of the investment, that the car riders pay their share of the operation. That is the first charge against the system. We would have to be sure in any kind of contract we had that this objective is met.

Senator KENNEDY. In the way you have developed this, has there been any consideration made of the bus system that is already in existence here in the District of Columbia? Will it be integrated with the system we have here?

Mr. McCARTER. From the standpoint of the rider it must be integrated.

Senator KENNEDY. What will be the effect of this subway on the bus system here?

Mr. McCARTER. I think it will improve the bus system.

Senator KENNEDY. In what ways?

Mr. McCARTER. It will make it unnecessary for the bus system to handle the most expensive part of their operation, the long-haul riders. The bus system, in my opinion, would continue very much as it is now. I think it would, given this system, gain some from people who now use automobiles entirely but who would now use a combination of buses and rapid transit. The most expensive part of any system is what

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I call the long-haul rider. The bus companies would be releived of some of this. For instance, in Chicago I had both the bus system and rapid transit and I had a universal fare of 25 cents. They were both needed, there was not one bus line discontinued because of rapid transit, for they served a different purpose. The average haul for a bus was 4 miles and average haul on the rapid transit was 7½ miles. So the rapid transit was taking the more expensive rider, so the bus system could make more money with the short-haul rider than the long haul.

Senator KENNEDY. You think the bus company's system can continue service in the District of Columbia?

Mr. MCCARTER. It must.

Senator KENNEDY. Have there been any studies made or arrangements made to insure this bus system of ours that it can be effective?

Mr. MCCARTER. There have been no arrangements but just in the nature of the thing I think it must continue service. It's regulated by the Transit Commission, and I am sure it can. As I said, in Chicago they have a bus system and rapid transit and both are certainly very useful.

Senator KENNEDY. You don't have anything more concrete, I take it, here in the District of Columbia, other than the fact it has done well in Chicago?

Mr. MALONE. Perhaps I can expand on that. The agency, of course, during its traffic studies, studies of revenues, and what not, looked at the total public transportation system.

The Agency's forecast and we are looking to the future, 1980 is our target date—anticipates the growth of the region. We are expecting a million and a half more people by 1980. We expect with the introduction of the rapid transit system a much faster ride through the congested areas to downtown and that the overall attractiveness of the public transportation system, including the bus system, will increase.

We anticipate, based on our studies, that there will be by 1970, 63 million new transit riders. Many of these will be riders of the bus system. The bus system will carry their passengers to the rail station and they will carry them home from the rail stations in the evening.

When we think of the effect or the impact of rapid transit on the bus operations we have to keep two things in mind. First, as Mr. McCarter indicates, these bus operations on an areawide basis remain essential to the rapid transit. We have to keep in mind the effect of faster rides and, very importantly, the effect of regional growth, the tremendous upsurge in population.

Senator KENNEDY. Do you contemplate the acquiring of D.C. Transit?

Mr. MALONE. We do not. The Agency's study shows no need for this at this time.

Mr. MCCARTER. And the legislative—the legislation prohibits it, sir.

(Letter dated July 20, 1965, supplementing this statement may be found in the appendix on p. 261.)

Mr. MALONE. In the 1960 act there is a specific prohibition against that.

Senator KENNEDY. I wonder if their position is different now. If they receive a franchise from Congress without any anticipation

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that a subway system would be constructed and then during the middle of that franchise this subway system is constructed, what kind of protection do they receive and under that?

Mr. MALONE. I believe part of the answer to that is certainly that when the franchise was granted in 1956 the Congress had already indicated its concern over the transportation problems in the area. It was in, I believe, 1955 that an appropriation was made to the National Capital Planning Commission for preparation of the mass transportation survey report. There was before then a good deal of discussion of the likelihood, perhaps even a determination of the necessity, for a high-capacity, different mode of transportation to meet the needs of the area.

I think it can be said that at the time the 1956 legislation was enacted this mode of transportation was already on the scene. So far as the immediate operation of the bus system is concerned there is nothing to indicate any impact for a number of years.

As Mr. McCarter said, operation on this system would not begin, in any event and then only a portion, until 1971. The full system may be in operation in 1972.

We look forward to another 5 to 7 years of prosperity for the bus companies with every prospect that that prosperity will continue. I do believe that in the long run, Senator, the only way you can make an intelligent decision is on the basis of some firm experience.

Our studies show no untoward experience at this time.

Senator KENNEDY. I would be interested in having the transit system furnish a report to the committee as to what they feel will be the results. Then we can have it analyzed by you and your organization and then you can make a report to the committee. I think probably we need something more than the fact that there has been a different result or a certain particular result out in Chicago.

The situation here may be entirely different; problems might be greater. I think it is something to be taken into consideration.

Mr. SEEGER. There is something more, the Washington Metropolitan Area Regulatory Commission by statute is required to set fares which will carry a reasonable profit for the bus company. The agency set the fare at 25 cents and in the case of combination rail-bus rides the fares would be split with the bus company. Any joint fare arrangements made with the bus company would have to be approved by the Washington Metropolitan Regulatory Commission.

That Commission could block the joint fair arrangement and require a more favorable split from the bus company point of view, which would require the transit company to raise its fares. Our feeling has been right along that, that is a perfectly adequate safeguard.

The CHAIRMAN. Any further questions of the witnesses?

Thank you very much, gentlemen, I appreciate your testimony here this morning.

Our next listed witness is Mr. Tobriner. However I am advised Bill Rogers, president of the Federal City Council, cannot be here tomorrow, so in order to accommodate Mr. Rogers I am going to hear him now.

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TESTIMONY OF WILLIAM P. ROGERS, PRESIDENT, FEDERAL CITY COUNCIL

Mr. ROGERS. Thank you for letting me appear at this time.

My name is William P. Rogers. I am president of the Federal City Council, a broad-based nonpartisan organization of businessmen, professional men, and educators in the Nation's Capital.

Appearing with me today is Mr. Lewellyn A. Jennings, chairman of the board of the council.

The CHAIRMAN. Is Mr. Jennings in the room? Would he like to come up with you?

Mr. ROGERS. Mr. Jennings has spearheaded the effort of the business community in support of rail rapid transit for Washington as part of an overall balanced transportation system to serve our growing metropolitan area.

We appreciate very much the privilege of appearing before you to express the council's enthusiastic support and hearty endorsement of legislation to authorize a rail rapid transit system for the District of Columbia.

The Federal City Council is somewhat unique as a civic action organization. Rather than duplicate the broad approach to community problems so competently pursued by other civic groups, the council has built into itself a concept of selectivity—choosing out of all the problems those it believes to be primary and generative of continuing progress.

The council does not originate community concerns: It helps to meet them through the use of volunteer talent pools in the form of committees made up of council members. The ultimate aim is to assist in producing a result which contributes to the total community.

The overriding interest and concern of the Federal City Council is the physical and economic well-being of America's National Capital. Our major efforts are geared to improving the community; to making it more livable for residents; more attractive for tourists; more desirable for commercial activity; more functional for the operation of our Government; and more beautiful for the eyes of foreign dignitaries as well as for the people who live, work, and visit here.

In working toward these goals over the past 11 years, the council has become convinced that the foundation of orderly community development is a transportation system that can provide for the efficient movement of people and goods.

In our judgment, so long as Washington's present transportation difficulties are allowed to persist, it is inescapable that progress in any other community endeavor must necessarily be limited.

The legislation before this committee would, we believe, clear the way for unlimited progress. Its enactment would provide a vital component for a workable system of transportation embracing good bus service, modern freeways, and rail rapid transit, all operating in a programed relationship.

Our studies over the years have proven to our satisfaction that no single mode of transportation can answer fully the needs and demands of the Washington metropolitan area. Only by means of a balanced system, exploiting to the fullest the advantages of each component, can Washington hope to solve its transportation problems.

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Our Federal City already has good bus service, thanks to the leadership of Mr. Chalk. It has a good interstate highway plan, although only portions of it have been completed. The city also has a good proposal for rail rapid transit, an excellent agency to oversee its implementation, and, in Mr. Walter McCarter, a man who is recognized as the best in his field to guide the program.

If the Congress, in its wisdom, decides to act favorably on the so-called Whitener-Bible bill, the basic ingredients for a truly balanced transportation system will be available for the first time in Washington.

Soon after last week's favorable action on H.R. 4822 in the House of Representatives, considerable attention was given by the press to evidence of communitywide support for rail rapid transit legislation. Unlike many bills that come before this committee, this legislation has been universally well received and strongly supported by the citizens of the District and metropolitan area.

The need for a balanced transportation system in Washington gave birth to the Joint Committee on Transportation composed of the Metropolitan Washington Board of Trade, the Washington Board of Realtors, the National Capital Downtown Committee, and the Federal City Council.

For the first time, these four organizations chose to speak with a collective voice on a subject of major importance to the community.

This is truly a total community effort. That is why Mr. Jennings and I appear here this morning: to express what we believe is almost unanimous support of the community. Virtually without exception, the total community supports the legislation and the total community will benefit by its enactment.

Respectfully, I urge this committee to approve the legislation without additional amendments beyond those accepted by the House of Representatives.

The CHAIRMAN. I am very happy to hear you now, Mr. Jennings, since you are a joint team here.

STATEMENT OF LEWELLYN A. JENNINGS, CHAIRMAN, FEDERAL CITY COUNCIL

Mr. JENNINGS. Thank you, Mr. Chairman, and distinguished committee members. May I first pay tribute to the chairman of the Senate District Committee, Mr. Bible, for his leadership in authoring the Senate bill, S. 1117, and for moving ahead with these hearings so soon after last week's action by the House on the companion measure, H.R. 4822.

Mr. Rogers has outlined some of the compelling reasons why the Federal City Council is solidly in support of rapid transit for Washington. I would like to relate some of the reasons why the council feels that the authorization legislation—both S. 1117 and the amended House version—is good legislation.

It is good legislation, first of all, because it is a perfected bill, embracing all of the merits of the original NCTA proposal, and none of the points that had given rise to objections.

The legislation takes into account the interstate nature of the Metropolitan Washington area. It calls for the kind of construction

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that is capable of future extension by the States of Virginia and Maryland.

The legislation acknowledges the benefits of a privately operated system, calling for operation by a private concern under contract to the governmental authority. Thus, the public investment is protected while preserving the private enterprise concept.

Employees of the private operator are protected in comport with the provisions of the National Mass Transportation Act. The bill guarantees the rights of employees in accordance with agreements reached with organized labor.

Consideration is given to the problems of cut and cover construction. With the possible exception of terminals, construction in the downtown area will utilize the tunneling technique to the greatest extent practicable, thereby minimizing any disruption of commerce during the construction period.

The legislation provides for a sensible financing arrangement with the cost of the initial grants shared by the Federal Government and the District government on an equitable basis that is in keeping with the provisions of the National Mass Transportation Act.

Under the legislation the schedule of fares for riders of the system is a realistic one that should be sufficient to cover operating costs, depreciation, and systematic repayment of the interest and principal of the revenue bonds.

The Federal City Council has studied this legislation very closely. We believe it to be sound legislation. It involves a considerable amount of money, to be sure, but the council believes the investment is a good one.

It is not merely a question of spending money to ease the frustrations of the commuter or the inconveniences of the visitor. At stake is the overpowering question of whether Washington will continue to be a center of commercial activity or whether it will slip into the morass of relative economic unimportance.

Surely the continued vitality of the center city is reason enough for the investment. The commercial sector of Washington provides the bulk of the taxes that operate the National Capital. Continued inadequate transportation could prompt a flight to the suburbs of the major taxpayers and the major employers in the District of Columbia. This is an expense that neither the District government nor the Federal Government can afford.

Washington is a vital city today, despite the fact that the movement of people and goods within its boundaries must be characterized as sluggish. When we consider that population projections for the metropolitan area call for nearly 3 million people by 1980 and about 5 million by the year 2000, we realize that the situation will worsen unless action is taken to improve it now.

The immediate action needed is passage of the legislation before this committee. With a future transportation system that includes rail rapid transit as well as modern highways and good bus service, Washington will be able to answer the transportation needs of its growing population, and orderly community development can be a reality.

I want to thank the distinguished chairman and members of the committee for the privilege of expressing the views of the Federal City Council on this important legislation.

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It is my hope that the committee will act favorably and that the bill, free of additional amendments beyond those included in H.R. 4822, will receive the approval of the Senate.

Thank you.

Senator KENNEDY. I just want to compliment Mr. Rogers and Mr. Jennings on their statements.

Mr. JENNINGS. I want to congratulate this committee for the support it has given the community. We certainly would suggest and urge that it be enacted as fast as possible. I think any further delay would be most unfortunate.

We will do the best we can.

The CHAIRMAN. As you know, they completed action on the House side this past week. We started hearings Tuesday; so that is moving this legislation along at a pretty rapid pace, and I could not agree more with your observation. We do have the need, and we have to do something in this field.

We congratulate the chairman and the committee for its fast action. I appreciate your appearing here this morning Mr. Rogers and Mr. Jennings, and it will be helpful to us, and we thank you for your fine statements.

It is noon, and I have some luncheon commitments, so I can't stay on beyond 12 o'clock. We will stand in recess until tomorrow morning at 10 o'clock, and our first witness will be Mr. Tobriner, President of the District of Columbia Board of Commissioners. He will be followed by Mr. Bierwagen.

(Whereupon, at 12 noon, the committee recessed, to reconvene at 10 a.m., Wednesday, July 21, 1965.)

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RAIL RAPID TRANSIT FOR THE NATIONAL CAPITAL REGION

WEDNESDAY, JULY 21, 1965

U.S. SENATE,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The committee met at 10:15 a.m., pursuant to recess, in room 6226, New Senate Office Building, Senator Alan Bible (chairman of the committee) presiding.

Present: Senators Bible and Tydings.

Also present: Chester H. Smith, staff director; Fred L. McIntyre, counsel; Robert T. Hall, assistant counsel; and Richard E. Judd, professional staff member.

The CHAIRMAN. The committee will come to order.

This is a continuation of a hearing which was commenced yesterday on the transit bill.

First, this morning I would like to have entered into the hearing record a statement which was to be made this morning in support of the pending legislation without amendment, by Mr. Walter J. Bierwagen, representing the Amalgamated Transit Union, AFL–CIO, local division 689 of that international union, and the Greater Washington Central Labor Council of the AFL–CIO.

We were unable to get to Mr. Bierwagen yesterday, and he indicated to me that he would like to appear this morning but could not do so because of a court hearing in Richmond, Va.

He asked that I make this statement for him this morning.

(The statement referred to follows:)

STATEMENT OF WALTER J. BIERWAGEN, ON BEHALF OF AMALGAMATED TRANSIT UNION, AFL–CIO; LOCAL DIVISION 689, OF THAT INTERNATIONAL UNION; AND ON BEHALF OF GREATER WASHINGTON CENTRAL LABOR COUNCIL, AFL–CIO, JULY 20, 1965

I am pleased to make this statement supporting S. 1117 and H.R. 4822, on behalf of the Amalgamated Transit Union, of which I am an international vice president; on behalf of National Capital local division 689 of that international union, of which local union I was for many years president and business agent; and on behalf of the Greater Washington Central Labor Council, AFL–CIO, of which I am secretary.

National Capital local division 689 represents the operating and maintenance employees of the D.C. Transit System, and its affiliate, the W.V. & M. Coach Co., Inc. This includes approximately 3,500 employees—the overwhelming majority of transit employees in the Washington metropolitan area. These are the employees most directly affected by the legislation before this committee. And while it is true that the primary interest of our members in this legislation stems from our position as transit employees, it is also true that this is the community in which we live and raise our families. As such, we are concerned that it be a community where the needs of the people are properly served. And, of course,

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we share with all Americans the desire to make this center of our National Government a place of which all citizens can be proud.

The Amalgamated Transit Union is the parent international union of National Capital local division 689, and is the dominant labor organization in this country in the field of passenger transportation. Our direct and vital interest in the subject matter of S. 1117 and H.R. 4822 is heightened by the fact that our international headquarters is located in the District of Columbia. We are proud to be residents of this area; we are anxious to do all we can to make it a better place in which to work and live.

We firmly believe that the welfare of this community, and its future growth and development, requires an improved balanced mass transportation system. And, on the basis of our experience in the transit industry, we believe that a rail rapid transit system is an essential element in the development of a mass transportation system adequate to the present and future needs of this important community. That is why we support the basic objectives of S. 1117 and H.R. 4822.

Our experience in this industry also teaches us, however, that the public interest is not served when the community takes over an existing transit system or establishes a new system, without protecting the rights of the existing transit employees, and without assuring that future working conditions will be determined through free collective bargaining, including arbitration.

This is not the first time that this union has had the opportunity to speak to the Congress with respect to legislation dealing with the subject matter of a rapid transit system for the National Capital region. I had the privilege of representing National Capital local division 689 when we were heard before the 86th Congress on S. 3193 and H.R. 11135, which, after amendment, became the National Capital Transportation Act of 1960. We were heard again before the 88th Congress when the House considered H.R. 6633. We were pleased that the Congress saw fit in 1960 to incorporate some amendments in the 1960 enactment to accommodate the law to some of the evidence we placed before the joint committee. We were also pleased to have contributed to the decision of the House in 1963 not to adopt a proposal which raised important problems, some of which we were able to point out. Our union, international and local, appeared last March before the House Committee on the District of Columbia, in support of H.R. 4822, the bill now before you.

A review of our statements on these earlier occasions will make it immediately apparent that we have always supported the basic objectives of legislation which sought to provide a rail rapid transit system for this area. We join with the many other individuals and groups who believe that an improved mass transportation system is essential for the orderly growth and development of the Nation's Capital, and for the welfare of the people who live and work in this area. We also believe that the establishment of a rail rapid transit system is one of the essential elements in the development of a balanced mass transportation system for this region.

Our opposition to the proposed legislation in 1963 was based upon the failure of that legislation to assure that the very vital interests of the employees affected by the establishment of a new rapid transit system were protected, and the failure to guarantee that the processes of collective bargaining and arbitration would be continued in the operation of the new system. This community has ample experience and compelling proof of how free collective bargaining and arbitration have resulted in uninterrupted transit service, whereas when those practices have been abandoned—as in the Wolfson era—labor unrest and service interruptions were the inevitable consequence.

The bill now before you does not contain the labor provisions we had insisted were essential in our statements before the House in connection with the 1963 proposed legislation. We find ourselves able to support the present bill, however, because the labor problems arise in a different context. The 1963 proposed legislation left open the possibility that the new rapid transit facilities could be operated by a public agency (Federal or State), and in that context the special labor provisions we proposed were indispensable.

The present bill, on the other hand, specifically provides that the proposed rapid transit service may not be operated except by private enterprise under contractual arrangements with the governmental agency. In addition, the labor protective conditions provided by the Congress in enacting the Urban Mass Transportation Act of 1964 are incorporated, by reference.

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We understand these provisions—set forth in section 3(b)(3) of this bill—as being intended to mean that the employees involved in the operation of the new transit system will be the employees of a private employer, whose relations with employees will be subject to the existing labor laws applicable to private employers, which embody the existing national labor policy favoring collective bargaining and arbitration. We further understand this bill to intend that any contract entered into between the governmental agency and the private operator of the system will assure the continuation of employee rights under existing labor agreements and the protection of any employees who may be adversely affected by the establishment of the new transit system, as provided for in section 10(c) of the 1964 Mass Transportation Act.

It is with that specific understanding that we support the bill before you, in substance, and I would be less than candid if I did not emphasize that we can support it only so long as that understanding is valid. If any amendment were to be made as a result of which the new system could be operated by a governmental agency whose employees would be regarded as public employees, we would not support the bill without the additional labor provisions that we proposed in connection with the 1963 legislation.

We applaud the framers of this bill for having made an honest and sincere effort, in the best tradition of our great democracy, to accommodate the many, and sometimes conflicting, interests of the groups most vitally concerned. We hope that this bill—in the form in which it was adopted by the House will be favorably reported by your committee.

As I have previously indicated, I also make this statement on behalf of the Greater Washington Central Labor Council, which is the central body with which the AFL–CIO unions in this area are affiliated. Those labor organizations, in turn, represent some 125,000 men and women who live and work in this area, and who, therefore, have a vital interest in the subject matter of this bill. The Central Labor Council vigorously supports the basic objective sought to be accomplished by this bill. But, with equal vigor, the council supports the proposition that the new rapid transit system must be operated by employees whose terms and conditions of employment are determined through free collective bargaining and arbitration, and who are protected against any adverse effects that the establishment of this system may have on their existing rights and benefits. The council is satisfied that the present bill—in the form in which it was enacted by the House—will accomplish that purpose.

The CHAIRMAN. We have a great number of letters from various municipalities—from the State of Virginia, from the State of Maryland, from the city of Falls Church, the District of Columbia, and elsewhere—which will be made a part of the record.

(The documents referred to may be found beginning on p. 170.)

The CHAIRMAN. Our first witness is the distinguished Senator from Maryland, Senator Brewster. We are delighted to have you with us this morning, Senator Brewster.

STATEMENT OF HON. DANIEL B. BREWSTER, A U.S. SENATOR FROM THE STATE OF MARYLAND

Senator BREWSTER. Thank you very much, Mr. Chairman, for giving me this opportunity to appear before the committee this morning. Mr. Chairman, the legislation that your committee is now considering is of great importance to the Nation's Capital and its surrounding Maryland and Virginia suburbs.

This legislation is necessarily of interest to me because of two Maryland counties situated directly to the east and north of the District of Columbia. The joint population of these two counties now nears 1 million people and is the most rapidly expanding community in the entire United States. The traffic problems that the cities of Maryland have in commuting back and forth to the District at times

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defies description. As you are aware, the National Capital area is confronted with a severe transportation crisis which will continue to worsen unless a remedy is provided.

I was most gratified by the favorable action taken last week by the House of Representatives. The overwhelming support demonstrated by the House for a rapid transit system for the District of Columbia is indicative of the recognized urgency of this measure.

While the Nation's Capital needs a rapid transit system today, the fact remains that it will be another 7 years before it can become fully operational. By then, there will be an additional million people in the Washington metropolitan area. There will be a corresponding increase in the number of automobiles traveling the area's streets and roads. There will also be an increased demand for rapid transit facilities.

We know from experience that highways alone cannot meet our growing urban transporation needs. They can only make an effective contribution to transportation if supplemented by a mass transit system capable of handling large numbers of commuter passengers.

The currently proposed plan is both modest and realistic. It is the result of a careful study by the National Capital Transportation Agency, an agency established by the Congress to propose a balanced transportation plan.

Maryland has in part solved one aspect of the commuter's problem in that Maryland and Virginia have built a magnificent circumferential beltway entirely around the District. This carries people easily around the District, but the congestion on the radials coming into the District from the beltway is, as I mentioned before, tremendously difficult and the mere building of any radials for automobile traffic cannot possibly satisfy the needs of this community, which will number several millions in the easily foreseeable future.

Therefore, a balanced transportation program is necessary that would encompass both automobiles and modern highways and a bus system and the necessary commuting bus links and a mass transportation system which is envisioned in the pending legislation.

I believe it is significant that the NCTA's proposed plan has the support of the Governors of both Maryland and Virginia, the District Commissioners, all three of the area's highway departments, and all of the major planning bodies involved.

I might say at times various planning agencies in the District of Columbia cannot see eye to eye but in this case I understand they all recognize the need for the rapid transit system. This proposed rapid transportation system will not only benefit the residents of the Metropolitan Washington area, but will also benefit the many visitors who come to this city each year. Further, it will contribute immeasurably to the beautification of our Capital City.

Senate approval of this rail mass transit system will serve as a green light to National Capital area planners who have hesitated to base future plans on a tentative transportation system still in the need of congressional action.

I want to thank the chairman of this committee for allowing me to testify in support of S. 1117. I know of his keen interest in the problems of the District of Columbia and the surrounding metropolitan area, and I am deeply appreciative. I know that this committee will

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report a sound rapid transit bill to the Senate. You may be sure that it will have my wholehearted support.

I know I am convinced from the point of view of the commuter from Maryland that this legislation is necessary.

The CHAIRMAN. Thank you very much, Senator, for an excellent statement. I certainly join you in your expressed hope that we can move this forward without too much delay. I don't think there are too many problems in the bill. I am aware there are some areas of difficulty but it will be our responsibility as a committee to attempt to come out with a sound rapid transit bill. Certainly there is no question in the world but that we need a balanced transportation system in the District of Columbia.

I use your beltway repeatedly and it occurs to me that that it will soon be too small with the great number of people that are projected for this area in the future. The same is true also of the Washington-Baltimore Parkway which at times is bumper to bumper with traffic.

Your statement is helpful and we hope to move forward with all deliberate speed on this problem.

Senator BREWSTER. Thank you, Mr. Chairman.

The CHAIRMAN. The next witness will be Senator Joseph D. Tydings, junior Senator from the State of Maryland.

Senator Tydings is a member of this committee and when he leaves the table as a witness I presume he will join me here.

STATEMENT OF HON. JOSEPH D. TYDINGS, A U.S. SENATOR FROM THE STATE OF MARYLAND

Senator TYDINGS. I am very happy to be here to support the testimony of my colleague, Senator Brewster, on S. 1117 and H.R. 4822.

Mr. Chairman, the District of Columbia and the surrounding suburbs particularly, need and will benefit greatly from a modern rapid rail transit system.

I am, herefore, very happy to be a cosponsor of your bill to establish such a system. I am impatient, as are the people I represent, to get on with the job just as soon as possible.

The time to start is now, and I believe that the chairman shares my views that we must get on with the task of providing the National Capital region with a modern rail rapid transit system without delay.

The CHAIRMAN. I must say—and I say this in all good humor—you are the most impatient Senator to come to the Senate. You want things done the day after tomorrow. I think it is wonderful and I commend you for it. I say this with great sincerity because I have had occasion to receive many comments from you on bills which I happen to be interested in.

Senator TYDINGS. I am grateful to my distinguished chairman for the patience he has shown, and the fact that he has taken the time to show me the ways and means of doing things on Capitol Hill. I realize I have a lot to learn, but I realize the advantages I have by being a part of your committee.

I think, Mr. Chairman, that the place to start to build the system is in the city, in the heart of the Nation's Capital.

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For more than a decade there has been intensive study leading directly to this moment. As far back as 1944 and before there were serious proposals for rail transportation underground to move people in and about Washington. The mass transportation survey, after a half-million-dollar study project, proposed a rail rapid transit system to complement an increased highway network. This was in 1959. Congress wisely took the next step by creating the National Capital Transportation Agency to develop a rapid rail transit system.

All through these years one conclusion has been growing clearer to the people and their officials alike: there is a limit to the amount of land, the amount of money, and the amount of human relocation we can afford to pay for highways in cities—particularly in this city.

The Washington area is growing too fast for any single kind of transportation facility to keep up with our needs. This is, in fact, today, I believe, one of the fastest growing metropolitan areas in the United States.

We need every practical kind of transportation we can afford, and we need such facilities as soon as we can get them, and we need them in efficient balance so they can work together—buses, autos, and rapid rail transit—and thus multiply their effectiveness.

We have highways. We have plans for more. But we also recognize a limit. Now we must turn to building the balance—rapid rail transit.

For the Congress of the United States, for the entire Federal Establishment in this region, this is a project of the highest priority. In the National Capital Transportation Act of 1960, Congress found that improved transportation for the region is essential for the continued and effective performance of the functions of the Government of the Nation.

I am told that one snowstorm, causing the release of Government workers 1 hour early, costs almost $1 million in lost employee time. And one cannot even begin to calculate what it costs us today and every day for traffic jams; delay in deliveries: inefficient use of equipment due to slow traveltimes; accidents; and, most valuable of all, irritation and damage to human nerves, human health, and the human spirit.

I can say from my personal experience that the people of this region have been asking for a rapid rail system for years. Their unanimity on this subject is one of the great and encouraging areas of agreement in the National Capital region. I know of no other regional problem on which there is such strong and widespread agreement as to a solution.

This agreement extends to the Maryland State Roads Commission, whose chairman-director, Mr. John B. Funk, has stated that highways—

> in themselves will not be sufficient for relieving the peak-hour demands in the central Washington area and (transportation demands for an exploding area) will require the early implementation of a safe, comfortable, convenient, and economical rapid transit facility in selected commuting corridors.

The area is indeed exploding. The region must provide transportation for 5 million people before the turn of the century. We must, therefore, begin today to build into and for the region a new level of transportation speed, safety, efficiency, and comfort. Only a modern rapid rail system can provide this new level of service.

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By service I mean dependability, no matter how long the bus delays caused by traffic jams. I mean the freedom for the suburban housewife who can have the use of the family automobile for her family responsibilities, for her daytime shopping, secure in the knowledge that her husband has speedy and efficient transportation.

I mean the ability to live where you want to live and work where you want to work, throughout the region.

I mean the saving of many hours each week for thousands of commuters—hours better spent with families than spent alone in an automobile. I mean the peace of mind of wives who know that husbands will arrive promptly on the 6:41, no matter what the weather or traffic, and the equal advantages to the businessman and legislator who will be able to travel from Connecticut and K Street to the Capitol in 7 minutes or from the Capitol to the Pentagon in 10, no matter what the crush of traffic is on the streets above.

I mean making it possible for the youngster too young to drive to go downtown to the theater or the cultural centers, or for the elderly too old to drive to visit friends in the suburbs, or the handicapped to travel by public transportation without having to climb on and off—and we must make this rapid rail system in the Capital of the Nation accessible to those handicapped people, thus making it even more useful and pleasant for all.

Mr. Chairman, I am certain that under your leadership this committee will report favorably on this proposal, to help to insure that the National Capital region has the modern, balanced transportation system which it deserves.

I would like at this time to take the opportunity to publicly commend the distinguished chairman of the House Committee on District Affairs, Congressman McMillan, and also Congressman Basil Whitener, the floor manager of this bill, for the long and arduous hours they put into the study of this rapid transit system. I wish to commend them highly for the public service they have rendered to the citizens of Maryland and Virginia, as well as the citizens of the District of Columbia.

I might say the House subcommittee, the full House District of Columbia committee, and the House of Representatives studied and considered these so-called private enterprise amendments. The House bill, as reported, and your bill, Mr. Chairman, fully protect the rights of private operators of transportation systems.

The bill preserves the rights of existing bus companies. It prevents NCTA from acquiring any bus company in whole or in part.

I do wish to add, however, Mr. Chairman, that I am unalterably opposed in the committee or on the floor, and in any other place, to any amendment which would give a windfall franchise to any operator at the taxpayer's expense. I am unalterably opposed to giving to a private operator the profits of this rapid rail transit system which should be used to pay off the bondholders and for the benefit of the taxpayers.

I am going to resist any such amendment in the committee and on the floor, just as the committee did in the House.

I want to get that in the record just in case this contingency arises.

The CHAIRMAN. I think there is a possibility there may be such a suggestion, and I am delighted you are going to be here with me as a

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committee member to give to this problem your keen intellect and very, very well-known ability of cross-examination, and I do commend you for your excellent statement. I know of the interest you have in this project. I think we can move it forward, and ask you now to join me up here.

You made mention of an amount of money spent just recently, and it is significant that since 1952 the sum in excess of $5 million has been spent on transportation surveys leading to the rapid rail transit system which is now before this committee.

The point that I am making is that for over a decade a rapid transit plan has been studied, and restudied. I think we have come to the point of where we must come to grips with the problem that is before us.

It is my distinct pleasure to recognize the Honorable Ancher Nelsen, Congressman from the State of Minnesota.

I might add, Congressman Nelsen, I want to pay you a tribute for the very valuable service you have performed in the House committee and on the floor of the House of Representatives in moving this bill forward.

I know of the great help you gave there.

STATEMENT OF HON. ANCHER NELSEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. NELSEN. Thank you, Mr. Chairman.

I will preface my remarks by pointing out that Congressman Whitener and others of the majority realize the rapid transit system will not reach our districts. However, this is the Nation's Capital, and the responsibility for it is in our hands.

The House District Committee reported this bill out by a vote of 18 to 3. Prior to the action this year, the previous bill met considerable opposition on the floor. We attempted to meet the opposition by making some changes in the bill relative to financing, the letting of contracts, and the leasing of the operation which would satisfy business and labor as to the negotiations for the contracts for operation.

The traffic load relative to the population enclosed in the District has been considered extensively by your committee. I think it is unnecessary for me to repeat it, but I feel there is an obvious need for a modern transit system. Unless we begin to move at this point we will be far behind in the District. Those of us who drive to town and listen to the radio, to Marie in the traffic helicopter telling us how traffic is backed up on Shirley Highway and other main arteries into the city, try to avoid congestion. We hear these reports every morning and anticipate that, in the future, conditions will be much worse.

One of the things that most concerned me as a member of the House District Committee was the fact that, in the letting of Government contracts, whether it is building or whatever it may be, it seems almost an accepted fact that preliminary cost estimates will be exceeded when final construction is made. We were very, very concerned about this possibility; but, of course, we recognize inflationary trends can distort figures. We can allow for that and expect it. However, we were very concerned about this fact and also insistent on finding out all the data relative to the financial planning which has been done by experts.

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Inference was made in the hearings that propert engineering had not been effected. We checked on the engineers and found that the best engineering experts in the field have been employed.

We were concerned about the farebox estimates and whether or not they were actuarily figured. We were convinced they were.

All the provisions we thought necessary in the bill are in the bill. I was pleased to hear Senator Tydings refer to some of the controversial points, but I hope the bill is passed as it was in the House without amendment. I think the bill is a good bill and I recommend it for passage.

I thank the committee for giving me the opportunity to appear here as a ranking minority Member in the House. The bill passed the House on the voice vote which indicates to me the opposition of a little over a year ago has melted because of the provisions we put in the bill to meet the objections that were previously there.

I thank you very much.

The CHAIRMAN. I might say again you have done great work in this field and it is a tribute to you. As you have said, this does have widespread partisan support on both sides of the aisle. It seems to me that is exactly the way it should be.

I take it from what you have said you are satisfied with the work that has been done and with the estimated $431 million total for the basic plan shown on H.R. 4822. The map to your left is a realistic figure.

Mr. NELSEN. I think it is.

The CHAIRMAN. I understood the testimony yesterday to be that they have made a 10-percent allowance for inflationary trends in the estimates for the cost of this subway and for right-of-way acquisitions. In my judgment this is realistic and I think each of us in Government on the Federal level particularly are sensitive to price tags. I happen to serve in another committee on parks and the cost of land acquisition is one of the most difficult problems that we have to contend with. An example of this problem is the cost of acquiring right-of-way at Assateague, which lies just beyond Ocean City in the State of Maryland.

It is difficult to make an estimate and then find out that such estimate isn't accurate.

Mr. NELSEN. I am sure the chairman realizes none of us have attempted to leave the impression that $431 million is the total cost of a complete system. But in the initial step there is only $150 million—$50 million by the District and $100 million from the Congress and the bond issue we expect will be paid out of the fare box from fares that are collected. Additionally, compacts are presently in the negotiation stage in Maryland and Virginia between the States and the Government of the United States with the hope of expanding the system to meet the needs of the entire metropolitan area.

Politics does not enter the management of the system, the letting of contracts, or regulation of the enterprise. When the system is operational it should pay out, because experience in other areas has indicated that it can.

I may add that the new Administrator of the National Capital Transportation Agency, Mr. McCarter, has a career distinguished by success as evidenced by his management, not only in Wisconsin but in Chicago and Cleveland. We think we have the best engineering, the

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best financial experience, and now the best administrator in the United States.

The CHAIRMAN. The Senator from Maryland?

Senator TYDINGS. I have no comments except to commend the distinguished Congressman for the effort he made on the floor to secure the passage of this legislation.

The CHAIRMAN. The next witness will be a longtime friend of mine, Congressman Abraham Multer. We are delighted to have you with us this morning.

STATEMENT OF HON. ABRAHAM J. MULTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. MULTER. Thank you very much, Mr. Chairman. I am pleased to be with you this morning and offer some suggestions about improving the bill. I have in mind that I am the man who is blamed or credited, depending on how you look at it, with having defeated this bill in the last session. I take neither the credit nor blame, but modestly suggest that I pointed out at that time the bill did not protect private enterprise or labor. Labor is now satisfied that the provisions in the bill for its protection do the job expected and the report so indicates from the House committee and I think the debate on the floor also indicates that.

As to the private enterprise features, the rating of the bill would probably convince you private enterprise is being protected too. The report there also indicates that, and also the report of the House committee, indicates that private enterprise is being protected. The debate on the floor indicates what it is intended to do, that this system shall be built by private enterprise and operated by private enterprise.

I am sorry Senator Tydings had to leave——

The CHAIRMAN. He is going to return.

Mr. MULTER. I will withhold that comment as to management of the system once it is completed until he returns so he can hear my comment about management.

The CHAIRMAN. I will appreciate that. I spoke with him as he left and he is only going to take a telephone call and will return in just a moment.

Mr. MULTER. I don't believe there has been any bill in the 10 terms I served here that has had such an overwhelming demand by a majority of your colleagues in both Houses as well as by a majority of the people in the community, and I sought both in the House and here now to try to improve this bill and make it do the job that should be done.

Now, if this committee and your body is satisfied with the private enterprise provisions, both the construction and operation, then no changes need be made as long as legislative history will show that is precisely what you intend.

There are three matters that I would like to suggest for amendment. One is the application of the agency that builds and operates this system through third parties. Here I draw upon my experience in the city of New York where almost all through my life we have been building, rebuilding, and extending subway and transit systems. We have been tearing down those that are obsolete and trying to build

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new ones and cover the city with the rapid transit systems it needs. I suggest an amendment that would provide that the National Capital Transit Agency or any successor entity—I have in mind that any agency that will be authorized to build and operate this—whatever the agency shall be, that agency shall satisfy any judgment for damages resulting from any cause of action arising out of the construction, operation, maintenance, alteration, or repair of the system of rail rapid transit lines and related facilities authorized by this act; if the person or entity against whom such judgment is entered does not satisfy such judgment within 30 days after it becomes final; if the National Capital Transportation Agency or any successor entity satisfies any judgment under the subsection it shall be subrogated to the rights of the person or entity in whose favor such judgment was entered.

I have in mind the millions of dollars of judgments that have been obtained during the course of building or repair of subway systems, caused to adjoining owners or accrued in favor of estates of persons who were killed or persons injured, third parties not covered by the compensation laws which affect those actually employed in doing the work. This is an important element which I think has been omitted from the bill.

I don't understand how anybody can oppose that kind of provision being admitted in the bill.

The CHAIRMAN. Was this admitted to the House committee?

Mr. MULTER. Yes, and rejected.

The CHAIRMAN. It was offered again on the floor?

Mr. MULTER. Yes. And rejected.

The CHAIRMAN. These are the same words that you offered both in committee and on the floor of the House?

Mr. MULTER. Yes, sir. Let me say in fairness to the committee and so you can understand the record of the floor, in committee these amendments were not considered verbatim. They were not ever read. We called them up and discussed the principle. When the principle was rejected, they never read the amendment.

The CHAIRMAN. The principle of this amendment was considered by the committee?

Mr. MULTER. Yes; and the exact language of these amendments was prepared in the event they decided to consider the principle. The other language was offered on the floor, but as you know, with the rush and turmoil of the District bill being the last bill of the week, many of the Members being anxious to get away, it was obvious to me they wanted to pass this bill and go to something else and that is what happened.

The CHAIRMAN. Whatever the reason, the amendments were not adopted.

Mr. MULTER. That is a fact.

I think it will be quite appropriate when you get to executive session or possibly before that, to ask what possible objection can there be to these amendments. I can see no possible objection to making sure that anyone that is injured by construction of this system should be left with a worthless judgment because the contractor has gone into bankruptcy which frequently happens. He underestimates the cost of the contract. When he gets the contract it often varies from his estimate, and he is going to be in trouble. We have experience with this thing

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throughout the country, even where you require performance bonds. The bonding company sometimes become insolvent. These people who are injured should be taken care of.

The second—I am going to pass the second amendment for the time being. I will go to the third.

The CHAIRMAN. I am sure Senator Tydings will return. I would like to have him here in view of the statement you made.

Mr. MULTER. The third of the amendments covers the situation of financing. And one who is—may I refer to the first amendment. I suggest I was wrong when I said this amendment was identical. The language was identical to that offered to the committee on the floor. It was not——

The CHAIRMAN. I understood you to say it was offered in principle.

Mr. MULTER. Yes; then I offered it on the floor, and when I offered it on the floor it was not in the identical language I am offering you in this respect.

The CHAIRMAN. I am glad to have you clarify that point.

Mr. MULTER. The objection to this amendment on the floor was my amendment required the District of Columbia to be responsible for these payments and these judgments and Mr. Whitener very properly pointed out this system will run into Virginia and Maryland and why should the District of Columbia be burdened with it. The amendment now provides the National Capital Transportation Agency, which will run and operate the systems, whether in the District, Maryland, or Virginia, or its successor entity, shall be responsible. As it is presently worded, there can be no possible objection. Anyone who is injured or whose property is damaged, should be protected. This note does not give cause of action. Once they get a judgment which becomes final after an appeal, then they should be paid by the Agency even though its contract insurance company or bonding company has defaulted and can't make the payment.

Now, the third amendment goes to the matter of financing, and this is extremely important. I am very happy that everyone who has discussed this bill says that this is the National Capital and it is the responsibility of the Nation to give to its Capital City the transportation facilities that it needs, not only for those who live and work here, but for those who come to visit.

I say the bill does not face up to the problem at all. The bill provides that the District of Columbia will spend $50 million of its own money toward the construction and that the Federal Government will spend $100 million, a 2-to-1 basis toward the construction, then the balance will be paid out of a bond issue which will be sold to the public. The bonds, however, to be guaranteed by the District of Columbia and the U.S. Treasury. Without such guarantees the bonds will never be sold no matter how you make the interest rate, but I suggest, as I am sure this committee knows full well, the District of Columbia has a deficit every year; it never can meet it. It must come to us and beg for the money from the U.S. Treasury every year to make up its deficit. It could never get from real estate taxes or any other taxes the money to build such a system. I say the best way to do this, and the least expensive way to do it, is to finance this cost directly by loans from the U.S. Treasury. The U.S. Treasury can borrow the money as it needs it at the going rate and lend it to the

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Agency at one-eighth of 1 percent over the cost to the Treasury and Congress will always have control.

The CHAIRMAN. Interest can be a big component on $431 million.

Mr. MULTER. It is estimated that some $50 million——

The CHAIRMAN. That is quite a chunk of interest. I think the testimony of yesterday indicated that the fares would be sufficient to take care of the bond issue for the period of 41 to 45 years. I think they assumed a rate of 4½ percent.

Mr. MULTER. If we pay the highest rate of 4 percent and ignoring the magic 5 percent issued not so long ago, the high rate would cost the District 4⅛ percent. We are in no position to know what the interest rate will be next year or the year after. It is fixed once you issue the bonds. Under this formula if they need the money and Congress appropriates it to them they can pay the Treasury one-eighth of a cent more than it cost the Treasury. It they are going to pay back this money whatever there is by way of surplus will go back to the U.S. Treasury to repay those loans.

Let's not go through this camouflage of a guaranteed bond sold to the public to be paid by the fare box and when the fare box doesn't pay it they come to the District of Columbia and they go to the U.S. Treasury and say "Let's pay it." If they are not going to be paid, let's do it the cheapest and most direct way with direct financing at the lowest possible cost with the provision as provided in this amendment that the principle and interest shall be paid back in a period of 30 years, beginning on July 1 of the fiscal year which begins after the date on which operating revenues are received by the Agency.

If there is going to be anything left out of this system, it is going back to the U.S. Treasury where it belongs. If it isn't the fault will be between a Government agency and the U.S. Treasury, not with the general public owning these bonds and having the disadvantage of Government-guaranteed bonds going into default before they are paid.

The CHAIRMAN. I understand, in going through the record, that Congressman Whitener, in responding on the floor after you offered this amendment, said it had not been offered in committee. What was the situation as you understood it?

Mr. MULTER. With all deference to the distinguished chairman, I think he overlooked the fact I spent almost a full morning testifying to the subcommittee on this problem. That is in the printed record of the hearing.

The CHAIRMAN. In executive markup, was an amendment offered to take care of this?

Mr. MULTER. I have prepared each of the proposed amendments which I will leave with you and ask that they be inserted in the record.

The CHAIRMAN. I am happy to have that, but just for the purpose of clarity of the record, my question is whether the amendment which you are offering to this committee on this problem of having the U.S. Government take the full responsibility for underwriting the bonds, was that amendment offered to the committee in the form you offer it to us now?

Mr. MULTER. I was prepared to offer it in full committee. I was not a member of the subcommittee. I discussed this in my testimony before the subcommittee but I was prepared to offer it to the full

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committee, but they voted down the principle so it was never submitted. This is the language offered on the floor.

The CHAIRMAN. The Senator from Maryland.

Senator TYDINGS. Revenue bonds for transit systems and other State and municipal funds are generally or frequently backed up by both the faith and credit of the municipality or the State. Isn't that a fact?

Mr. MULTER. Either the bond issued by the municipality or State or an agency of the municipality or State. Where you have an agency it is usually a revenue bond, and if the revenue is insufficient, the bonds are never paid.

Senator TYDINGS. In many instances, it is backed up by the full faith and credit of the State?

Mr. MULTER. Yes, in some.

Senator TYDINGS. What you suggest is a novel idea. Have you ever heard of another State or municipality using this form of financing?

Mr. MULTER. This is the traditional way of doing it on the national level. On municipal levels it is usually not done. This is the Nation's Capital, and the burden is on the U.S. Treasury to support this and we do it every year. As I said before, it is the U.S. Treasury that makes up the deficit each year. They come in every year begging for more money and they never get enough. As I said, every dollar of this will come from the U.S. Treasury eventually and we might as well do it on the lowest cost directly. This is the traditional way of doing it with Federal agencies. That is not back-door spending because I don't permit them to draw the $431 million or any part of it. I say they have to come in each year for the amount they want to draw and the appropriation allows them to borrow that amount.

Senator TYDINGS. I understand that is your view. But the method which you suggest is simply not the accepted method of successfully financing municipal improvements.

Mr. MULTER. In the city of New York it was done directly. After taking over the old BMT the city of New York floated their own bonds. It was paid for by nobody. The city sold its own bonds out of which the proceeds were used to pay for the system and each year the deficit is made up out of tax money.

The CHAIRMAN. Now tell us about amendment No. 2.

Mr. MULTER. It has been said this system will not get into operation for at least 7 years.

The CHAIRMAN. How many?

Mr. MULTER. Seven years. I hope the optimists are correct and it will take only 7 years to complete this first part of the system and get it into operation. Senator Tydings mentioned the fact the bill calls for the management contractor operation. This was the original intention of the House side. I think that has been abandoned. The report and the debate tried to make clear that this would be a private enterprise operation and during my testimony before the subcommittee I made it a point that if it is to be private enterprise operation, it should be that. If it is to be public, it should be public. There is no sense to adding to the cost of operation the so-called management contract. If the agency can manage it and operate it on its own, then let's have public operation and save the cost between that kind of operation and a management contract operation.

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On the other hand, if you want to let a franchise or lease it, whether it be lease of the system with equipment or lease without equipment and the lessee buying the equipment, let's have that kind of operation. I say at this time, it is too soon for that type of contract. We don't know what the system will be in the next 5 years, or what will be the best type of operation at that time. I offer this amendment here and I offered it on the House side.

This amendment provides that each contract for the operation of the rail rapid transit lines and related facilities authorized by this act shall be submitted to Congress and no such contract shall take effect until approved by Congress. In other words, when we are ready to operate this system, I don't mean today, in a week or in a month, but when it begins to look as though it will soon be ready, then the Agency should negotiate a contract. They should say this is what we want and this is the way we want it done. Then they should determine whether it is to be private management or leased on a franchise.

Those are the amendments I suggest be added to make it a good workable bill.

The CHAIRMAN. That is all of your last amendment. That which you add is all of your last amendment?

Mr. MULTER. Yes.

The CHAIRMAN. Could you read the amendment in full? I recall it was fairly short.

Mr. MULTER. This amendment is headed up: "Operation Contracts." It reads:

Each contract for the operation of the rail rapid transit lines and related facilities authorized by this Act shall be submitted to Congress and no such contract shall take effect until approved by Congress.

The CHAIRMAN. I have no other questions.

The Senator from Maryland.

Senator TYDINGS. Your testimony that it is your opinion that we can't have any middle ground insofar as the operation of the transit system; that it should be either all-Government operation or a complete franchise. Was that related to the amendment you discussed here?

Mr. MULTER. Yes; this last amendment.

Senator TYDINGS. The amendment would appear just from reading that each contract the Agency negotiated, such as a management contract, would have to be approved by Congress? Is there more to it than that? Am I not interpreting it correctly?

Mr. MULTER. I think you are interpreting it correctly. I can see, because of my last bill in this Congress, I can see anything I do is suspect. I assure you this amendment and the others are offered in good faith to improve this bill. This last amendment which I have, entitled "Operations Contract," deals solely with how shall this enterprise, this system, be operated. I say in good faith neither you nor I or anyone else in Congress, can tell at this point what that contract will provide. I say at the time we are going to let the contract then we should determine what it should be. If the decision is it should be public operation, let it be. If the decision is for private contract—I indicated this could be bad and costly—but if that is the decision then do it. If it should be publicly operated, this is in two parts: if this should be a franchise with a lease to rent the equipment, fine, we

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will approve it. If on the other hand, you find someone can come forward and buy the equipment and merely lease or get a franchise on the right-of-way you will make a determination at that time. That is all this section is intended to do. It simply means let's bring it back for a review of operations when we are getting close to the time of operation.

Senator TYDINGS. Let me say that I respect the Congressman from New York, and I realize the amendments are well thought out and represent a good deal of time. I was just trying to assimilate the effect of the amendments.

In effect, your amendment would remove the present provisions of the bill or supersede the present provisions of the bill which allow a management type of operation contract, as opposed to the franchise type?

Mr. MULTER. No, sir. May I suggest there is nothing in this bill that provides for management-type contracts. You can get that if that is what the Agency wants to make, but the bill on the House side indicates they have given up the management-type contract. But in the language as passed by the House, a management-type contract might be entered into. There is authority for any type of contract, either private or public. My amendment does not change that; it lets it all stand. But it says before you do it, you let us know what the contract is and we will decide whether it is good or bad.

Senator TYDINGS. You would take away from the Agency the authority to make such a contract?

Mr. MULTER. To make a final contract. Not to negotiate. They can negotiate and have the complete contract drawn up, but it must be subject to approval by Congress.

Senator TYDINGS. What is your reasoning for this change?

Mr. MULTER. The Congress should not at this time decide what kind of contract should be made 7 years from now, or permit any agency to decide next week or next year what kind of contract shall be issued for a system that won't be operated for 7 years. No one can say what the circumstances will be at the time you decide to operate that system. I say that is the time, shortly before, maybe as much as a year before when it looks as though the system will be ready for operation, then sit down and negotiate. Call in your private enterprise to bid on it and come before the Congress and say this is what we would like to do.

Senator TYDINGS. You would wish that we wait for 7 years, as you indicate, until the entire system is built and ready to start operation and then negotiate a contract. Then try to get the specific terms of the contract moved all the way through Congress before getting the rail rapid transit into operation?

Mr. MULTER. I do not say wait for 7 years until the day it is completed. I say when you see that the system is nearing completion you should do this. You cannot sit down now and decide what system is best. When you are getting near the point of completion that is the time to sit down and determine what you are going to do.

Senator TYDINGS. You would give the responsibility for supervising the building of this transit system to an authority, and yet you won't give them the authority to set up the instrumentality to operate this system.

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Mr. MULTER. We don't give this agency the right to build it; we give them the right to contract to private enterprise.

Senator TYDINGS. You give them the responsibility to have it built.

Mr. MULTER. That is right.

Senator TYDINGS. Yet, you won't give them the authority to contract for the management?

Mr. MULTER. Do you think this is the time for giving a management contract, or a franchise today that will be effective 7 years from now?

Senator TYDINGS. First, I question your 7-year figure. Second, I don't see how you can possibly give the Agency the responsibility which is given them in the bill without giving them authority to decide the best manner to operate the system which they constructed. I don't see how you can tie their hands behind their back and say you cannot execute a management contract.

Mr. MULTER. How long would you think——

Senator TYDINGS. I am just trying to find your logic.

Mr. MULTER. I took the 7 years from the last witness.

The CHAIRMAN. I think the testimony is somewhere between 5 and 7 years.

Mr. MULTER. Let's take the minimum time.

The CHAIRMAN. This still doesn't go to the heart of the question.

Senator TYDINGS. The time is immaterial. The heart of the question is whether you are going to give the authority where you put the responsibility.

Mr. MULTER. Are you willing that a contract be made by an agency now that will not become effective for 5 years?

Senator TYDINGS. If I am willing to give the authority to an agency to build a multimillion-dollar system, I am certainly willing to give them the authority to enter into a management operation contract.

However, I will tell you I will oppose any effort to broaden it into a franchise.

Mr. MULTER. This bill does not do that. What will you do if this Agency comes in with a franchise contract?

Senator TYDINGS. It is my understanding that they do not at this time intend to propose any such thing. At least, their banks should not be allowed to use their best judgment as to the proper manner to operate the system which they constructed. At this time they seem to prefer a management contract.

Mr. MULTER. May I respectfully suggest you read that again. They can make a franchise contract, if that is what you want. A management contract rather than a franchise contract. You should be the first to accept my language. Under the present language they can do that. But under the language of this bill, I am sure I am right. There is nothing in that language and there is everything in the House report to the contrary requiring a management contract.

They can make any kind of contract they want including a franchise contract the way it now stands.

Senator TYDINGS. We will certainly look into the matter further if that is necessary and determine exactly what the Agency's plans are.

The CHAIRMAN. In any event, the contract is provided for in section 3(b)(3) which is constantly referred to and which does authorize the agency to enter into contracts.

Mr. MULTER. That is correct.

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The CHAIRMAN. I think the points made by the Senator from Maryland should be given consideration. If you trust this Agency to proceed with the construction of a $431 million transit system it seems reasonable to trust the Agency to operate the facility.

Mr. MULTER. I have the utmost respect for Mr. McCarter, who is now the head of this Agency, and you have this Agency, but I think he is going to do the best job anybody can do in this country. How do we know he is going to be head of this Agency when this contract is made? I am sure he will be the first to tell you he will not sit down now and make a franchise or management contract or any other kind to operate this. Yes, undoubtedly he, as the construction progresses, will be sitting down talking to people competent enough to do the job, management or operation. I suggest you ask him if it wouldn't be bad business judgment to enter into such a contract until this system is practically ready, ready for operation, within a year or two of readiness, would it be wise to make this kind of contract until such time.

The CHAIRMAN. It occurs to me that is a grant of authority given by Congress to the Agency to move into this contract, whatever form it might take, at the proper time. If Congress gives the Agency that authority then the problem is avoided of having the Agency come back to the Congress at a later date for further authority to actually implement the operation of the transit. We will explore this matter.

Mr. MULTER. May I have these amendments made a part of the record?

The CHAIRMAN. The amendments to which Congressman Multer referred will be made a part of the record at this point, and a letter from NCTA concerning these amendments may be found in the appendix on p. 265.

(The amendments referred to follow:)

FINANCING

On page 8, strike out line 18 and all that follows down through and including line 19, on page 9, and insert in lieu thereof the following:

"SEC. 5. (a) To finance the cost of designing, engineering, constructing, and equipping the facilities authorized by this Act the Agency is hereby authorized to accept loans from the United States Treasury and the Secretary of the Treasury is hereby authorized to lend to the Agency such sums as may be appropriated after the date of enactment of this Act under authority of this section. Any loan for use in any fiscal year must first be specifically requested of Congress in connection with the annual budget submitted for the District of Columbia with a full statement of the work contemplated to be done and the amount of such loan must be approved by Congress.

"(b) Loans authorized by this section shall be advanced to the Agency on its requisition therefor, shall be available to it for carrying out this Act, and shall be available until expended.

"(c) Loans made under this section shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, plus one-eighth of 1 per centum per annum.

"(d) Any loan advanced under this section shall be repaid to the Secretary of the Treasury in substantially equal payments including principal and interest within a period of thirty years beginning on July 1 of the fiscal year which begins after the date on which operating revenues are received by the Agency."

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OPERATION CONTRACTS

On page 7, after line 16, insert the following:
"(e) Each contract for the operation of the rail rapid transit lines and related facilities authorized by this Act shall be submitted to Congress and no such contract shall take effect until approved by Congress."

OBLIGATION OF AGENCY TO THIRD PARTIES (DAMAGES)

On page 7, after line 16, insert the following:
"(e) The National Capital Transportation Agency or any successor entity shall satisfy any judgment for damages resulting from any cause of action arising out of the construction, operation, maintenance, alteration, or repair, of the system of rail rapid transit lines and related facilities authorized by this Act if the person or entity against whom such judgment is entered does not satisfy such judgment within thirty days after it becomes final. If the National Capital Transportation Agency or any successor entity satisfies any judgment under this subsection it shall be subrogated to the rights of the person or entity in whose favor such judgment was entered."

The CHAIRMAN. Our next witness is the Honorable Walter N. Tobriner, President of the District of Columbia Board of Commissioners, and who is accompanied by Gen. Charles M. Duke, Vice Chairman of the Washington Metropolitan Area Transit Commission.

STATEMENT OF HON. WALTER N. TOBRINER, PRESIDENT, DISTRICT OF COLUMBIA BOARD OF COMMISSIONERS; ACCOMPANIED BY BRIG. GEN. CHARLES M. DUKE, DISTRICT OF COLUMBIA ENGINEER COMMISSIONER AND VICE CHAIRMAN, WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

Mr. TOBRINER. Mr. Chairman, Senator Tydings, I very much appreciate the opportunity of presenting the position of the Board of Commissioners on the bill before you. I am happy to advise you that the Commissioners are unanimously agreed that the legislation under consideration merits our wholehearted support.

You have heard a detailed explanation of the great need for and the proposed method of financing the rail rapid transit system. The government of the District of Columbia is to be a partner in the benefits to be derived when the system becomes operative. Incidentally, the patrons of the system will also become partners both from the standpoint of providing revenue to service and retire the bonded debt necessary partially to finance the construction of the system and also in the benefits to be derived from a modern, efficient, and attractive rail rapid transit system.

We are thoroughly convinced that the establishment of this system is in the best interests of the Federal Government, of the District of Columbia, and of the entire Washington metropolitan area. We strongly recommend favorable action on the bill.

General Duke, the Engineer Commissioner, will now discuss the bill in greater detail.

The CHAIRMAN. Very fine; we will be very glad to hear from you, General Duke.

General DUKE. Mr. Chairman, Mr. Tydings, I am pleased to be here today representing the Board of Commissioners of the District of Columbia in support of H.R. 4822, an act to authorize the prosecution of a transit development program for the National Capital region,

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and to further the objectives of the act of July 14, 1960, as passed by the House of Representatives on July 15, 1965. As staunch advocates of a balanced transportation system for the National Capital region, we urge timely and favorable action on this bill.

The Commissioners strongly supported previous legislation for a rapid transit system, and on many occasions since then have noted the need for establishing a rapid transit system as soon as possible. In addition, the Commissioners also have actively fostered the prompt negotiation and ratification of a transit compact wherein the ultimate responsibility for a regional mass transportation system could be assumed by the local governments of the area.

At the outset, I should mention that the District's current highway program will provide only the essential minimum basic framework of the total transportation requirements for the area. I am in agreement with the statement made recently by a Member of Congress that in an urban community such as ours there is a limit beyond which highway construction should not proceed because of its impact on District residents generally. At the moment, we are of the opinion that we have now reached that point in the currently planned highway system, and we can see no increase in highway construction regardless of the outcome of this proposed legislation. However, one observer recently estimated that there would be 1,725,000 automobiles in the Washington area by 1980, if prevailing population and vehicle ownership trends continue. The 800,000 vehicles now present in the area overtax the existing street and highway system, and the new highways, as contemplated, are the minimum required to meet future needs even with an adequate mass transit system.

The President, in his letter of transmittal to the Congress, noted that the highway system now proposed for the area is predicated on an adequate rail transit system. In addition, the National Capital Transportation Agency makes this same observation in its transit development program for 1965.

The approval of District of Columbia highway projects by the Commissioner has been predicated solely on a balanced transportation concept encompassing the larger regional transit system such as was initially proposed by the National Capital Transportation Agency in its report of November 1962. This, in itself, points up the urgency of getting underway the lesser transit system now before you for consideration. It is evident that a comprehensive mass transit system is necessary and every effort must be made to provide it.

Throughout the discussions on this subject, it has been apparent that a number of residents of the National Capital region still are unable to recognize that, at least informally, a basic coordinated transportation plan has already been developed and supported by all official agencies responsible for transportation planning in the area. To date, through the budget process, the President and Congress have supported generally the highway projects, and having seen only highway construction up to the present time, many people have apparently concluded that a rail transit system will never be implemented unless they block the highway program. Now, therefore, is the time for Congress to take prompt action on this bill to assure these residents that their fears are entirely unwarranted.

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The National Capital region is the fastest growing urban area in our country today, and because of the ever-increasing transportation demands being generated within this area, we can ill afford the time for continuing public controversy with respect to the need for each element of the basic coordinated transportation program of highways and mass transit facilities. Instead, we must use the time wisely to solve the real problems of relocation and esthetic design that are common to all forms of public works. Community effort must be directed toward recommendations for implementing the total planned transportation system, and this can only be done with the confidence that the various planned elements of the overall system will be constructed.

Congress now has the opportunity to provide the leadership for such a comprehensive community attack on our transportation problems by prompt favorable action on this bill, by early favorable action on the proposed District of Columbia gas tax increase and related loan authority, and by general support of the current coordinated highway and mass transit programs.

Now, within the basic framework and background which I have just discussed, I would like to comment more specifically on several aspects of the proposed National Capital Transportation Act of 1965 and of the transit development program.

While a transit system located wholly within the District would be physically and financially feasible, extensive parking areas within the confines of the District for the purpose of attracting potential transit riders would be extremely difficult to acquire. Yet lacking such facilities, the transit system would fail to exploit a major segment of its potential riders. The District's interest, as well as that of the entire area, would, therefore, seem to be better served by having major terminals in Maryland and Virginia, near the District line. Such terminals would also constitute established points for tying on further extensions. Moreover, terminals beyond the District line would be somewhat closer to the suburban residential areas where a considerable portion of the traffic into the District is generated. This base plan provides for these terminals as I have described.

Weighing the benefits of alternative mass transit systems and the availability of the District resources to meet a reasonable share of the grants required, a transit system of the approximate size and scope authorized by H.R. 4822 seems to be the most appropriate beginning of a comprehensive transit system for the Washington area.

The transit system as contained in the NCTA transit development program for 1965 has the inherent flexibility to provide for ultimate extension to the larger system of the NCTA transit development program of November 1962. Even though the reduced transit system contemplates only 51,000 passengers during the peak hour, as compared to the 94,000 passengers planned in the larger 1962 system, we agree, nevertheless, that the newly proposed transit plan offers a sound basis for proceeding now and expanding later. In endorsing the transit plan, the Commissioners note the importance of integrating the feeder bus system with the overall rail system.

The Commissioners are in agreement with the Federal and District of Columbia Government cost-sharing formula for the proposed grant of two-thirds Federal and one-third District, especially in light of the provision for additional borrowing authority enabling the Commis-

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sioners to carry out the purpose and intent of this legislation. In view of the many capital outlay needs of the District of Columbia, agreement with this financial decision is not made lightly.

In addition to its beneficial effect on traffic congestion, a rapid transit system would provide substantial economic benefits to the District. Judging by the experience in Toronto and in Cleveland, the transit system will strengthen the District as an employment center and will make the downtown area more accessible to the entire area population. New customers will be attracted to retail establishments with consequent beneficial effects on District property, sales, and income tax receipts.

In Toronto, for example, the transit system is credited with encouraging redevelopment and new development along its routes. Attractive commercial office and apartment buildings have been constructed, and in some cases they have replaced substandard structures that were excessively burdensome on the taxpayers of the community. It was recently reported that along the Yonge Street subway line, assessed values increased 33 percent between 1954 and 1959 while in the remainder of the city assessed value increased 17.2 percent during the same period. Therefore, in view of similar benefits the transit system could have in the District of Columbia, it should be regarded as an investment in the economic well-being of the city.

In proposing that the District finance the required initial grants, the District faces on the one hand, the urgent need for a rail rapid transit system and on the other hand, limited ability to divert current revenues to this purpose. Present District tax sources are, and will continue to be, inadequate to provide the District grant other than by increasing its loan authority as proposed in H.R. 4822, and borrowing from the U.S. Treasury in the amount of the required grant and repaying the loan over a 30-year period.

Enactment of this legislation would authorize the borrowing of an additional $50 million. Assuming that the appropriations are made as scheduled, starting in fiscal year 1966, the District's first amortization payment would fall due on July 1, 1968, and would amount to approximately $1.4 million at an assumed 4.25 interest rate. The amortization requirement would rise to approximately $3.1 million annually the following year and the remaining years.

The Commissioners, in concurring in this additional financial obligation, are particularly pleased to note the enlargement of the present NCTA Advisory Board as provided by section 7 of H.R. 4822. We anticipate that the District of Columbia will subsequently participate directly in mass transit development by means of an interstate compact between the States of Maryland and Virginia and the District of Columbia. Such a compact affords the opportunity for joint preparation of a future financing program to be equitably shared by the signatories. The Joint Transportation Commission negotiating a compact in accordance with the consent of Congress in title III of the National Capital Transportation Act of 1960 has proceeded to the stage of final review with the express objective of ratification by the end of 1966. In this regard, as several witnesses preceding me have mentioned, I might mention that the State of Maryland has already adopted this compact, and the Virginia Legislature is expected to take action on the same sometime during the coming spring.

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The highway program is underway, but it cannot do the job by itself. Our transportation demands require the immediate implementation of a rapid rail transit system. And now is the time to start.

Thank you very much for the opportunity of being here.

The CHAIRMAN. General Duke, your statement as vice chairman of the Washington Metropolitan Area Transit Commission will be placed in the record at this point.

(The statement referred to follows:)

STATEMENT OF BRIG. GEN. C. M. DUKE, VICE CHAIRMAN, WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

Mr. Chairman, this Commission, as the members of the committee probably know, was established by an interstate compact ratified by the Congress in 1960. The Washington Metropolitan Area Transit Commission is the Government agency and interstate agency which regulates surface transit in the metropolitan area. It consists of three Commissioners, one designated by the Governor of Maryland, one by the Governor of Virginia, and one by the Board of Commissioners of the District of Columbia, and, obviously, I represent the Board of Commissioners on this particular Commission.

The Washington Metropolitan Area Transit Commission is charged with the responsibility of regulating and improving transit and the alleviation of traffic congestion in the Washington metropolitan area. In order to accomplish these objectives, the Commission favors a balanced transportation system, including the completion of the planned highway network for the region, improved bus service, and the development of a rapid rail system.

At a formal meeting with the Commission held on January 26, 1965, the Commission endorsed the 1965 transit development program of the National Capital Transportation Agency and issued the following policy statement:

"This Commission today endorsed the rapid transit proposal of the NCTA as being in the long-range public interest of the Washington metropolitan area.

"The Commission must acknowledge, however, that it has some reservations as to the overall financial conclusions reached in the plan, but it feels that the public need will be served by the construction of the system even if more governmental subsidy may eventually be required than is presently contemplated."

In testifying before the House District Subcommittee, I offered, on behalf of the Commission, a minor clarifying amendment, which was accepted and is now incorporated in H.R. 4822. The sole purpose of this amendment was to insert language in the bill to clearly express the intent of Congress not to alter or amend the Washington metropolitan area transit regulation compact. Thus, the Commission unanimously recommends to the Senate that it approve, without delay, H.R. 4822 in its present form, which necessarily involves certain slight modifications to S. 1117.

In conclusion, I would like to clarify the Commission's earlier position in connection with the introduction of rail transit to the Washington area. The Commission has never opposed such action. It is true that in the beginning and during the early planning and development stage, our Commission offered views, as did other agencies, which were not in complete accord with those presented by the Transportation Agency. But this difference in view was limited to the manner of approach and the relative priority of constructing certain elements of the plan rather than the adoption of a position against rail transit. During the last 3 years, the many conflicting views have been thoroughly thrashed out and reconciled. The result is that the Congress now has before it a bill which enjoys almost universal support of area residents. Thus, I am pleased to have this opportunity to appear here today, on behalf of the Commission, to urge the early approval of legislation which will assure the citizens of this area a vastly improved and urgently needed mass transit system.

The CHAIRMAN. General may I ask you on this basic plan which is before the committee now for its legislative consideration, are you in a position to comment as to the cost, the $431 million? Have you had occasion to go into this in your capacity on the Transit Commission or in your capacity as an engineer on the Commission of the District of Columbia?

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General DUKE. No, sir. Only in a general sense so far as I can recall in development of a detailed cost estimate, have our engineers reviewed them and that is entirely from the standpoint of rendering an independent judgment. We have worked with them in the development of coordination of our utilities and street systems with respect to contracts. To the extent we have reviewed these parts of the estimates we are not in disagreement.

I must say with respect to total estimate, we have not gone into detail.

The CHAIRMAN. You mean the $431 million for the basic rapid transit plan?

General DUKE. Right.

The CHAIRMAN. You have relied on NCTA for that and have not doublechecked their figures?

General DUKE. That is correct.

I do know, as a result of my appearance before the House committee in this connection, when this particular question came up, NCTA was prompted to review it at that time and make an independent review about their consultants and this review as made and submitted to the House District Committee, and to the best of my knowledge this confirmed the estimates that had been previously made.

The CHAIRMAN. Am I clear as to where the subway is generally to be built? Is it generally to be built under existing street systems?

General DUKE. This is what I understand, Mr. Chairman, that one of the major objectives of the location of this is to concentrate its location underneath public streets that now exist to the maximum possible. Of course it is impossible to do this in its entirety but by and large to my knowledge, this is one of the basic objectives to the specific segments of the system.

The CHAIRMAN. Roughly, I think the testimony is that you have 13 miles. If you build under private property, what do you require, the property in fee, or an easement to run a subway under a person's house?

General DUKE. I can give you an extemporaneous opinion of that. I would think it would have to do with the type of construction contemplated. If your construction is deep enough and your pipe material will permit construction without disturbance you would require easement. If it required opening the property above, I assume the best procedure would be to take that property in fee.

The CHAIRMAN. The Senator from Maryland.

Senator TYDINGS. I would like to commend General Duke for his statement. It is an excellent statement. I particularly commend him for the paragraph on page 3, which I think is an outstanding piece of thought. I would like to read it to the chairman because this paragraph provides a great deal of meat for those of us who believe in a balanced transportation system. I would like to read it for the record.

It is in the middle of page 3:

The National Capital region is the fastest growing urban area in our country today, and because of the ever-increasing transportation demands being generated within this area, we can ill afford the time for continuing public controversy with respect to the need for each element of the basic coordinated transportation program of highways and mass transit facilities. Instead, we must use the time wisely to solve the real problems of relocation and esthetic design that are common to all forms of public works. Community effort must be directed toward recommendations for implementing the total planned transportation system, and this can only be done with the confidence that the various planned elements of the overall system will be constructed.

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I think that is a very sound paragraph, and I am delighted General Duke included it in his statement. I subscribe to it and am particularly pleased to have the sentence:

> Instead, we must use the time wisely to solve the real problems of relocation and esthetic design that are common to all forms of public works.

I think that is an excellent statement.

The CHAIRMAN. I agree with the Senator from Maryland.

General DUKE. I thank the Senator from Maryland very kindly.

The CHAIRMAN. Are there any further questions? There are no further questions of either witness.

Our next witness is Mr. O. Roy Chalk, president of the D.C. Transit System, Inc.

STATEMENT OF O. ROY CHALK, PRESIDENT, D.C. TRANSIT SYSTEM

Mr. CHALK. I must beg your indulgence, Mr. Chairman.

The CHAIRMAN. Please be seated.

Mr. CHALK. In view of the time now and the fact that I completed my statement at 4:30 this morning and they are still typing it this morning, I would appreciate it if you could carry over until tomorrow morning at 10 o'clock. At that time, I will have my statement here.

They were supposed to be here a half hour ago, but we just phoned and found out they are still typing it. I will require at least 1 hour for my presentation and I would appreciate it greatly if you would indulge me in this until tomorrow at 10 o'clock.

The CHAIRMAN. You don't have the first few pages, so we could use 20 minutes profitably?

Mr. CHALK. No, sir.

The CHAIRMAN. I know of your interest in this, Mr. Chalk, very obviously.

Mr. CHALK. And I was up at 6 this morning trying to get it done, so I only had one and a half hours' sleep.

The CHAIRMAN. It occurs to the Chair that it is obviously unfair to you to suggest or try to require you to complete your statement. If you had it ready at this time, the committee would be unable to hear your complete statement, as we must recess in 19 minutes in order to meet commitments on the floor immediately after the morning hour. The home rule bill is being debated on the floor of the Senate, and that measure will require the consideration of the members of the committee within the next half hour.

If it can be understood that you will limit your testimony to 1 hour, the committee will hear your testimony later this week.

Mr. CHALK. I will, sir.

The CHAIRMAN. I am perfectly willing that this go over for a short time. I cannot be here tomorrow because of commitments in the Interior Committee on legislation that has great importance to me, which I must participate in. I talked to Senator Tydings and he has some problems on commitments tomorrow morning as well, and accordingly, so that we may give you ample time, we will stand in recess until 10 o'clock on Friday morning.

The understanding is that your time limitation will be 1 hour and that we should be able to complete our hearing on Friday morning.

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Mr. CHALK. I am most appreciative and I must apologize for the inconvenience.

The CHAIRMAN. No apology is necessary and there is no great inconvenience because we can only work 16 minutes more this morning anyway. Without objection, we will stand in recess until 10 o'clock Friday morning.

(Whereupon, at 11:40 a.m., the hearing was recessed, to reconvene, Friday, July 23, 1965, at 10 a.m.)

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RAIL RAPID TRANSIT FOR THE NATIONAL CAPITAL REGION

FRIDAY, JULY 23, 1965

U.S. SENATE,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The committee met at 10 a.m., pursuant to recess, in room 6226, New Senate Office Building, Senator Alan Bible (chairman of the committee) presiding.

Present: Senators Bible, Morse, Tydings, and Dominick.

Also present: Chester H. Smith, staff director; Fred L. McIntyre, counsel; Robert T. Hall, assistant counsel; Richard E. Judd, professional staff member.

The CHAIRMAN. The committee will come to order. Our first witness this morning is Mr. O. Roy Chalk, president of the D.C. Transit System. Mr. Chalk.

Do you have extra copies of your statement?

Mr. CHALK. Yes; they are on their way. They will be here in a moment.

The CHAIRMAN. Fine. Until they arrive you might as well proceed with your statement.

Mr. CHALK. Shall I proceed, sir?

The CHAIRMAN. Yes.

Mr. CHALK. I can wait maybe another moment?

The CHAIRMAN. No; you may proceed. You may have anybody you wish at the witness table. Do you care to have anybody else with you?

Mr. CHALK. No; for the moment no, sir.

STATEMENT OF O. ROY CHALK, PRESIDENT, D.C. TRANSIT SYSTEM; ACCOMPANIED BY S. A. DeSTEFANO, PRESIDENT, WASHINGTON, VIRGINIA, MARYLAND COACH CO., AND VICE PRESIDENT, D.C. TRANSIT SYSTEM; AND M. A. BRESNAHAN, DIRECTOR, SCHEDULE DIVISION, RESEARCH AND DEVELOPMENT DEPARTMENT, D.C. TRANSIT SYSTEM

Mr. CHALK. Mr. Chairman, distinguished members of the Senate District Committee, my name is O. Roy Chalk. I am president of the D.C. Transit System. The D.C. Transit System was granted a franchise by act of Congress (S. 3073, Public Law 575, ch. 669, 84th Cong., approved July 24, 1956, Stat. 598) to operate the mass transportation system of passengers for hire within the District of Columbia and within the Washington metropolitan area.

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The franchise was granted for an initial term of 20 years. Under normal expectancy the company looked forward to subsequent renewals as had been accorded its predecessors for more than 100 years preceding.

The CHAIRMAN. Could you tell me at that point—and I think it would be very helpful for the purposes of the record to put the legislation in the record which outlines the terms of the franchise—is there a provision in this particular legislative act as to renewal? What does it say?

Mr. CHALK. There is no mention of renewal. But I suppose since time immemorial, since franchises have been granted over all the years past, when they have expired application has been made for renewals in practically every city in the United States and invariably they have been granted.

The CHAIRMAN. There is nothing specifically in this franchise.

Mr. CHALK. There is no specific reference to renewal either in favor or against a renewal.

Senator MORSE. A copy of the D.C. Transit System franchise may already be in the hearing record. This is the first hearing on this subject I have been able to attend, because of my other committee assignments. I would suggest, Mr. Chairman, that if it has not already been done that a copy of the franchise be printed either at the beginning or at the close of Mr. Chalk's testimony.

The CHAIRMAN. Yes; I don't think it has been made a part of the record.

Mr. CHALK. You are now referring to our franchise?

The CHAIRMAN. Yes.

Mr. CHALK. I offer it in evidence, of course, the franchise being the act of Congress approved July 24, 1956 (S. 3073, Public Law 757, 70 Stat. 598). I respectfully offer this as part of the record.

The CHAIRMAN. Yes; and it will be made a part of the record.

(The document referred to follows:)

[S. 3073, Public Law 757, Ch. 669, 84th Cong., 2d sess., approved July 24, 1956, 70 Stat. 598]

AN ACT To grant a franchise to D.C. Transit System, Inc., and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

PART 1.—FRANCHISE PROVISIONS

SECTION 1. (a) There is hereby granted to D.C. Transit System, Inc., a corporation of the District of Columbia (referred to in this part as the "Corporation") a franchise to operate a mass transportation system of passengers for hire within the District of Columbia and between the District of Columbia and points within the area (referred to in this part as the "Washington Metropolitan Area") comprising all of the District of Columbia, the cities of Alexandria and Falls Church, and the counties of Arlington and Fairfax in the Commonwealth of Virginia and the counties of Montgomery and Prince Georges in the State of Maryland, subject, however, to the rights to render service within the Washington Metropolitan Area possessed, at the time this section takes effect, by other common carriers of passengers: *Provided*, That nothing in this section shall be construed to exempt the Corporation from any law or ordinance of the Commonwealth of Virginia or the State of Maryland or any political subdivision of such Commonwealth or State, or of any rule, regulation, or order issued under the authority of any such law or ordinance, or from applicable provisions of the Interstate Commerce Act and rules and regulations prescribed thereunder.

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(b) Wherever reference is made in this part to "D.C. Transit System, Inc.," or to the "Corporation", such reference shall include the successors and assigns of D.C. Transit System, Inc.

(c) As used in this part the term "franchise" means all the provisions of this part 1.

SEC. 2. (a) This franchise is granted for a term of twenty years: *Provided, however*, That Congress reserves the right to repeal this franchise at any time for its non-use.

(b) In the event of cancellation of this franchise by Congress after seven years from the date this franchise takes effect for any reason other than non-use, the Corporation waives its claim for any damages for loss of franchise.

SEC. 3. No competitive street railway or bus line, that is, bus or railway line for the transportation of passengers of the character which runs over a given route on a fixed schedule, shall be established to operate in the District of Columbia without the prior issuance of a certificate by the Public Utilities Commission of the District of Columbia (referred to in this part as the "Commission") to the effect that the competitive line is necessary for the convenience of the public.

SEC. 4. It is hereby declared as a matter of legislative policy that in order to assure the Washington Metropolitan Area of an adequate transportation system operating as a private enterprise, the Corporation, in accordance with standards and rules prescribed by the Commission, should be afforded the opportunity of earning such return as to make the Corporation an attractive investment to private investors. As an incident thereto the Congress finds that the opportunity to earn a return of at least 6½ per centum net after all taxes properly chargeable to transportation operations, including but not limited to income taxes, on either the system rate base or on gross operating revenues would not be unreasonable, and that the Commission should encourage and facilitate the shifting to such gross operating revenue base as promptly as possible and as conditions warrant; and if conditions warrant not later than August 15, 1958. It is further declared as a matter of legislative policy that if the Corporation does provide the Washington Metropolitan Area with a good public transportation system, with reasonable rates, the Congress will maintain a continuing interest in the welfare of the Corporation and its investors.

SEC. 5. The initial schedule of rates which shall be effective within the District of Columbia upon commencement of operations by the Corporation shall be the same as that effective for service by Capital Transit Company approved by the Commissioners of the District of Columbia pursuant to the Act of August 14, 1955 (Public Law No. 389, 84th Congress; 69 Stat. 724), in effect on the date of the enactment of this Act, and shall continue in effect until August 15, 1957, and thereafter until superseded by a schedule of rates which becomes effective under this section. Whenever on or after August 15, 1957, the Corporation files with the Commission a new schedule of rates, such new schedule shall become effective on the tenth day after the date of such filing, unless the Commission prescribes a lesser time within which such new schedule shall go into effect, or unless prior to such tenth day the Commission suspends the operation of such new schedule. Such suspension shall be for a period of not to exceed one hundred twenty days from the date such new schedule is filed. If the Commission suspends such new schedule it shall immediately give notice of a hearing upon the matter and, after such hearing and within such suspension period, shall determine and by order fix the schedule of rates to be charged by the Corporation. If the Commission does not enter an order, to take effect at or prior to the end of the period of suspension, fixing the schedule of rates to be charged by the Corporation, the suspended schedule filed by the Corporation may be put into effect by the end of such period, and shall remain in effect until the Commission has issued an appropriate order based on such proceeding.

SEC. 6. The Corporation is hereby authorized and empowered to engage in special charter or sightseeing services subject to compliance with applicable laws, rules and regulations of the District of Columbia and of the municipalities or political subdivisions of the States in which service is to be performed, and with applicable provisions of the Interstate Commerce Act and rules and regulations prescribed thereunder.

SEC. 7. The Corporation shall be obligated to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations within seven years from the date of the enactment of this Act upon terms and conditions prescribed by the Commission, with such regard as is reasonably possible when appropriate to the highway development plans of the District of Columbia and the economies implicit in coordinating the Corporation's track removal program with

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such plans; except that upon good and sufficient cause shown the Commission may in its discretion extend beyond seven years, the period for carrying out such conversion. All of the provisions of the full paragraph of the District of Columbia Appropriation Act, 1942 (55 Stat. 499, 533), under the title "HIGHWAY FUND, GASOLINE TAX AND MOTOR VEHICLE FEE", subtitle "STREET IMPROVEMENT", relating to the removal of abandoned tracks, regrading of track areas, and paving abandoned track areas, shall be applicable to the Corporation.

SEC. 8. (a) As of August 15, 1956, paragraph numbered 5 of section 6 of the Act entitled "An Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and three, and for other purposes", approved July 1, 1902, as amended (D.C. Code, sec. 47–1701), is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: "Each gas, electric lighting, and telephone company shall pay, in addition to the taxes herein mentioned, the franchise tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, and the tax imposed upon stock in trade of dealers in general merchandise under paragraph numbered 2 of section 6 of said Act approved July 1, 1902, as amended."

(b) Notwithstanding subsection (a) of this section, the Corporation shall be exempt from the following taxes:

(1) The gross sales tax levied under the District of Columbia Sales Tax Act;

(2) The compensating use tax levied under the District of Columbia Use Tax Act;

(3) The excise tax upon the issuance of titles to motor vehicles and trailers levied under subsection (j) of section 6 of the District of Columba Traffic Act of 1925, as amended (D.C. Code, sec. 40–603 (j) (4));

(4) The taxes imposed on tangible personal property, to the same extent that the Capital Transit Company was exempt from such taxes immediately prior to the effective date of this section under the provisions of the Act of July 1, 1902, as amended; and

(5) The mileage tax imposed by subparagraph (b) of paragraph 31 of section 7 of the Act approved July 1, 1902, as amended (D.C. Code, sec. 47–2331(b)).

SEC. 9. (a) Except as hereinafter provided, the Corporation shall not, with respect to motor fuel purchased on or after September 1, 1956, pay any part of the motor vehicle fuel tax levied under the Act entitled "An Act to provide for a tax on motor vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, as amended (D.C. Code, title 47, chapter 19).

(b) For the purposes of this section—

(1) the term "a 6½ per centum rate of return" means a 6½ per centum rate of return net after all taxes properly chargeable to transportation operations, including but not limited to income taxes, on the system rate base of the Corporation, except that with respect to any period for which the Commission utilizes the operating ratio method to fix the rates of the Corporation, such term shall mean a return of 6½ per centum net after all taxes properly chargeable to transportation operations, including but not limited to income taxes, based on gross operating revenues; and

(2) the term "full amount of the Federal income taxes and the District of Columbia franchise tax levied upon corporate income" means the amount which would have been payable in the absence of write-offs in connection with the retirement of street railway property as contemplated by section 7 of this part, but only to the extent that such write-offs are not included as an operating expense in determining net earnings for rate-making purposes.

(c) As soon as practicable after the twelve-month period ending on August 31, 1957, and as soon as practicable after the end of each subsequent twelve-month period ending on August 31, the Commission shall determine the Corporation's net operating income for such twelve-month period and the amount in dollars by which it exceeds or is less than a 6½ per centum rate of return for such twelve-month period. In such determination the Commission shall include as an operating expense the full amount of the motor vehicle fuel tax which would be due but for the provisions of this section on the motor fuel purchased by the Corporation during the twelve-month period, and the full amount of the Federal income taxes and the District of Columbia franchise tax levied upon corporate income. The Commission shall certify its determination to the Commissioners of the District of Columbia or their designated agent. If the net operating income so certified by the Commission equals or is more than a 6½

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per centum rate of return, the Corporation shall be required to pay to such Commissioners, or their designated agent, the full amount of the motor vehicle fuel taxes due on the purchases of motor fuel made by the Corporation during such twelve-month perid. If the net operating income so certified is less than a 6½ per centum rate of return, the Corporation shall pay to such Commissioners, or their designated agent, in full satisfaction of the motor vehicle fuel tax for such period an amount, if any, equal to the full amount of said motor vehicle fuel tax reduced by the amount necessary to raise the Corporation's rate of return to 6½ per centum for such period, after taking into account the effect of such reduction on the amonut of the Federal income taxes and the District of Columbia franchise tax levied upon corporate income payable by the Corporation for such period. Within thirty days after being notified by the said Commissioners or their designated agent of the amount of the motor vehicle fuel tax due under this section, the Corporation shall pay such amount to the said Commissioners or their designated agent.

(d) If not paid within the period specified in subsection (c), the motor vehicle fuel tax payable under this section and the penalties thereon may be collected by the Commissioners of the District of Columbia or their designated agent in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection; and liens for the motor vehicle fuel tax payable under subsection (c) and penalties thereon may be acquired in the same manner that liens for personal property taxes are acquired.

(e) Where the amount of the motor vehicle fuel tax payable under subsection (d) or any part of such amount, is not paid on or before the time specified therein for such payment, there shall be collected, as part of the tax, interest upon such unpaid amount at the rate of one-half of 1 per centum per month or portion of a month.

(f) The Commissioners of the District of Columbia or their designated agent are hereby authorized and directed to issue to the Corporation such certificates as may be necessary to exempt it from paying any importer the motor vehicle fuel tax imposed by such Act of April 3, 1924, as amended, or as hereafter amended.

(g) (1) From and after the time fixed in paragraph (2) of this subsection the Corporation shall not be required to pay real estate taxes upon any real estate owned by it in the District of Columbia and used and useful for the conduct of its public transportation operations to the extent that the Commission has determined under such rules and regulations as it may issue that the Corporation's net operating income in the previous year was insufficient, after giving effect to the tax relief provided in the preceding subsections, to afford it a 6½ per centum rate of return.

(2) This subsection shall take effect upon the completion of the program contemplated in section 7 of this part, as certified by the Commission to the Commissioners of the District of Columbia, or at such earlier time as the Commission may find that the said program has been so substantially completed that the taking effect of this subsection would be appropriate in the public interest and shall so certify to the Commissioners of the District of Columbia.

SEC. 10. (a) The Corporation shall not be charged any part of the expense of removing, sanding, salting, treating, or handling snow on the streets of the District of Columbia, except that the Corporation shall sweep snow from the streetcar tracks at its own expense so long as such tracks are in use by the Corporation.

(b) The paragraph which begins "Hereafter every street railway company" which appears under the heading "STREETS" in the Act entitled "An Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and thirteen, and for other purposes", approved June 26, 1912 (D.C. Code, sec. 7–614), is hereby repealed.

SEC. 11. The provisions of law set forth in Title 43, sections 501 through 503 of the District of Columbia code shall not be deemed to restrict any merger or consolidation of the Corporation with any other company or companies engaged in mass transportation in the District of Columbia or the Washington Metropolitan Areas: *Provided, however*, That any such merger or consolidation shall be subject to the approval of the Commission.

SEC. 12. Nothing in this part shall prevent the transfer, by or under the authority of any other Act of Congress, to any other agency of any of the functions which are by this part granted to or imposed upon the Commission.

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SEC. 13. (a) The Corporation is hereby authorized to issue or create loans, mortgages, deeds of trust, notes or other securities to any banking or other institution or institutions and to Capital Transit Company, with respect to the acquisition of assets of Capital Transit Company (including any corporation controlled by Capital Transit Company), provided that the interest rate thereon shall not exceed 5 per centum per annum, but the aggregate principal shall not exceed the cost of acquiring the assets of Capital Transit Company.

(b) (1) Section 5 of the Interstate Commerce Act shall not be construed to require the approval or authorization of the Interstate Commerce Commission of any transaction within the scope of paragraph (2) of such section 5 if the only parties to such transaction are the Corporation (including any corporation wholly controlled by the Corporation) and the Capital Transit Company (including any corporation wholly controlled by the Capital Transit Company). The issuance or creation of any securities provided for in subsection (a) shall not be subject to the provisions of section 20a of the Interstate Commerce Act.

(2) No approval of the acquisition of assets referred to in subsection (a), or of the issuance or creation of any securities provided for in subsection (a) in connection with such acquisition, shall be required from any District of Columbia agency or commission.

(c) This section shall not apply to any issuance of securities constituting a public offering to which the Securities Act of 1933 applies.

(d) Notwithstanding the provisions of section 409(a) of the Civil Aeronautics Act of 1938—

(1) no air carrier shall be required (because of the fact that a person becomes or remains an officer, director, member or stockholder holding a controlling interest of the Corporation, or of any common carrier controlled by the Corporation which is engaged in mass transportation of passengers for hire in the Washington Metropolitan Area, or is elected or reelected as an officer or director) to secure the authorization or approval of the Civil Aeronautics Board in order to have and retain such person as an officer or director, or both, of such air carrier if such person is an officer or director of such air carrier at the time this section takes effect; and

(2) no person who, at the time this section takes effect, is an officer or director of an air carrier shall be required to secure the approval of the Civil Aeronautics Board in order to hold the position of officer, director, member or stockholder holding a controlling interest of the Corporation or of any common carrier controlled by the Corporation which is engaged in mass transportation of passengers for hire in the Washington Metropolitan Area.

As used in this subsection, the term "air carrier" has the same meaning as when used in section 409(a) of the Civil Aeronautics Acts of 1938.

(e) Notwithstanding section 20a(12) of the Interstate Commerce Act, authorization or approval of the Interstate Commerce Commission shall not be required in order to permit a person who is an officer or director of the Corporation to be also an officer or director, or both, of any common carrier controlled by the Corporation which is engaged in mass transportation of passengers for hire in the Washington Metropolitan Area.

SEC. 14. The Corporation, at the time it acquires the assets of Capital Transit Company, shall become subject to, and responsible for all liabilities of Capital Transit Company of whatever kind of nature, known or unknown, in existence at the time of such acquisition, and shall submit to suit therefor as though it had been originally liable, and the creditors of Capital Transit Company shall have as to the Corporation all rights and remedies which they would otherwise have had as to Capital Transit Company: *Provided, however*, That the Corporation shall not be liable to any dissenting stockholder of Capital Transit Company for the fair value of the stock of any such stockholder who shall qualify to be entitled to receive payment of such fair value. No action or proceeding in law or in equity, or before any Federal or District of Columbia agency or commission, shall abate in consequence of the provisions of this section, but such action or proceeding may be continued in the name of the party by or against which it was begun, except that in the discretion of the court, agency, or commission the Corporation may be substituted for the Capital Transit Company. In any and all such actions or proceedings, the Corporation shall have, and be entitled to assert, any and all defenses of every kind and nature which are or would be available to Capital Transit Company or which Capital Transit Company would be entitled to assert.

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PART 2.—MISCELLANEOUS PROVISIONS

SEC. 21. (a) Section 14 of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes", approved January 14, 1933 (47 Stat. 752), as amended (Public Law 389, Eighty-fourth Congress), is hereby repealed to the extent that such section repeals the charter of Capital Transit Company, without thereby reflecting the termination of its franchise.

(b) Upon the taking effect of part I of this title Capital Transit Company shall not be authorized to engage in business as owner or operator of electric railway, passenger motor bus public transportation, of passengers, or common carrier of passengers within, to, or from, the Washington Metropolitan Area.

(c) Capital Transit Company shall continue to exist as a corporation incorporated under the provisions of subchapter 4 of chapter 18 of the Act entitled "An Act to establish a code of laws for the District of Columbia", approved March 3, 1901, as amended (D.C. Code, title 29, ch. 2), under its certificate of incorporation, as amended, and Capital Transit Company may amend its charter in any manner provided under the laws of the District of Columbia and may avail itself of the provisions of the District of Columbia Business Corporations Act in respect to a change of its name and may become incorporated or reincorporated thereunder in any manner as therein provided. Nothing referred to in this title, or the sale and vesting of the assets of Capital Transit Company, referred to therein, shall cause or require the corporation dissolution of Capital Transit Company.

SEC. 22. Nothing in this title shall be deemed to extend the franchise of Capital Transit Company beyond August 14, 1956, or, except as otherwise provided in this section, to relieve Capital Transit Company of any obligation to remove from the streets and highways at its own expense all of its property and facilities and to restore the streets and highways in accordance with the provisions of the District of Columbia Appropriation Act, 1942 (55 Stat. 499, 533) in the event the Corporation fails to acquire the assets of Capital Transit Company. If part 1 of this title takes effect, Capital Transit Company shall thereupon be relieved of all liability to remove from the streets and highways of the District of Columbia all of its properties and facilities and to restore such streets and highways.

SEC. 23. The powers and jurisdiction of the Public Utilities Commission of the District of Columbia with respect to Capital Transit Company shall cease and be at an end upon the taking effect of part 1 of this title.

TITLE II

SEC. 201. (a) Part 1 of title I shall take effect on August 15, 1956, but only if prior thereto D.C. Transit System, Inc. (referred to in this title as the "Corporation") has acquired the assets of Capital Transit Company and has notified the Commissioners of the District of Columbia in writing that it will engage in the transportation of passengers within the District of Columbia beginning on August 15, 1956. If the Corporation has not acquired the assets of Capital Transit Company prior to August 15, 1956, but does thereafter acquire such assets, the Corporation shall, on the date of such acquisition, give written notice thereof to the Commissioners, and part 1 of title I shall take effect upon such date of acquisition.

(b) Part 2 of title I, and this title, shall take effect upon the date of the enactment of this Act.

SEC. 202. If it is determined by the Commissioners of the District of Columbia that, due to any act or omission on the part of the Corporation, the Corporation has not acquired the assets of Capital Transit Company and if such Commissioners approve a valid contract, ratified and approved by the required number of stockholders of Capital Transit Company, between Capital Transit Company and some other corporation providing for the acquisition of such assets and if such other corporation is also approved by such Commissioners as capable of performing the operation contemplated by the franchise provisions of part 1 of title I, then the terms "D.C. Transit System, Inc." and "Corporation" as used in this Act shall be deemed to mean such other corporation for all purposes of this Act.

SEC. 203. If part 1 of title I of this Act does not take effect on August 15, 1956, the Commissioners of the District of Columbia may authorize (including

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authorization of such contractual agreements as may be necessary) such mass transportation of passengers within the District of Columbia, beginning on and after August 15, 1956, and until such date as part 1 of title I of this Act takes effect, as may be necessary for the convenience of the public. Such transportation shall be furnished to the public at such rates and under such terms and regulations as may be recommended by the Public Utilities Commission and approved by the Commissioners of the District of Columbia.

Approved July 24, 1956.

Mr. CHALK. The franchise provided, among other terms, the following significant sections. First, a provision under section 4, as follows:

It is hereby declared as a matter of legislative policy that in order to assure the Washington Metropolitan Area of an adequate transportation system operating as a private enterprise, the Corporation, in accordance with standards and rules prescribed by the Commission, should be afforded the opportunity of earning such return as to make the Corporation an attractive investment to private investors.

As an incident thereto the Congress finds that the opportunity to earn a return of at least 6½ per centum net after all taxes properly chargeable to transportation operations, including but not limited to income taxes, on either the system rate base or on gross operating revenues would not be unreasonable, and that the Commission should encourage and facilitate the shifting to such gross operating revenue base as promptly as possible and as conditions warrant:

And if conditions warrant not later than August 15, 1958. It is further declared as a matter of legislative policy that if the Corporation does provide the Washington Metropolitan Area with a good public transportation system, with reasonable rates, the Congress will maintain a continuing interest in the welfare of the Corporation and its investors.

Second, the franchise further provided under section 7—this is the well known continuing interest clause to which I have referred on many occasions before the Congress——

Senator MORSE. I would like to interrupt you at that point. I believe that the record should show that at the time this franchise was enacted into law, in 1956, the transit system of the District of Columbia could best be described as in a state of either collapse or chaos—I don't care which descriptive term anyone wants to use, it was a highly controversial matter. I am sure that the chairman and others in this hearing room will recall at that time there were those forces, and very strong ones, who were advocating public ownership.

I was one of those who made perfectly clear at the time that that would be the last thing that I wanted to see adopted by way of a transit system in the District of Columbia. I did not believe that we had come to the point where public ownership was to be the answer, although you will recall at those hearings—and the hearing record will speak for itself—there was a considerable amount of evidence put into the hearing record in regard to the operation of transportation systems in many cities in this country on a municipally owned base. In order to encourage private ownership of the transportation system in the Nation's Capital, the provision of the franchise which you have just read was put into the law because there was a great deal of doubt as to whether or not we could get a company to come into Washington, D.C., and take over the transportation system under the situation that existed at the time without including the language that you have just put into the hearing record.

I wish to state that the discussion to which I have just referred took place before a fellow by the name of Roy Chalk ever got into the picture.

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But when these discussions took place and this proposal started to crystallize it was then, as I recall, that Mr. Chalk appeared on the scene. I just wanted the record to show that because in the controversy now before us I think we had better have all the details of the background of the franchise in this record and I propose to get them all in before I make up my mind what my position will be.

The CHAIRMAN. Did you offer the entire act granting the franchise?

Mr. CHALK. Yes, I did offer the entire act.

The CHAIRMAN. Very well. It has been made a part of the record and you may proceed, Mr. Chalk.

Now we have your prepared statement. What page are you on now?

Mr. CHALK. Page 2 at the top following the first paragraph. Might the record also indicate that both Senators Morse and yourself were members of the committee at that time?

Second, the franchise further provided under section 7 as follows:

> The Corporation shall be obligated to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations within 7 years * * *.

Third, the franchise further provided under section 3 as follows:

> No competitive street railway or bus line, that is, bus or railway line for the transportation of passengers of the character which runs over a given route on a fixed schedule shall be established to operate in the District of Columbia, without the prior issuance of a certificate by the Public Utilities Commission of the District of Columbia (referred to in this part as the "Commission") to the effect that the competitive line is necessary for the convenience of the public.

To the best of our knowledge this has not been done.

The CHAIRMAN. If I might interrupt, Mr. Chalk and simply for the purpose of the record, will you identify the two gentlemen with you and their capacities?

Mr. CHALK. Yes, sir.

Mr. DESTEFANO. My name is S. A. DeStefano. I am president of the Washington, Virginia, Maryland Coach Co. and also a vice president of D.C. Transit System.

Mr. CHALK. This is an affiliated company operating in the Virginia area.

The CHAIRMAN. I want the record to show it.

Mr. BRESNAHAN. My name is M. A. Bresnahan, director, schedule division, research and development department, D.C. Transit System.

The CHAIRMAN. Thank you, gentlemen.

You may proceed, Mr. Chalk.

Mr. CHALK. Following the grant of the franchise by Congress in 1956, the D.C. Transit System proceeded to recognize and revitalize the ailing mass transportation system of the District of Columbia and its environs. As President Johnson's counsel, Mr. Lee C. White, stated in his letter from the White House on February 18, 1965:

> The record of D.C. Transit in the community is well know to all, and it seems only fair that there should be absolutely no question that the proposed legislation does not destroy any legal rights which the company may presently possess to recover damages.

In connection with this latter comment from the White House, attention should also be directed to the conference report accompanying S. 3073 wherein the U.S. Senate and House agreed that although sub-

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section (b) of section 2 provides for a waiver of claim for any damages or for loss of use after 7 years, it specifically protected the company on page 12 of such conference report by stating:

This subsection is not intended to preclude the corporation's property from being valued as that of a going concern in the determination of any damages resulting from a cancellation of the franchise for any reason other than nonuse.

Conference report of the 84th Congress, 2d session, being Report No. 2751 accompanying S. 3073, is offered in evidence.

The CHAIRMAN. Without objection it will be made a part of the record.

(The document referred to follows:)

[H. Rept. No. 2751, 84th Cong., 2d sess.]

MASS TRANSPORTATION IN THE DISTRICT OF COLUMBIA

JULY 17, 1956.—Ordered to be printed

Mr. HARRIS, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany S. 3073]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

TITLE I

PART 1.—FRANCHISE PROVISIONS

SECTION 1. (a) There is hereby granted to D.C. Transit System, Inc., a corporation of the District of Columbia (referred to in this part as the "Corporation") a franchise to operate a mass transportation system of passengers for hire within the District of Columbia and between the District of Columbia and points within the area (referred to in this part as the "Washington Metropolitan Area") comprising all of the District of Columbia, the cities of Alexandria and Falls Church, and the counties of Arlington and Fairfax in the Commonwealth of Virginia and the counties of Montgomery and Prince Georges in the State of Maryland, subject, however, to the rights to render service within the Washington Metropolitan Area possessed, at the time this section takes effect, by other common carriers of passengers: Provided, That nothing in this section shall be construed to exempt the Corporation from any law or ordinance of the Commonwealth of Virginia or the State of Maryland or any political subdivision of such Commonwealth or State, or of any rule, regulation, or order issued under the authority of any such law or ordinance, or from applicable provisions of the Interstate Commerce Act and rules and regulations prescribed thereunder.

(b) Wherever reference is made in this part to "D.C. Transit System, Inc." or to the "Corporation", such reference shall include the successors and assigns of D. C. Transit System, Inc.

(c) As used in this part the term "franchise" means all the provisions of this part 1.

SEC. 2. (a) This franchise is granted for a term of twenty years: Provided, however, That Congress reserves the right to repeal this franchise at any time for its non-use.

(b) In the event of concellation of this franchise by Congress after seven years from the date this franchise takes effect for any reason other than non-use, the Corporation waives its claim for any damages for loss of franchise.

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SEC. 3. No competitive street railway or bus line, that is, bus or railway line for the transportation of passengers of the character which runs over a given route on a fixed schedule, shall be established to operate in the District of Columbia without the prior issuance of a certificate by the Public Utilities Commission of the District of Columbia (referred to in this part as the "commission") to the effect that the competitive line is necessary for the convenience of the public.

SEC. 4. It is hereby declared as a matter of legislative policy that in order to assure the Washington Metropolitan Area of an adequate transportation system operating as a private enterprise, the Corporation, in accordance with standards and rules prescribed by the Commission, should be afforded the opportunity of earning such return as to make the Corporation an attractive investment to private investors. As an incident thereto the Congress finds that the opportunity to earn a return of at least 6½ per centum net after all taxes properly chargeable to transportation operations, including but not limited to income taxes, on either the system rate base or on gross operating revenues would not be unreasonable, and that the Commission should encourage and facilitate the shifting to such gross operating revenue base as promptly as possible and as conditions warrant; and if conditions warrant not later than August 15, 1958. It is further declared as a matter of legislative policy that if the Corporation does provide the Washington Metropolitan Area with a good public transportation system, with reasonable rates, the Congress will maintain a continuing interest in the welfare of the Corporation and its investors.

SEC. 5. The initial schedule of rates which shall be effective within the District of Columbia upon commencement of operations by the Corporation shall be the same as that effective for service by Capital Transit Company approved by the Commissioners of the District of Columbia pursuant to the Act of August 14, 1955, (Public Law No. 389, 84th Congress; 69 Stat. 724), in effect on the date of the enactment of this Act, and shall continue in effect until August 15, 1957, and thereafter until superseded by a schedule of rates which becomes effective under this section. Whenever on or after August 15, 1957, the Corporation files with the Commission a new schedule of rates, such new schedule shall become effective on the tenth day after the date of such filing, unless the Commission prescribes a lesser time within which such new schedule shall go into effect, or unless prior to such tenth day the Commission suspends the operation of such new schedule. Such suspension shall be for a period of not to exceed one hundred twenty days from the date such new schedule is filed. If the Commission suspends such new schedule it shall immediately give notice of a hearing upon the matter and, after such hearing and within such suspension period, shall determine and by order fix the schedule of rates to be charged by the Corporation. If the Commission does not enter an order, to take effect at or prior to the end of the period of suspension, fixing the schedule of rates to be charged by the Corporation, the suspended schedule filed by the Corporation may be put into effect by the end of such period, and shall remain in effect until the Commission has issued an appropriate order based on such proceeding.

SEC. 6. The Corporation is hereby authorized and empowered to engage in special charter or sightseeing services subject to compliance with applicable laws, rules and regulations of the District of Columbia and of the municipalities or political subdivisions of the States in which such service is to be performed, and with applicable provisions of the Interstate Commerce Act and rules and regulations prescribed thereunder.

SEC. 7. The Corporation shall be obligated to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations within seven years from the date of the enactment of this Act upon terms and conditions prescribed by the Commission, with such regard as is reasonably possible when appropriate to the highway development plans of the District of Columbia and the economies implicit in coordinating the Corporation's track removal program with such plans; except that upon good and sufficient cause shown the Commission may in its discretion extend beyond seven years, the period for carrying out such conversion. All of the provisions of the full paragraph of the District of Columbia Appropriation Act, 1942 (55 Stat. 499, 533), under the title "Highway Fund, Gasoline Tax and Motor Vehicle Fees," subtitle "street improvements", relating to the removal of abandoned tracks, regrading of track areas, and paving abandoned track areas, shall be applicable to the Corporation.

SEC. 8. (a) As of August 15, 1956, paragraph numbered 5 of section 6 of the Act entitled "An Act making appropriations to provide for the expenses of the Government of the District of Columbia for the fiscal year ending June thirtieth,

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nineteen hundred and three, and for other purposes", approved July 1, 1902, as amended (D.C. Code, sec. 47–1701), is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: "Each gas, electric-lighting, and telephone company shall pay, in addition to the taxes herein mentioned, the franchise tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, and the tax imposed upon stock in trade of dealers in general merchandise under paragraph numbered 2 of section 6 of said Act approved July 1, 1902, as amended."

(b) Notwithstanding subsection (a) of this section, the Corporation shall be exempt from the following taxes:

(1) The gross sales tax levied under the District of Columbia Sales Tax Act;

(2) The compensating use tax levied under the District of Columbia Use Tax Act;

(3) The excise tax upon the issuance of titles to motor vehicles and trailers levied under subsection (j) of section 6 of the District of Columbia Traffic Act of 1925, as amended (D.C. Code, sec. 40–603 (j) (4));

(4) The taxes imposed on tangible personal property, to the same extent that the Capital Transit Company was exempt from such taxes immediately prior to the effective date of this section under the provisions of the Act of July 1, 1902, as amended; and

(5) The mileage tax imposed by subparagraph (b) of paragraph 31 of section 7 of the Act approved July 1, 1902, as amended (D.C. Code, sec. 47–2331 (b)).

SEC. 9. (a) Except as hereinafter provided, the Corporation shall not, with respect to motor fuel purchased on or after September 1, 1956, pay any part of the motor vehicle fuel tax levied under the Act entitled "An Act to provide for a tax on motor vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, as amended (D.C. Code, title 47, chapter 19).

(b) For the purposes of this section—

(1) the term "a 6½ per centum rate of return" means a 6½ per centum rate of return net after all taxes properly chargeable to transportation operations, including but not limited to income taxes, on the system rate base of the Corporation, except that with respect to any period for which the Commission utilizes the operating ratio method to fix the rates of the Corporation, such term shall mean a return of 6½ per centum net after all taxes properly chargeable to transportation operations, including but not limited to income taxes, based on gross operating revenues; and

(2) the term "full amount of the Federal income taxes and the District of Columbia franchise tax levied upon corporate income" means the amount which would have been payable in the absence of write-offs in connection with the retirement of street railway property as contemplated by section 7 of this part, but only to the extent that such write-offs are not included as an operating expense in determining net earnings for rate-making purposes.

(c) As soon as practicable after the twelve-month period ending on August 31, 1957, and as soon as practicable after the end of each subsequent twelve-month period ending on August 31, the Commission shall determine the Corporation's net operating income for such twelve-month period and the amount in dollars by which it exceeds or is less than a 6½ per centum rate of return for such twelve-month period. In such determination the Commission shall include as an operating expense the full amount of the motor vehicle fuel tax which would be due but for the provisions of this section on the motor fuel purchased by the Corporation during the twelve-month period, and the full amount of the Federal income taxes and the District of Columbia franchise tax levied upon corporate income. The Commission shall certify its determination to the Commissioners of the District of Columbia or their designated agent. If the net operating income so certified by the Commission equals or is more than a 6½ per centum rate of return, the Corporation shall be required to pay to such Commissioners, or their designated agent, the full amount of the motor vehicle fuel taxes due on the purchases of motor fuel made by the Corporation during such twelve-month period. If the net operating income so certified is less than a 6½ per centum rate of return, the Corporation shall pay to such Commissioners, or their designated agent, in full satisfaction of the motor vehicle fuel tax for such period an amount, if any, equal to the full amount of said motor vehicle fuel tax reduced by the amount necessary to raise the Corporation's rate of return to 6½ per centum for such period, after taking into account the effect of such reduction on the amount of the Federal income taxes and the District of Columbia franchise tax levied upon corporate income payable by the Corporation for such period. Within thirty days after

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being notified by the said Commissioners or their designated agent of the amount of the motor vehicle fuel tax due under this section, the Corporation shall pay such amount to the said Commissioners or their designated agent.

(d) If not paid within the period specified in subsection (c), the motor vehicle fuel tax payable under this section and the penalties thereon may be collected by the Commissioners of the District of Columbia or their designated agent in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection; and liens for the motor vehicle fuel tax payable under subsection (c) and penalties thereon may be acquired in the same manner that liens for personal property taxes are acquired.

(e) Where the amount of the motor vehicle fuel tax payable under subsection (c), or any part of such amount, is not paid on or before the time specified therein for such payment, there shall be collected, as part of the tax, interest upon such unpaid amount at the rate of one-half of 1 per centum per month or portion of a month.

(f) The Commissioners of the District of Columbia or their designated agent are hereby authorized and directed to issue to the Corporation such certificates as may be necessary to exempt it from paying any importer the motor vehicle fuel tax imposed by such Act of April 23, 1924, as amended, or as hereafter amended.

(g)(1) From and after the time fixed in paragraph (2) of this subsection the Corporation shall not be required to pay real estate taxes upon any real estate owned by it in the District of Columbia and used and useful for the conduct of its public transportation operations to the extent that the Commission has determined under such rules and regulations as it may issue that the Corporation's net operating income in the previous year was insufficient, after giving effect to the tax relief provided in the preceding subsection, to afford it a 6½ per centum rate of return.

(2) This subsection shall take effect upon the completion of the program contemplated in section 7 of this part, as certified by the Commission to the Commissioners of the District of Columbia, or at such earlier time as the Commission may find that the said program has been so substantially completed that the taking effect of this subsection would be appropriate in the public interest and shall so certify to the Commissioners of the District of Columbia.

SEC. 10. (a) The Corporation shall not be charged any part of the expense of removing, sanding, salting, treating, or handling snow on the streets of the District of Columbia, except that the Corporation shall sweep snow from the streetcar tracks at its own expense so long as such tracks are in use by the Corporation.

(b) The paragraph which begins "Hereafter every street railway company" which appears under the heading "STREETS" in the Act entitled "An Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and thirteen, and for other purposes", approved June 26, 1912 (D.C. Code, sec. 7–614), is hereby repealed.

SEC. 11. The provisions of law set forth in Title 43, sections 501 through 503 of the District of Columbia code shall not be deemed to restrict any merger or consolidation of the Corporation with any other company or companies engaged in mass transportation in the District of Columbia or the Washington Metropolitan Area: Provided, however, That any such merger or consolidation shall be subject to the approval of the Commission.

SEC. 12. Nothing in this part shall prevent the transfer, by or under the authority of any other Act of Congress, to any other agency of any of the functions which are by this part granted to or imposed upon the Commission.

SEC. 13. (a) The Corporation is hereby authorized to issue or create loans, mortgages, deeds of trust, notes or other securities to any banking or other institution or institutions and to Capital Transit Company, with respect to the acquisition of assets of Capital Transit Company (including any corporation controlled by Capital Transit Company), provided that the interest rate thereon shall not exceed 5 per centum per annum, but the aggregate principal shall not exceed the cost of acquiring the assets of Capital Transit Company.

(b) (1) Section 5 of the Interstate Commerce Act shall not be construed to require the approval or authorization of the Interstate Commerce Commission of any transaction within the scope of paragraph (2) of such section 5 if the only parties to such transaction are the Corporation (including any corporation

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wholly controlled by the Corporation) and the Capital Transit Company (including any corporation wholly controlled by the Capital Transit Company). The issuance or creation of any securities provided for in subsection (a) shall not be subject to the provisions of section 20a of the Interstate Commerce Act.

(2) No approval of the acquisition of assets referred to in subsection (a), or of the issuance or creation of any securities provided for in subsection (a) in connection with such acquisition, shall be required from any District of Columbia agency or commission.

(c) This section shall not apply to any issuance of securities constituting a public offering for which the Securities of 1933 applies.

(d) Notwithstanding the provisions of section 409 (a) of the Civil Aeronautics Act of 1938—

(1) no air carrier shall be required (because of the fact that a person becomes or remains an officer, director, member or stockholder holding a controlling interest of the Corporation, or of any common carrier controlled by the Corporation which is engaged in mass transportation of passengers for hire in the Washington Metropolitan Area, or is elected or reelected as officer or director) to secure the authorization or approval of the Civil Aeronautics Board in order to have and retain such person as an officer or director, or both, of such air carrier if such person is an officer or director of such air carrier at the time of this section takes effect; and

(2) no person who, at the time this section takes effect, is an officer or director of an air carrier shall be required to secure the approval of the Civil Aeronautics Board in order to hold the position of officer, director, member or stockholder holding a controlling interest of the Corporation or of any common carrier controlled by the Corporation which is engaged in mass transportation of passengers for hire in the Washington Memorial Area.

As used in this subsection, the term "air carrier" has the same meaning as when used in section 409(a) of the Civil Aeronautics Act of 1938.

(e) Notwithstanding section 20a (12) of the Interstate Commerce Act, authorization or approval of the Interstate Commerce Commission shall not be required in order to permit a person who is an officer or director of the Corporation to be also an officer or director, or both, of any common carrier controlled by the Corporation which is engaged in mass transportation of passengers for hire in the Washington Metropolitan Area.

SEC. 14. The Corporation, at the time it acquires the assets of Captial Transit Company, shall become subject to, and responsible for, all liabilities of Capital Transit Company of whatever kind or nature, known or unknown, in existence at the time of such acquisition, and shall submit to suit therefor as though it had been originally liable, and the creditors of Capital Transit Company shall have as to the Corporation all rights and remedies which they would otherwise have had as to Capital Transit Company: Provided, however, That the Corporation shall not be liable to any dissenting stockholder of Capital Transit Company for the fair value of the stock of any such stockholder who shall qualify to be entitled to receive payment of such fair value. No action or proceeding in law or in equity, or before any Federal or District of Columbia agency or commission, shall abate in consequence of the provisions of this section, but such action or proceeding may be continued in the name of the party by or against which it was begun, except that in the discretion of the court, agency, or commission the Corporation may be substituted for the Capital Transit Company. In any and all such actions or proceedings, the Corporation shall have, and be entitled to assert any and all defenses of every kind and nature which are or would be available to Capital Transit Company or which Capital Transit Company would be entitled to assert.

PART 2.—MISCELLANEOUS PROVISIONS

SEC. 21. (a) Section 14 of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes", approved January 14, 1933 (47 Stat. 752), as amended (Public Law 389, Eighty-fourth Congress), is hereby repealed to the extent that such section repeals the charter of Capital Transit Company, without thereby affecting the termination of its franchise.

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(b) Upon the taking effect of part 1 of this title, Capital Transit Company shall not be authorized to engage in business as owner or operator of electric railway, passenger motor bus, public transportation of passengers, or common carrier of passengers within, to, or from, the Washington Metropolitan Area.

(c) Capital Transit Company shall continue to exist as a corporation incorporated under the provisions of subchapter 4 of chapter 18 of the Act entitled "An Act to establish a code of laws for the District of Columbia", approved March 3, 1901, as amended (D.C. Code, title 29, ch. 2), under its certificate of incorporation, as amended, and Capital Transit Company may amend its charter in any manner provided under the laws of the District of Columbia and may avail itself of the provisions of the District of Columbia Business Corporations Act in respect to a change of its name and may become incorporated or reincorporated thereunder in any manner as therein provided. Nothing referred to in this title, or the sale and vesting of the assets of Capital Transit Company, referred to therein, shall cause or require the corporate dissolution of Capital Transit Company.

SEC. 22. Nothing in this title shall be deemed to extend the franchise of Capital Transit Company beyond August 14, 1956, or, except as otherwise provided in this section, to relieve Capital Transit Company of any obligation to remove from the streets and highways at its own expense all of its property and facilities and to restore the streets and highways in accordance with the provisions of the District of Columbia Appropriation Act, 1942 (55 Stat. 499, 533) in the event the Corporation fails to acquire the assets of Capital Transit Company. If part 1 of this title takes effect, Capital Transit Company shall thereupon be relieved of all liability to remove from the streets and highways of the District of Columbia all of its properties and facilities and to restore such streets and highways.

Sec. 23. The powers and jurisdiction of the Public Utilities Commission of the District of Columbia with respect to Capital Transit Company shall cease and be at an end upon the taking effect of part 1 of this title.

TITLE II

SEC. 201. (a) Part 1 of title I shall take effect on August 15, 1956, but only if prior thereto D.C. Transit System, Inc. (referred to in this title as the "Corporation") has acquired the assets of Capital Transit Company and has notified the Commissioners of the District of Columbia in writing that it will engage in the transportation of passengers within the District of Columbia beginning on August 15, 1956. If the Corporation has not acquired the assets of Capital Transit Company prior to August 15, 1956, but does thereafter acquire such assets, the Corporation shall, on the date of such acquisition, give written notice thereof to the Commissioners, and part 1 of title I shall take effect upon such date of acquisition.

(b) Part 2 of title I, and this title, shall take effect upon the date of the enactment of this Act.

SEC. 202. If it is determined by the Commissioners of the District of Columbia that, due to any act or omission on the part of the Corporation, the Corporation has not acquired the assets of Capital Transit Company and if such Commissioners approve a valid contract, ratified and approved by the required number of stockholders of Capital Transit Company, between Capital Transit Company and some other corporation providing for the acquisition of such assets and if such other corporation is also approved by such Commissioners as capable of performing the operation contemplated by the franchise provisions of part 1 of title I, then the terms "D.C. Transit System, Inc." and "Corporation" as used in this Act shall be deemed to mean such other corporation for all purposes of this Act.

SEC. 203. If part 1 of title I of this Act does not take effect on August 15, 1956, the Commissioners of the District of Columbia may authorize (including authorization of such contractual agreements as may be necessary) such mass transportation of passengers within the District of Columbia, beginning on and after August 15, 1956, and until such date as part 1 of title I of this Act takes effect, as may be necessary for the convenience of the public. Such transportation shall be furnished to the public at such rates and under such terms and regulations as may be recommended by the Public Utilities Commission and approved by the Commissioners of the District of Columbia.

And the House agree to the same.

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That the title of the bill be amended to read as follows: "An Act to grant a franchise to D.C. Transit System, Inc., and for other purposes."

OREN HARRIS,
JOHN BELL WILLIAMS,
PETER F. MACK, Jr.,
WALTER ROGERS
CHAS. A. WOLVERTON,
CARL HINSHAW,
JAMES I. DOLLIVER,
Managers on the Part of the House.

PAT MCNAMARA,
WAYNE MORSE,
ALAN BIBLE,
J. GLENN BEALL,
CLIFFORD P. CASE,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment to the text struck out all of the Senate bill after the enacting clause and inserted a substitute. The Senate recedes from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment. The essential differences between the House amendment and the substitute agreed to in conference are noted below.

THE SENATE BILL AND THE HOUSE AMENDMENT

The bill as passed by the Senate was designed to make provision for mass transportation of passengers in the Washington metropolitan area after August 14, 1956, the date on which the franchise of the Capital Transit Company expires.

It provided, initially, for an "interim" public authority, to be an agency and instrumentality of the District of Columbia, with broad powers to do everything necessary in order to acquire and operate such a mass transportation system, including the authority to acquire property by eminent domain, to issue tax exempt obligations in order to finance its operations, to fix rates and fares, to employ all necessary personnel, and so on.

The interim public authority would have been given power to sell to any private operator found by it to be suitable, at any time prior to August 15, 1959, the transportation properties acquired and operated by it. In that event the interim public authority would have ceased to exist. In case of any such disposition of the properties, the Commissioners of the District would have been empowered to grant to the purchaser a franchise to operate in the District of Columbia, together with such exemptions from District of Columbia taxes as the Commissioners deemed advisable.

It was provided, however, that if the interim public authority did not thus dispose of its transportation properties to a private operator before August 15, 1959, the interim public authority should become a permanent public authority, with power to operate in perpetuity.

The provisions of the House amendment were designed to keep the transit system in the District of Columbia in the hands of private ownership by extending, with modifications, the franchise of Capital Transit Company. The modifications were essentially as follows:

(1) The section of law which repealed the charter and franchise of Capital Transit Company would have been repealed, thus restoring to Capital Transit Company its charter and franchise.

(2) A system rate base of a specific amount would have been established for the Capital Transit Company.

(3) A legislative determination would have been made that a return of 6½ percent on the system rate base was a fair return which the Company should be afforded the opportunity to earn.

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(4) The rates of fare presently being charged would have been frozen until August 15, 1957, and thereafter a new procedure would have been established, designed to expedite action on rate applications filed by the Company.

(5) Capital Transit Company would have been exempted from the gross receipts tax of the District of Columbia and would have continued to be exempt from the District of Columbia mileage tax, gross sales tax, compensating use tax, excise tax on motor vehicle titles, and tangible personal property taxes to the same extent that it is presently exempt from such taxes.

(6) If the Capital Transit Company failed in any year to earn a 6½ percent return on its system rate base, it would have been forgiven the payment of the District of Columbia motor vehicle fuel tax to the extent necessary to bring its return up to 6½ percent for the year.

(7) Capital Transit Company would have been required to sweep its streetcar tracks at its own expense and would have been relieved of all other snow removal expense.

(8) It would have been the duty of Capital Transit Company to gradually convert to an all-bus operation but no specific time for completion of the conversion would have been provided.

(9) The Capital Transit Company would have been relieved of the necessity to obtain Public Utility Commission approval of evidences of indebtedness payable in 1 year or less.

THE CONFERENCE SUBSTITUTE

Briefly, the conference substitute provides for the grant of a franchise to a private operator, D. C. Transit System, Inc. (hereinafter referred to as the "Corporation"). The award of a franchise to the Corporation was recommended by the Commissioners of the District of Columbia and the terms of the franchise which this legislation proposes to grant are substantially as recommended by such Commissioners. The conference agreement also contains provisions to empower the Commissioners to take appropriate steps to insure continuance of transportation service in case the Corporation does not, for any reason, begin operations on August 15, the day after the expiration of Capital Transit's franchise.

The substitute agreed to in conference consists of titles I and II. Title I is divided into parts 1 and 2.

Title I, part 1

This part, which consists of sections 1 to 14, constitutes the franchise which this legislation proposes to grant to the Corporation.

Subsection (a) of section 1 provides that the franchise is granted for the operation of a mass transportation system of passengers for hire within the District of Columbia and between the District of Columbia and points in the area (referred to as the "Washington Metropolitan Area") comprising all of the District of Columbia, the cities of Alexandria and Falls Church, and the counties of Arlington and Fairfax in the Commonwealth of Virginia and the counties of Montgomery and Prince Georges in the State of Maryland. The franchise is subject to the rights to render service within such area possessed, at the time this provision takes effect, by other common carriers of passengers. The Corporation will not, by reason of this section be relieved from compliance with the laws of Virginia or Maryland, or requirements imposed under authority thereof, or with the Interstate Commerce Act and rules and regulations prescribed thereunder. In the exercise of the franchise rights granted to it under this part, the Corporation will be fully subject to the regulatory laws of the District of Columbia which are applicable to common carrier operations of the character which it is to perform, except to the extent that such laws are modified or superseded by the provisions of this legislation.

Subsection (b) of section 1 is included merely in order to make it unnecessary to repeat references to successors and assigns of the Corporation in those places in part 1 where reference is made to the Corporation. This subsection makes no change whatever in any laws which otherwise would govern the right of the Corporation to dispose of or assign any of its assets or operating rights. Compliance with such laws will be necessary to the same extent as though this subsection had not been enacted.

Subsection (c) of section 1 provides that as used in part 1 the term "franchise" means all the provisions of part 1.

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Section 2 of the conference substitute provides that the franchise is granted for a term of 20 years subject to the right of Congress to repeal the franchise at any time for its non-use.

Subsection (b) of section 2 provides that in the event of cancellation by Congress of the franchise at any time after 7 years following its effective date for any reason other than non-use, the Corporation waives its claim for any damages for loss of franchise. This subsection is not intended to preclude the Corporation's property from being valued as that of a going concern in the determination of any damages resulting from a cancellation of the franchise for any reason other than non-use.

Section 3 is almost identical with a provision (section 4) of the so-called Merger Act of 1933. It provides in effect that no person or company may establish a competitive street-railway or bus line for the transportation of passengers in the District of Columbia, over particular routes on fixed schedules, without first having obtained a certificate from the Public Utilities Commission of the District of Columbia to the effect that the competitive line is necessary for the convenience of the public.

Section 4 contains a declaration of legislative policy which, among other things, declares that (1) the Corporation, in accordance with standards and rules prescribed by the Public Utilities Commission, should be afforded the opportunity of earning such return as to make the Corporation an attractive investment to private investors, (2) Congress finds the opportunity to earn a return of at least 6½ percent net after all taxes properly chargeable to transportation operations, including but not limited to income taxes, on either the system rate base or on gross operating revenue would not be unreasonable, and (3) the Commission should encourage and facilitate the shifting to such gross operating revenue base as promptly as possible and as conditions warrant; and if conditions warrant not later than August 15, 1958.

Section 5 of the conference substitute provides that the rates authorized by the Commissioners of the District of Columbia under Public Law 389, Eighty-fourth Congress, which are in effect on the date of enactment of the Act shall be the initial schedule of rates effective within the District of Columbia upon commencement of operations by the Corporation, and shall continue in effect as the schedule of rates until August 15, 1957, and thereafter until superseded by a new schedule of rates. If the Corporation files a new schedule of rates on or after August 15, 1957, that schedule will take effect in 10 days, or at the end of any shorter period the Public Utilities Commission may prescribe, unless the Commission suspends the operation of the rate schedule. The suspension period may be of any length up to 120 days, but during that period the Commission must hold a hearing and if it fails to issue an order during that period fixing a rate schedule, the Corporation may put the suspended rate schedule into effect at the end of the suspension period, and it will remain in effect until the Commission issues an appropriate order based upon the proceeding.

This section is quite similar to the provisions of section 2 (c) of the House amendment with two exceptions, first, the maximum period of suspension permitted under the House amendment was 90 days, instead of 120 days as provided in the conference substitute, and second, under the House bill if the Commission failed to issue an order during the suspension period, the suspended rate schedule would have automatically gone into effect at the end of such period and the Commission would not thereafter be empowered to issue any order based upon such proceeding.

Section 6 provides that the Corporation may engage in special charter or sightseeing services, subject to compliance with applicable District of Columbia and State law, as well as applicable provisions of the Interstate Commerce Act, and regulations prescribed under such laws.

Section 7 of the conference substitute requires the Corporation to complete conversion of its street railway operations to bus operations within 7 years from the date of enactment of this Act, upon terms and conditions prescribed by the Commission, with such conversion to be tied in with the highway development plans of the District of Columbia to the extent such a tie-in is possible. It is also provided that the Commission may extend the time beyond 7 years upon good and sufficient cause. The Corporation is made subject to all of the duties and responsibilities which Capital Transit Company is presently subject to relating to the removal of abandoned tracks, regarding of track areas, and paving of abandoned track areas.

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Section 6 of the House amendment provided with respect to Capital Transit Company that it was to carry out a plan of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts contained in the Gilman report which was a study and report made on the desirability of conversion of street railway operations to motor bus. The House amendment contained no specific date within which such conversion should be completed.

Subsection (a) of section 8 of the conference substitute relieves the Corporation of the obligation to pay the 2 percent gross receipts tax which under existing law it would be required to pay upon commencement of its operations in the District of Columbia.

Subsection (b) of such section 8 specifically exempts the Corporation from the District of Columbia Sales Tax Act and the corresponding compensating use tax levied under the District of Columbia Use Tax Act (where purchases are made out of the District and brought into the District), and the tax imposed on the issuance of titles to motor vehicles. It also exempts the Corporation from the District of Columbia taxes imposed on tangible personal property to the same extent that Capital Transit Company is exempt from such taxes immediately prior to the effective date of the section.

Section 3 of the House amendment contained the same exemptions for the Capital Transit Company as are provided for the Corporation under section 8 of the conference substitute.

Subsection (a) of section 9 specifically exempts the Corporation from payment of District of Columbia motor vehicle fuel taxes except as provided for in the section.

Subsection (b) defines certain terms which are used in the section. The term "a 6½ per centum rate of return" is defined to mean a 6½ percent rate of return net after all taxes properly chargeable to transportation operations, including but not limited to income taxes, on the system rate base or if the operating ratio method is used to fix rates, on the gross operating revenues. The term "full amount of the Federal income taxes and the District of Columbia franchise tax levied upon corporate income" is defined to mean the amount which the Corporation would have paid in the absence of write offs in connection with the retirement of street railway property as the result of conversion to all-bus operation as provided in section 7 of the conference substitute, but only to the extent that such write offs are not included as an operating expense in determining net earnings for rate-making purposes.

Subsection (c) is intended (1) to require the Corporation on and after September 1, 1956, to pay the full amount of the motor vehicle fuel tax due on motor fuel purchased on or after that date, whenever the net operating income of the company, after taking into consideration the full amount of the motor-vehicle fuel tax which would be due but for the provisions of this section, as determined by the Public Utilities Commission for the preceding 12-month period ending August 31, equals or exceeds a 6½ percent rate of return on the Corporation's system rate base for such period or on the gross operating revenues of the Corporation, if the operating ratio method is being used to fix the rates of the Corporation, and (2) whenever the rate of return is less than 6½ percent to reduce the amount of the motor-vehicle fuel tax payable by the Corporation by whatever amount is necessary to provide the Corporation with a 6½ percent rate of return. In determining whether the Corporation has earned a return of 6½ percent for any 12-month period, the Commission is required to include as an operating expense the full amount of the motor vehicle fuel tax which would be due but for the provisions of this section on motor fuel purchased by the Corporation during the 12-month period and the full amount of the Federal income taxes and the District of Columbia franchise tax levied upon corporate income. If the net operating income of the Corporation, as certified by the Commission, is equal to, or more than, a 6½ percent rate of return, the Corporation is required to pay the full amount of the motor vehicle fuel tax due on motor fuel purchased by it during such 12-month period. If the net operating income of the Corporation, as certified by the Commission, is less than a 6½ percent rate of return, the Corporation is required to pay in full satisfaction of the motor vehicle fuel tax for such period an amount, if any, equal to the full amount of the motor vehicle fuel tax reduced by the amount necessary to raise the Corporation's rate of return to 6½ percent for such period after taking into account the effect of such reduction on the amount of Federal income taxes and the District of Columbia franchise tax levied upon corporate income payable by

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the Corporation for such period. If as the result of the inability of the Corporation to acquire the assets of Capital Transit Company prior to August 31, 1956, the initial period with respect to which this motor vehicle fuel tax relief is granted is less than a 12-month period, it is intended that for such first period, an appropriate pro rata computation be made based on the percentage that the initial period is of 12 months.

Subsections (d) and (e) relate to the collection of motor fuel taxes which are not paid within the time referred to in subsection (c), together with penalties and interest.

Because of the uncertainty as to the amount of motor vehicle fuel tax which would be paid by the Corporation under this section it is desirable that the importer who sells motor fuel to the Corporation not be required to pay the tax on the motor fuel purchased by the Corporation and that the Corporation not be required in turn to pay the amount of such tax to the importer. Therefore, subsection (f) provides for the issuance of the necessary certificates of exemption to the Corporation.

Subsection (g) provides that if after completion of converion to an all bus operation as provided in section 7, or at such earlier time as the Commission finds that the conversion has been substantially completed and certifies that fact to the Commissioners, the Corporation, despite all other tax relief granted to it, fails to earn a 6½ percent rate of return on either its system rate base or, if the operating ratio method is being used, on its gross operating revenues, the Corporation shall not be required to pay real estate taxes upon any real estate owned by it in the District Columbia used and useful for the conduct of its public transportation operations to the extent that the Public Utilities Commission determines that its net operating income for the previous year was insufficient to afford it a 6½ percent rate of return.

Section 9 follows the pattern for relief from the District of Columbia motor vehicle fuel tax which was proposed for Capital Transit Company in section 4 of the House amendment, with the exception that section 9 contemplates the future use of the operating ratio method for determining rates and modifies the provisions of the House amendment to the extent necessary to take care of that possibility. It further differs from section 4 of the House amendment in that contemplated write-offs of property as the result of conversion to all-bus operation (to the extent such write-offs are not included as operating expenses in determining net earnings for rate-making purposes) are permitted to be ignored in determining the Corporation's net operating income under section 9, so that for such purpose, the Corporation's Federal income taxes and District of Columbia taxes on corporate income are established on the basis of what they would have been but for such write-offs. Finally, the House amendment contained no provision for relief of real estate taxes, as is provided in section 9(g) of the conference substitute.

Section 10(a) provides that the Corporation shall not be charged any part of the expense of removing, sanding, salting, treating, or handling snow on the streets of the District of Columbia, except that the Corporation shall sweep snow from the street car tracks at its own expense so long as such tracks are in use by the Corporation. Subsection (b) of this section relates to this same matter. Similar provisions with respect to Capital Transit Company were included in the House amendment.

Section 11 is intended to make it clear that certain specified provisions of District law are not to be deemed to restrict any merger or consolidation of the Corporation with any other company or companies engaged in mass transportation in the District or the Washington Metropolitan Area, but it is expressly provided that any such merger or consolidation shall be subject to approval of the Public Utilities Commission.

Section 12 of the conference substitute is included to insure that nothing in the franchise will prevent the transfer in the future to any other agency, by or pursuant to law, of any of the functions which the franchise grants to or imposes on the Public Utilities Commission.

Section 13 contains several provisions intended to authorize the doing of certain things considered necessary or appropriate in order to facilitate the carrying out by the Corporation of its contract with Capital Transit Company and the commencement of transportation operations under the franchise.

Subsection (a) relates to the issuance or creation of loans, mortgages, deeds of trust, notes, or other securities to any banking or other institution or institutions and the Capital Transit Company, in connection with the contemplated acquisition of assets.

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Subsection (b) would make it unnecessary to secure Interstate Commerce Commission approval of (1) the contemplated acquisition of assets, including certificates of public convenience and necessity held by Capital Transit Company or a wholly owned subsidiary of it, or (2) the issuance of securities provided for in subsection (a). It also provides that the proposed acquisition of assets and issuance or creation of securities may be accomplished without having to secure approval of any District of Columbia agency or commission.

Subsection (c) provides that this section shall not apply to any issuance of securities constituting a public offering to which the Securities Act of 1933 applies.

The purpose of subsection (d) is to make it possible for an individual who is now an officer and director of an air carrier (as that term is used in section 409(a) of the Civil Aeronautics Act of 1938) to become and continue to be connected with the Corporation (or a subsidiary engaged in transportation in the Washington Metropolitan Area) as an officer or director or in certain other specified capacities without having to secure prior approval of the Civil Aeronautics Board under section 409(a) of the Civil Aeronautics Act of 1938.

Subsection (e) provides that section 20a (12) of the Interstate Commerce Act shall not require Interstate Commerce Commission approval in order for a person who is an officer or director of the Corporation to also be an officer or director of any subsidiary of the Corporation engaged in mass transportation of passengers in the Washington Metropolitan Area.

Section 14 is a provision, substantially similar to one contained in the contract under which D.C. Transit System, Inc., is to acquire the assets of Capital Transit Company, spelling out the respects in which D.C. Transit is to become subject to, and responsible for, the liabilities of Capital Transit Company.

Title 1, part 2

This part consists of sections 21, 22, and 23.

The effect of these provisions is to insure that Capital Transit Company will continue to exist as a corporation, but it is made clear that the termination of its franchise, as heretofore provided by law, is unaffected. If part 1 of title I takes effect, Capital Transit Company is to be relieved of all liability to remove from the streets and highways of the District all of its properties and facilities and to restore such streets and highways. However, if part 1 of title I does not take effect, Capital Transit Company is not relieved of such liability.

Title II

This title consists of sections 201, 202, and 203.

Section 201 of title II of the conference substitute provides that part 1 (the franchise provisions) of title I shall take effect on August 15, 1956, but only if prior thereto D.C. Transit System, Inc. (referred to in title II as the "Corporation") has acquired the assets of Capital Transit Company and has notified the Commissioners of the District of Columbia in writing that it will engage in the transportation of passengers within the District of Columbia beginning on August 15, 1956. If the Corporation has not acquired the assets of Capital Transit Company prior to August 15, 1956, but does thereafter acquire such assets, the Corporation shall, on the date of such acquisition, give written notice thereof to the Commissioners, and part 1 of title I shall take effect upon such date of acquisition.

Subsection (b) of section 201 provides that part 2 of title I, and title II, shall take effect upon the date of the enactment of this act.

Section 202 of the conference substitute provides that if it is determined by the Commissioners of the District of Columbia that, due to any act or omission on the part of the Corporation, the Corporation has not acquired the assets of Capital Transit Company and if such Commissioners approve a valid contract, ratified and approved by the required number of stockholders of Capital Transit Company, between Capital Transit Company and some other corporation providing for the acquisition of such assets and if such other corporation is also approved by such Commissioners as capable of performing the operation contemplated by the franchise provisions of part 1 of title I, then the terms "D. C. Transit System, Inc." and "Corporation" as used in this act shall be deemed to mean such other corporation for all purposes of this act. In other words such other corporation would be granted the franchise in lieu of D.C. Transit System, Inc.

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Section 203 of the conference substitute grants to the Commissioners of the District of Columbia, if part 1 (the franchise provisions) of title I of this act does not take effect on August 15, 1956, the general authority to authorize (including authorization of such contractual agreements as may be necessary) such mass transportation of passengers within the District of Columbia, beginning on and after August 15, 1956, and until such date as part 1 of title I takes effect, as may be necessary for the convenience of the public. The section also provides that such transportation shall be furnished to the public at such rates and under such terms and regulations as may be recommended by the Public Utilities Commission and approved by the Commissioners of the District of Columbia. There is no intent on the part of the managers to grant any powers of eminent domain to the Commissioners under the provisions of this section.

The title of the bill has been changed to conform with the conference agreement.

OREN HARRIS,
JOHN BELL WILLIAMS,
PETER F. MACK, Jr.,
WALTER ROGERS,
CHAS. A. WOLVERTON,
CARL HINSHAW,
JAMES I. DOLLIVER,
Managers on the Part of the House.

Senator MORSE. Hypothetically speaking, Mr. Chalk, assume that the subway is constructed and Congress takes no action at all to cancel your franchise. The fact remains that you still would have available whatever legal remedies the law provides if you should claim that you are damaged because of the failure on the part of the District government to take into consideration any loss that you suffer as a result of the building of the subway system.

You are not arguing at this point that your legal rights are dependent upon the concellation of the franchise by the Congress.

Mr. CHALK. No, sir; I am not arguing that whatsoever. I am merely indicating that it was the intent of Congress to protect the rights of the D.C. Transit System and the apparent intention of the White House at this time to call attention to our legal rights.

Senator MORSE. You are admitting that the Congress of course has the power to cancel your franchise. If Congress does cancel the franchise then the statement you cited on page 3 of your brief:

This subjection is not intended to preclude the corporation property from being valued as that of a going concern—

would automatically apply.

Mr. CHALK. That is correct, sir.

The CHAIRMAN. Your franchise dates from what date again?

Mr. CHALK. August 15, 1956.

The CHAIRMAN. It is a 20-year franchise under the terms of the congressional grant and that would expire then in 1976, the franchise could not be canceled in the first 7 years. Is this true?

Mr. CHALK. That is correct, sir.

The CHAIRMAN. That would bring it to 1963. There is no suggestion that it be canceled but I just wanted to know what the years were. You may proceed.

Mr. CHALK. Following the grant of the franchise which represented the legal foundation for our operations, the company proceeded to fulfill its part of the contract with Congress.

Two years ahead of scheduled time and within the first 5 years, the company kept its bargain as to the trolley car system and eliminated

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the same so as to establish an all-bus system. In doing so, the company destroyed a system valued in excess of $45 million. That includes trackage, equipment, and maintenance facilities. During the 9 years following the grant of the franchise the company invested——

Senator MORSE. May I go back and interrupt you at that point? You say, "In doing so, the company destroyed a system valued in excess of $45 million." I would like to have you supply a memorandum for the record without taking the precious time allotted you this morning, to show what the loss to the company was as a result of eliminating the so-called streetcar system. I would like to have any information as to any salvage value that you recovered; what you received for the streetcars you may have sold elsewhere, and money you may have received from other equipment that you may have sold elsewhere.

I am not sure what the real import of the following sentence means:

In doing so, the company destroyed a system valued in excess of $45 million,

That might have been the value of the system but I would like to know what the net cost to the company was of the transfer from the streetcar system to a total system.

You can supply that for the committee in a memorandum.

(Information requested follows:)

Loss to the company as a result of eliminating the streetcar system

	Reproduction cost as of January 1962	Value of remaining life, January 1962
Track	$45,088,400	$11,397,472
Distribution system (including duct and substations)	36,074,850	18,188,939
Streetcars	38,100,000	15,114,270
Total	119,263,250	44,700,681

Net salvage recovered—Property retired due to conversion to bus operation and net salvage realized on disposition of same, as of Dec. 31, 1964

Property retired	Original cost	Net salvage realized
Track	$14,976,010	[1] ($3,265,423)
Streetcars	9,486,780	378,900
Duct system	840,982	3,352
Distribution cables	1,249,180	753,580
Substation equipment	466,525	22,380
Total	[2] 27,019,477	(2,107,211)

[1] Removal cost of track exceeded salvage realized.
[2] Original cost figures set forth dates back as far as year 1895.

Mr. CHALK. Yes, sir. May I comment though on the purpose of calling the attention of the Senate to this particular fact. The important purpose was not to impress you too much that I am asking $45 million damages, which I am not.

This is the reproduction value of such a system today. I am calling it to the attention of this committee for the sole purpose of saying, "We kept our part of the bargain."

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Senator MORSE. Two years ahead of time.

Mr. CHALK. Two years ahead of time. So this would indicate the integrity of the D.C. Transit System rather than any claim for damages which was not intended. It was merely to indicate the value of such a system. Incidentally I might say that 1 week ago today I was in the city of Barcelona, Spain.

My chest just swelled with pride as I saw these very beautiful trolley cars which I had sold to the city of Barcelona—I think at about $2,500 apiece—all over the city of Barcelona. They looked beautiful and the people appeared to be very happy using them.

I had a slight pang in looking at it.

Senator MORSE. I have a little pride though that our economy is different than that in Spain.

Mr. CHALK. Yes, of course.

Senator MORSE. Now I say, Mr. Chalk, so that this hearing record may be perfectly clear, the transfer however from the streetcar system to the all-bus system was one of the considerations by way of obligation that you undertook in return for the franchise.

Mr. CHALK. That is correct. I mentioned my fulfillment of that part of the contract.

The CHAIRMAN. I resisted asking you what you paid for the system but I guess I am anticipating what you are saying in the next paragraph.

Mr. CHALK. That is right.

During the 9 years following the grant of the franchise, the company invested and obligated itself to pay for more than $35 million for new vehicles, equipment, and maintenance facilities. This $35 million was in addition to the original purchase price obligation of $13,540,000.

Our company is presently composed of approximately 2,800 men and women who have dedicated their lifetimes to the problems of transportation in this area, and who, through their joint efforts, have developed the bus transit system in our Nation's Capital into the finest, most modern system in the world.

Transit experts from every continent, many of them under the auspices of our own State Department, visit our premises each year to learn the latest techniques and methods of operation which we have developed for this highly specialized field of transportation.

Visitors from far-off countries, such as Thailand, the Philippines, Germany, and many other countries have studied the D.C. transit method of operation and have expressed their admiration for the system.

The CHAIRMAN. I think, Mr. Chalk, it is a good system. I drive to and from work. I wish there was something you might do—and this is a little afield—but if you follow in your automobile behind one of your buses, the exhaust fumes are very unpleasant. I hope something could be done in this area.

I don't know whether you are doing something in this area or not because you may be running buses for some years no matter what happens.

Mr. CHALK. May I say at this point this is probably the problem of the petroleum industry rather than the problem of the automotive industry. However, I would like to call the attention of this com-

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mittee to the fact that our research and development department is doing something about it and within a year we believe we will have available and in transportation the first of an atomic-source-powered, battery-operated bus, and we believe that when this type of power is introduced into automotive equipment the problem of the fumes will have disappeared.

The CHAIRMAN. This is encouraging news. I do not profess to be any authority on the problem but I do drive a car and I am certainly glad to get away from one of these wonderful buses of yours as quickly as I can when I am following it down any avenue; I don't care how good it is, the fumes are disturbing.

Mr. CHALK. I suppose that works two ways.

The CHAIRMAN. It may.

Senator MORSE. I supplement what the chairman said by saying that I have been following safety hearings which another committee has been conducting in regard to the problems of the automobile manufacturers. I can't escape the feeling that you are somewhat the victim of the manufacturing concern in this country that put out buses without, in my judgment, doing the research they should have done in order to prevent the sale of buses in the first place that do not have in them the equipment to take care of the problems of fumes.

Mr. CHALK. I accept that as being quite the fact.

The CHAIRMAN. You may proceed, Mr. Chalk.

Mr. CHALK. Only recently, through the State Department, the Soviet Union has requested that experts from the D.C. Transit System visit Russia to view and comment upon their system.

Computerized control methods, research and development of new modes, and methods of transportation including atomic-source-powered vehicles, are normal items for our evaluation and development programs. Our research and development program presently includes the subject of ground effect, air cushion trains which are rapidly becoming a reality in France.

The French Government, the French railways, French banking, and private industrial investors have formed a syndicate with intent to construct the first ground effect, air cushion train in the area of Paris covering a 6-kilometer stretch with a target date being the end of 1967. These funds have already been made available.

Our company is a public corporation with thousands of stockholders whose stock is listed and traded daily on the American stock exchange.

Pursuing a course of progressive modernization, it was the first to introduce new air-conditioned transit buses in the United States and today owns the largest fleet of modern air-conditioned transit buses in the world. It also has the finest and newest maintenance base in the country which was constructed and equipped at a cost of more than $5 million. It established a relationship with labor of which George Meany, president of the AFL–CIO, in a testimonial address stated:

The D.C. Transit System is the most outstanding example of enlightened management in the United States.

During the 9 years past the company kept its pledge to Congress to keep the city free from economic warfare and labor strife. Never a threat of strike has appeared on the horizon of transit operations

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during the past 9 years and a new contract recently executed extends the same to 10 years.

Contrast this, if you will, with the 10 preceding years of our company's predecessor, the Capital Transit Co., when each succeeding year brought confusion and consternation to the public.

As another tribute to the success of the D.C. Transit System is the fact that it is the only system in the United States which has arrested and reversed the trend of declining patronage from the general public in the use of mass transit facilities.

This, Mr. Chairman, is our record of which we are justly proud. This, Mr. Chairman, is the basis upon which we appear before you—you have our legal foundations predicated upon the franchise, you have mutual promises from us and from Congress, and you have our record of fulfillment.

The CHAIRMAN. Mr. Chalk, at that point—it really should have been asked in the preceding paragraph—you say you have stopped the first decline in general patronage of the general public in the use of the mass facilities. Could you supply for the record your record of patronages over the last 10 years?

Mr. CHALK. We will, sir, and that will indicate the facts.

(Information requested follows:)

Record of patronage, years 1954 through 1964

Year	Operated by—	Revenue passengers	Increase or (decrease) over prior year		
			Number	Percent	National average [1] (percent)
1954	Capital Transit Co.	165, 742, 957	(25, 531, 277)	(13. 35)	
1955	do	128. 944, 550	(36, 798, 407)	(22. 20)	
1956	D.C. Transit System, Inc	135, 001, 977	6, 057, 427	4. 70	(4. 68)
1957	do	135, 342, 718	340. 741	.25	(4. 78)
1958	do	135, 220, 605	(122, 113)	(. 09)	(6. 72)
1959	do	135, 515, 862	295, 257	.22	(1. 46)
1960	do	134, 925, 430	(590, 432)	(. 44)	(1. 74)
1961	do	133, 460, 428	(1, 465, 002)	(1. 09)	(3. 87)
1962	do	133, 491, 601	31, 173	.02	(1. 83)
1963	do	131, 685, 316	(1, 806, 285)	(1. 35)	(3. 03)
1964	do	134, 942, 613	3, 257, 297	2. 47	(. 82)

[1] Source: American Transit Association.

Mr. CHALK. As we appraise the bill which is before you, S. 1117 and H.R. 4822, it is with regret that we say our company and other companies in this area now face an ominous situation and we depend upon the integrity of Congress with whom we contracted in 1956, to redeem its pledge to us, "to maintain a continuing interest in the welfare of our company" and its thousands of investors.

We have fulfilled our part of the bargain. We have justified a continuing future and we ask only that we be accorded fair play to enable us to maintain a continuing and always improving service to the public.

We are not obstructionists and we do not wish to oppose the passage of the so-called subway bill. We do feel, however, that we have earned the right to receive your consideration and to ask for your protection in such manner as will afford us this and yet not harm the objectives of the bill.

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First, we do not wish to be preempted and deprived of the right to bid for the operation of the proposed subway as a private enterprise. Congress in 1965 recommitted the bill because it was deficient in this respect.

The CHAIRMAN. At that point, Mr. Chalk, I don't know why they recommitted it in the House of Representatives but there were a number of reasons assigned. I think this is one of them. There were other reasons assigned in addition to that. Isn't that true?

Mr. CHALK. There were two major reasons.

The CHAIRMAN. One was the cost problem and there was the managerial problem.

Mr. CHALK. That is correct.

The CHAIRMAN. It seems to me there were a number more than this one. You may proceed.

Mr. CHALK. The plan as proposed by the NCTA is not a plan for operation as a private enterprise and as such is contrary to the intent of Congress. It is a plan for private managerial service—not for private enterprise! It is a plan for private management employment—not for private investment which is the true test of private enterprise!

There appears to be no intent to grant a franchise to the most qualified bidder as was done in the award of Congress to D.C. Transit in 1956. There appears to be a mistaken presumption underlying the plan of the NCTA that Government operation is more efficient and more profitable than a true private enterprise operation. There also appears to be prejudice against the concept of the American system of earning a profit as the major incentive for increasing efficiency and tight economic control.

There can be no question that private enterprise is more qualified to bring this about than any operation of a governmental nature. Such prejudice has been evidenced only recently by comments which would describe a profit as a windfall rather than as a reward for efficiency.

It seems to us that Congress—not the NCTA should make the decision and final choice as to whether the subway shall be operated under a franchise-investment plan, under a management-employment, or under any other form of operational agreement.

It seems to us that if Congress, in its wisdom, decides to award a franchise to a qualified private enterprise operator, for which there is ample precedent, its authortiy should not be usurped by the NCTA.

On the other hand, if Congress wishes to authorize a government operation under a private employment-management contract, this likewise is the prerogative of Congress—not the NCTA. It is contemplated under the act of 1960 that another joint governmental body created by the acts of the States of Virginia, Maryland, and the District of Columbia will succeed the NCTA prior to the commencement of subway operations. It is also conceivable that such new regulatory body might disagree with the NCTA on the question of the type of operation. If this were the case, considerable confusion would result.

It is particularly for this reason that Congress should maintain for itself the power to decide between the franchise-investment type of operation and the management-employment contract type. We, therefore, strongly urge an amendment which would refer the final decision back to Congress at an appropriate time, approximately 2 years from now.

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Note should be taken of the fact that a franchise holder could be obligated to supply by lease or purchase all of the rolling stock and related maintenance facilities required for the operation of the subway similar to the manner in which the D.C. Transit supplied bus vehicles and facilities. In such case, private enterprise would assume the cost of the rolling stock and related facilities affecting a saving to the U.S. Government, in the present case, in excess of $26 million.

In view of the $35 million we have already committed and used to purchase the buses, a similar sum would not be too difficult in connection with the acquisition of sufficient rolling stock to handle the requirements of the subway, or in any other qualified bidder, not necessarily the D.C. Transit System.

The franchise holder could also be obligated to assume the payment of interest and principal of all outstanding bonds contemplated under the NCTA plan. The fact that the franchise holder does not own the subway tunnel, is no different from the concept that the bus operator does not own the road or the fact that a trolley car operator obtains exclusive trackage rights on the public highways.

A road is a road whether it is above ground or underground.

The CHAIRMAN. At that point there is a little difference. I could not very well drive my automobile down the subway, could I?

Mr. CHALK. I might suggest that, if the new subway might be built large enough to do that in case it were outmoded before it is finished.

The CHAIRMAN. You draw a parallel between a public highway and subway and I wonder if that parallel at that point is well taken, Mr. Chalk.

Mr. CHALK. I believe it is, sir, for one reason. The highway on the surface is such a road as will take the mass transit system and all vehicles. It is a vehicular highway. A tunnel is likewise a vehicular tunnel. The function of the tunnel is to carry most of the people of this city underground.

The function of the highway is to carry most of the people above ground. I see very little difference, sir.

The CHAIRMAN. I still think I would have a very difficult time driving my automobile in a subway.

You are not indicating that we are going to drive automobiles down the subway as well as the subway cars?

Mr. CHALK. There is a vehicular tunnel that goes through the entire city of Baltimore accomplishing this purpose.

The CHAIRMAN. But this is not designed this way.

Mr. CHALK. No; it is not presently designed this way but it is a good beginning.

The CHAIRMAN. I just can't agree with your conclusions at all. You are entitled to your opinion and I am entitled to mine.

Mr. CHALK. The point I made was that a road is a road whether it is above ground or underground. A subway tunnel, in my opinion, is merely a road beneath the surface. The cost of building a highway on the surface or below the surface is a proper function of government. In our opinion, the operational phase is a function more properly of private enterprise.

On this vital point of operation by private enterprise, we again respectfully urge your serious consideration—not necessarily for D.C.

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Transit—but for any bidder qualified to invest his own money and operate the system.

My next point is directed to the admission which was made on Tuesday of this week by representatives of the NCTA in response to Senator Robert F. Kennedy's inquiry. In effect, the NCTA has ruled out, as a matter of policy, the unification of the bus system with the subway system. Mr. McCarter, the Director of the NCTA, stated that the Agency had no need to acquire the D.C. Transit bus system.

This clear enunciation has brought into focus the fact that the two systems have no alternative but to become competitive, each seeking its maximum share of the total transit market.

The D.C. Transit system presently has a gross revenue market aggregating approximately $32 million. This is the gross revenue of the D.C. Transit system as of today. The NCTA has projected revenues of $13,500,000 in 1972, $20 million in 1974, and $46 million in 1980.

At this point I would like to introduce in evidence several copies of a study of revenue and passenger figures developed from NCTA Rail Rapid Transit Report dated January 1965 and developed from the studies of the research and development department of the D.C. Transit system.

The CHAIRMAN. Without objection this may be made a part of the record at this point, Mr. Chalk.

(The document referred to follows:)

Study of revenue and passenger figures developed from "NCTA Rail Rapid Transit Report, January 1965," pages 29 and 30

Year	NCTA report—Estimated revenues and passengers			D.C. Transit				
				Estimated revenues and passengers with subway		Estimated revenues and passengers without subway		Estimated loss of revenue due to subway
	Revenues	Passengers	D.C. Transit passengers [1] lost to subway	Revenues	Passengers [2]	Revenues	Passengers	
	Thousands	*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Thousands*	*Thousands*
1964				$31,663	134,942	$31,663	134,942	
1965				32,408	138,316	32,408	138,316	
1966				33,168	141,774	33,168	141,774	
1967				33,947	145,318	33,947	145,318	
1968				34,746	148,951	34,746	148,951	
1969				35,564	152,675	35,564	152,675	
1970	$1,619	8,115	1,352	35,267	151,322	36,403	156,492	$1,136
1971	6,748	33,824	5,637	34,325	147,037	37,263	160,404	2,938
1972	13,496	67,649	11,274	33,086	141,400	38,144	164,414	5,058
1973	17,544	87,939	14,656	32,343	138,019	39,048	168,524	6,705
1974	20,243	101,468	16,910	31,847	135,764	39,974	172,737	8,127
1975	22,942	114,997	19,165	31,352	133,509	40,923	177,056	9,571
1976	24,292	121,764	20,293	31,104	132,381	41,896	181,482	10,792
1977	24,967	125,147	20,857	30,980	131,818	42,893	186,019	11,913
1978	25,641	128,526	21,420	30,856	131,254	43,915	190,670	13,059
1979	26,316	131,909	21,984	30,732	130,691	44,963	195,437	14,231
1980	26,991	135,278	22,546	30,608	130,128	46,037	200,322	15,429

[1] These figures show passengers moving in local traffic only and not the loss throughout the overall system.

[2] These figures show the combined losses to the bus operation throughout the overall system.

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Mr. CHALK. There is no doubt that if the NCTA obtains the revenues it is projecting they can only be obtained by taking them away from the bus operators. It must resolve itself into a competitive battle for survival. There is not sufficient business to sustain two systems and one or the other, most likely both, will suffer financial hardship. On the subject of financial hardship, however, the edge is all the way with the Government.

It obviously becomes an unfair competitive situation when a private company must compete with a Government-operated facility.

The U.S. Government can afford to lose money without danger of bankruptcy while the private operator under such circumstances must face destruction.

Senator MORSE. I would like to interrupt you just for a very quick observation. My problem can be clarified, I think, with a supplemental statement that you can file with the committee at a later time. I am sure the record will be kept open for the filing of supplemental statements.

You say on page 9:

It must resolve itself into a competitive battle for survival. There is not sufficient business to sustain two systems and one or the other, most likely both, will suffer financial hardship.

That raises a question of fact and I don't know the answer to the question of fact but we certainly ought to eventually get into this hearing record the alleged proof of the respective litigants to the hearing. I am proceeding on the assumption which I have thought to be true that our transit situation in the District of Columbia is such that it cannot be served adequately by surface transportation, both public and private.

I make a practice of turning on my radio when I drive to work each morning. Usually at 7:15 to 7:30 each morning I leave my apartment and I listen to the announcements of the police helicopter describing traffic congestions in the District of Columbia.

I cannot listen to those helicopter reports about our congested areas during the traffic hours morning after morning without realizing that we have to get some surface traffic under the ground in order to get people to work. This congestion, I think, is going to continue.

That is one of the factors that caused me to form a tentative opinion that we have to have a subway system.

I have been on Shirley Highway in the morning when on occasions I tried to get out to the National Orthopedic Hospital in Arlington, and even going against the traffic I tell you it is really a remarkable performance in traffic gymnastics for one to get there.

The poor people coming into Washington during the morning rush hours are sometimes backed up for miles. So, I happen to be one who believes that we have to do something about the traffic congestion in the District of Columbia and the metropolitan area. I do not know what all the answers are but, as I say, I have been tentatively of the opinion that we have to have a subway system.

Now, if that assumption is sound, I think somebody has to show me that he can't have a bus and subway system and not have each financially sound.

If the need is here, I don't see why it follows that you will suffer a financial hardship, particularly when you take into account, as all of us will agree, that there will be a continuing increase in the population in the area.

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I think some of your projections here, as to income in the future, take into account the increase in population in the area. So, the situation from the standpoint of traffic jams in going to get worse rather than better on the basis of your present means of transportation.

So I think, Mr. Chalk, you ought to have your research department prepare for this committee some data that supports your statement that there is not sufficient business to sustain two transportation systems, and one or the other, most likely both, will suffer financial hardship.

All I am asking for is some evidence that you think will support that statement. I have taken the time to tell you my observations and why I have come to the conclusion that a subway system is needed.

(Information requested follows:)

DATA SUPPORTING STATEMENT THAT THERE IS NOT SUFFICIENT BUSINESS TO SUSTAIN TWO TRANSPORTATION SYSTEMS, AND ONE OR THE OTHER, MOST LIKELY BOTH, WOULD SUFFER FINANCIAL HARDSHIP

Revenue passengers carried on the combined systems of 4 major cities operating rapid and surface transit

[In thousands]

Cities	Surface		Rapid transit		System total		Percent change
	1960	1964	1960	1964	1960	1964	
Chicago	421,854	381,696	112,926	112,087	534,780	493,783	(7.66)
New York	432,874	473,871	1,348,921	1,383,977	1,781,795	1,857,848	4.27
Philadelphia	253,495	221,803	74,518	67,149	328,013	288,952	(11.91)
Toronto	247,565	237,235	34,663	38,056	282,228	275,291	(2.46)
Total	1,355,788	1,314,605	1,571,028	1,601,269	2,926,816	2,915,874	(.37)

NOTE.—The tabulation is a factual report of passengers carried by the combined systems of surface and rapid transit in Chicago, New York, Philadelphia, and Toronto in the year 1960 and the year 1964. It shows that in spite of the population increase in these cities that total ridership has decreased. New York City, even though showing a slight increase in ridership, experiences annual operating deficits.

The cities of Cleveland and Boston were not included in this tabulation since Cleveland is primarily a surface rapid transit operation while the Boston system operates through 13 cities.

Source: American Transit Association.

Combined system passenger projection for Washington metropolitan area, years 1970 through 1976

[Estimated passengers in thousands]

Year	Rapid transit NCTA [1]	Surface, D.C. Transit System [2]	Combined systems
1970	8,115	151,322	159,437
1971	33,824	147,037	180,861
1972	67,649	141,400	209,049
1973	87,939	138,019	225,958
1974	101,468	135,764	237,232
1975	114,997	133,509	248,506
1976	121,764	132,381	[3] 254,145

[1] Source: Rail Rapid Transit For Nations Capital, prepared by NCTA, January 1965.
[2] Source: Study prepared by research and development department, D.C. Transit System, July 1965.
[3] Indicates an increase of 59-plus percent.

NOTE.—This tabulation is a passenger projection for the years 1970 through 1976 for the combined systems in the Washington metropolitan area. It shows an optimistic increase in passenger ridership in excess of 59 percent. This is directly opposed to the current trend in the cities of Chicago, New York City, Philadelphia, and Toronto where the combined systems show a decline in ridership. New York City shows an increase in passenger ridership. In spite of this increase New York City experienced a deficit of $62,000,000 for the year 1964 (source New York Transit Authority).

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Mr. CHALK. Senator, may I clarify the foundation that my statement is based on?

This is a complete reversal from an assumption that we had made not too long ago. But the other day when Senator Kennedy questioned Mr. McCarter on the subject of unification, that is the combination of ownership of the subway and the bus systems of this city, Mr. McCarter said it was not necessary to do this and there was no intent—my entire statement here, this phase of it is predicated upon the fact that there is not going to be a unified transportation system.

Now I take issue with that, but this was Mr. McCarter's statement, not mine. If they are not unified, the inescapable conclusion is that they must be competitive. If they are competitive, someone is going to get hurt.

This is the point that I am making. Now perhaps I have made my point too clear and it sounds too warlike. But believe me, sir, if we are not part of a total transportation picture as private enterprise, in all fairness to my stockholders I must bend every way possible to get the last bit of business available in a true private enterprise competitive sense.

I will compete very strongly for every passenger. I have nothing to gain, and if I did I would do it, by allowing my competitor to take my business from me. Now if we are doing it together I want the maximum amount of business for my company with due regard to requirements of the public.

We will furnish the public a good service, a fine service. But if we are not a unified system, the people will say I want something for myself, believe me I do not need the transit system of this city. I could well go on without it.

I have other business. I have great affection though for the people of this city. I do have a great feeling of responsibility and I will continue as long as the people of this city and Congress and the officials want me to. But I do not need to do this. I would like to do it.

Now we will compete if we are a separate rate competitive system. If we are part of a total package and we are managing it and in the light of our experience I think we are qualified to do so, we will do the best we can. We will do the best we can under any circumstances. But here I am merely saying if we are competitive, as Mr. McCarter has said, as indicated by implication, of course someone is going to get hurt.

I don't know what the end will be. I think Congress should make this decision too. Mr. McCarter is a fine gentleman, one of the most experienced in the business. He has spent a lifetime in the Government operation of various transportation systems. He was, if I recall, an adviser to Mr. Stolzenbach in connection with the operations or contemplated operations of the present plan. He was also a witness in 1962 in the urban transportation bill which came up for hearing before Congress. But more of that later.

The CHAIRMAN. You may proceed, Mr. Chalk.

Mr. CHALK. The publicly owned facility can call upon the public treasury for operational assistance, a reserve power which is not available to the private company. To correct this obvious inequity, in the

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event such situation should develop, and equalization factor is necessary.

Such equalization factor should come into play under a formula whereby when assistance is provided toward the operation of the subway, either financial or otherwise, beyond the present projections of the NCTA, the private companies should likewise be provided similar assistance. Such assistance may be limited to the extent that the private company may be allowed to earn a fair return on the system rate base or on the gross operating revenues as may be determined by the regulatory body having jurisdiction.

I have already submitted the study which indicates the impact of the two competitive systems, one acting upon the other.

The CHAIRMAN. This is the one you have reference to?

Mr. CHALK. Yes, sir.

This will indicate the loss in revenues which we anticipate will result upon commencement, the commencement of subway operations. An equalization factor is essential to correct this situation.

A further equalization factor is essential with respect to capital improvements which the bus systems of this area require throughout the years ahead and in the light of the competing subway facility. The bus systems of this area should be assured of equal treatment in the purchase of their equipment—equal interest rates of 4½ percent—long-term financing and adequate financing for new bus terminal facilities comparable to the stations and terminals of the subway system.

If it is contemplated and within the plan of Congress to establish balanced transportation in the Metropolitan District, both systems, one beneath the surface and one on the surface, should be of comparable quality and comparable treatment.

An equalization factor or formula in this respect would be equitable and would correct the hardships which the impact of the subway would have on all surface transportation in this area. We are sure that Mr. McCarter, the director of the NCTA, concedes the importance of a healthy surface system as well as a healthy subway system.

At this point I would like to take the opportunity of commenting on some of the statements of the NCTA and referring this committee to a hearing which took place in 1962 at which Mr. McCarter, now director of the NCTA, testified before Subcommittee No. 3 on Banking and Currency in the House of Representatives, 87th Congress, on H.R. 11158.

The CHAIRMAN. What was that bill?

Mr. CHALK. This was the bill on the Urban Mass Transportation Act of 1962. I believe copies are available before you.

The CHAIRMAN. Yes; they are before the committee at the present time, Mr. Chalk.

Mr. CHALK. I would like to refer to the testimony of Mr. McCarter contained on page 537 toward the bottom where he stated——

The CHAIRMAN. I have not had the benefit of reading what Mr. McCarter says. It does not seem to be too long. So that we may have the complete statement made by him which is apparently submitted to us, it will be made a part of the record.

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(The document referred to follows:)

STATEMENT OF WALTER MCCARTER, GENERAL MANAGER, CHICAGO TRANSIT AUTHORITY, AND PRESIDENT, INSTITUTE OF RAPID TRANSIT, BEFORE THE HOUSE OF REPRESENTATIVES SUBCOMMITTEE NO. 3 OF THE COMMITTEE ON BANKING AND CURRENCY

I have a fairly short prepared statement as president of the Institute for Rapid Transit. As you indicated, my paid job is general manager of the Chicago Transit Authority. I am president of the Institute for Rapid Transit, formerly president of the Transit Research Corp. which preceded the Institute for Rapid Transit, former general manager of the Cleveland Transit System, and the Cleveland Railway which was the predecessor of that.

I am a member of the board of directors of the American Transit Association and one of the consultants for the National Transportation Agency here in Washington. I have spent all of my working life in urban transportation which is 41 years—23 years of that with the title of general manager.

I would like to point out that the predecessor for the Institute for Rapid Transit was the Transit Research Corp., which became widely known here and abroad for its development of the so-called PCC-type streetcar, the modern streetcar which disappeared from the streets of Washington just recently.

This revolutionary type of streetcar was designed to enable surface transit to compete on more equal terms with the private automobile but spiraling costs of operation, and greatly intensified automobile competition and traffic congestion have virtually relegated this fine transit vehicle to the past.

Membership in the institute consists primarily of companies that contributed to the development of the PCC streetcar and operating companies that are keenly interested in the development of rapid transit in their communities.

Operating company members are as follows:

Chicago Transit Authority.
Cleveland Transit System.
Metropolitan Transit Authority, Boston.
Pittsburgh Railways Co.
Toronto Transit Commission.
Montreal Transportation Commission.
Atlanta Transit System.
San Francisco Bay Area Rapid Transit District.

Broadly speaking, the Institute of Rapid Transit is dedicated to the proposition that much more emphasis must be placed upon mass transportation, particularly rapid transit, to enable the Nation to meet the surging demands for better, total transportation in metropolitan areas where population is rapidly being concentrated. This greater emphasis must include much greater public financial aid to transit.

Transit operators long have known the transit facts of life. They have broadcast them to all who would listen. They have fought strenuously against automobile competition that has cut transit passenger volume to less than half of what it was at its peak, and has had transit companies that have managed to exist on the ragged financial edge for years.

The operators have seen this destructive, publicly promoted competition greatly expanded by the expenditure of billions upon billions of public funds for multilane expressways, for vast street and arterial highway systems, for parking facilities that preempt high-value land in the centers of metropolitan areas and seriously impair tax revenues.

They have pointed out that experience has proved conclusively that the private automobile can never become a substitute for mass transit, particularly in the hours of peak demand when millions are on the move between home and work, or on other daily routine trips.

They have sounded warnings repeatedly that the blind and profligate indulgence of the private automobile, and the almost complete and utter neglect of mass transportation, would inevitably produce the transportation crisis that confronts the Nation today.

In recent years, there has been widespread recognition of the necessity of channeling public funds into improvement and expansion of mass transportation on a scale commensurate with the magnitude of the job that mass transportation should perform.

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It is heartening, indeed, that we are at last coming to grips at the highest level of government with the problems of mass transportation and the urgency of enabling transit through adequate public financial aid to perform the vital role that it should in the Nation's economy.

In seeking equitable treatment for transit, we transit operators do not advocate any punitive action against the private automobile. Neither do the public officials, civil leaders, planners, and a large segment of the general public who share our views.

All of us recognize that the private automobile is indispensable. In its proper sphere, which certainly is not the mass transit field, the private automobile is just as essential as is transit.

As the name of our organization indicates, we are primarily concerned with rapid transit, particularly off-street, grade-separated rail rapid transit.

Only high-capacity, grade-separated rapid transit can successfully perform these most necessary functions:

(1) Reduce street traffic congestion in the cores of metropolitan areas.

(2) Cope with the mass transportation needs of the rapid concentration of population in metropolitan areas.

(3) Provide the speed and attractiveness of service that will induce motorists to leave their cars at home, or at least use rapid transit for part of their daily trips into high population density areas.

There exists today a serious lack of adequate high-speed, high-capacity rapid transit in most of our metropolitan areas. Existing rapid transit systems should be extensively expanding and improving their facilities and their service to the public. A number of cities of major size do not even have any rail rapid transit.

Great as is the need now for rail rapid transit, it will be much greater by 1980, when, according to population experts, 60 percent of the Nation's rapidly expanding population will be concentrated in metropolitan areas.

The reason why there is a serious lack of rail rapid transit today, and the reason why existing rapid transit systems cannot expand to meet even today's needs, is obvious. Rapid transit systems are costly to construct, and costly to maintain and operate. Major improvements and extensions cannot possibly be financed out of the fare box alone at reasonable rates of fare.

I might digress to say that no rapid transit system can survive alone. I will expand on that latter.

By itself, rapid transit is not self-supporting. In all the cities of the United States that now have rapid transit, the rapid transit part of the transit system is supported by profitable bus operations, or by a public subsidy of one kind or another.

In Boston, the subsidy to the Metropolitan Transit Authority approximates $20 million annually. It is paid by Boston and the suburban communities served by Metropolitan Transit Authority. Each year the deficit arising from this service is prorated among the communities, which levy sufficient taxes to reimburse the authority.

Now in Boston their subsidy is different from anyplace else. It is what is called a deficit subsidy. In other words, they operate and at the end of the year come up with a deficit and that deficit is prorated against the communities on a population basis. Each of these systems are subsidized in a different way as I will explain.

In New York, the Transit Authority is subsidized to the extent of more than $100 million a year. The city of New York pays for virtually all capital improvements, the authority's police force, and other substantial charges.

In 1942, while I was general manager, the Cleveland Transit System became publicly owned. I was able, during the lush years of the war period, to earn enough to liquidate its initial debt. In other words, when the Cleveland Transit System became publicly owned, it was purchased from the private operators for $17½ million. During the war years we made enough money so that within 10 years that debt was completely liquidated.

Shortly after the end of the war, however, Cleveland went into debt again to build the initial rapid transit system, and to acquire right-of-way at a reasonable cost which had been partly developed by the late Van Swearingen brothers as part of their railroad empire. This debt is now being serviced by the entire operations, including the bus system. In other words, it was decided that Cleveland needed rapid transit. The transit system was in a good financial state and could support a new debt service which could support an initial rapid transit system.

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In Philadelphia, certain subways were built by the city of Philadelphia and leased to the private operator. In that connection at a later time I would like to comment on the relation of private operators and public operators and possibly suggest a slight amendment to your bill to expand that situation.

The city also purchases and leases equipment to the private operator, and is subsidizing some commuter operations.

In Chicago, the city and other public agencies have spent in excess of $100 million to expand the rapid transit system through the construction of subways. One of the major objectives in establishing Chicago Transit Authority, which became an operating agency in 1947, was to save the privately owned rapid transit system. It was on the verge of complete collapse.

Now I can give you just a little history there. The Chicago surface lines and the Chicago rapid transit were separate corporations and they were in bankruptcy for years. The Chicago transit system was in technical Federal bankruptcy because its bonds became due. They couldn't get a franchise because their bonds were due and they couldn't refund them. So they had to go into bankruptcy.

The rapid transit system was in such complete bankruptcy that at the end it was not even paying its taxes, it hadn't bought a piece of equipment, modernized, bought anything of a capital nature for years and years, and if the authority hadn't taken over on October 1, 1947, they wouldn't have been able to completely meet their next payroll.

The mayor and the Governor then of opposite political parties, agreed that the city would not give a franchise to the surface lines unless it included the rapid transit, because the city had to save the rapid transit. They tried four different times to reorganize as a private operator or with the combination of the two. They all failed. They couldn't get the money.

The mayor and the Governor then agreed to establish an authority and it is a State authority and then there was the problem of financing that. We struggled and struggled and both the SEC and the Reconstruction Finance Corporation were very cooperative.

The Reconstruction Finance Corporation had some commitments to the Federal judge, but we were determined to finance it with revenue bonds, had a syndicate of several bond houses which said they would finance it $105 million. They came down to the last minute and they backed out but we had a section of the law which said we could put the bonds out on consignment and so these same bond houses took the bonds on consignment.

Now I remember in August of 1947 I was with a small group that traveled the country over visiting all bond houses and convincing bond salesmen that this particular investment was a good investment, and finally the $105 million worth of bonds were sold, and the authority came into being, but it came into being to save rapid transit, and since that time, and I have been the general manager there for 15 years and we have modernized quite a bit—not enough—but we have modernized the rapid transit out of earnings from the bus system.

Some private figures I keep, which are not public figures, indicate that if you applied the income of each of the surface and the rapid to where it is collected and the expenses, almost every year the rapid transit loses $5 million a year and the surface makes $500 million a year.

There is that disparity between the two so that the bus system is supporting the rapid transit, but as the bus system decreases it becomes more and more difficult to support the rapid transit and the rapid transit is increasing and what I am saying is that in rapid transit it has been supported in every city by something other than its own operation and that is the reason in San Francisco in a very realistic approach, they say that they cannot build a rapid transit system there unless it is built out of public funds and then they say they can operate it, the operating expenses, if they go to a large degree of automation.

I would suspect when it is all over before it is done there will be a consolidation of all of the bus operations and the rapid transit, if it goes in, so that the two will work together. In Toronto through the war years they made enough money so that they could build the initial subway in Toronto and carry the debt service, but Toronto wanted another subway, a crosstown subway.

The transit system couldn't finance it. They could partially finance it, so the Province of Ontario is largely financing the second subway that is being built in Toronto.

In Montreal a contract was just let for a subway and that is being entirely financed by the city and the Province of Quebec. In Atlanta, the engineering

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studies there frankly admit that they cannot have rapid transit unless the rapid transit is built out of public funds. Then they can operate it.

Now in Chicago—and I am going to bring this up just to answer the question you have about private versus public operation, and I think a phase of this which is important—in Chicago the city built the subways with three sources of money. One source was a traction fund which had been built up in the lush years of the surface lines' operations, where they paid a percent of their gross into a city fund, by WPA funds as a works project during the depression, and by a $25 million bond issue. That made up the $100 mlilion. About $29 million of it was Federal funds; $25 million was bond issue.

The other was out of this traction fund. Now what is our relation? We are a State agency. Our relations with the city is a francise relationship almost exactly the same as a private operator would have a relationship with the city. We have a contract. It is a 50-year contract; 15 years of it has gone. Our contract with the city provides that we will pay the city 3 percent of our gross income taken in in the city if earned as a rental on streets, bridges, and subways, but being a nonprofit municipal corporation, it is the last thing to be earned.

In other words, we pay the city if we have earned everything down to a certain point and then have a surplus which would be the rental paid to the city. In the 1952 fare hearing where we had to raise the fares and where I was made public enemy No. 1, as Mr. Derwinski may remember, I proposed a fare structure which would pay the city and the city's witnesses, the city administration forget the rental, charge a rate of fare which will do what you have to do, but you don't have to pay this rental.

Now that relationship could be made with a private operator or a similar relationship could be made with a private operator, but some public agency is going to have to build the rapid transit.

In St. Louis, and Johnny Bain is one of my closest friends, and if I were in Johnny Bain's place I would say St. Louis doesn't need rapid transit, I would say buses could do everything because I would know as a private operator that I couldn't operate rapid transit, but if another agency, if St. Louis and East St. Louis should decide that they need for the health of the metropolitan area, they need rapid transit and a public agency builds rapid transit, then they could lease it on some basis to the private operator.

Mr. MILLER. Mr. Chairman, might I interrupt for a question there, because he has raised the point.

Mr. MULTER. Yes.

Mr. MILLER. My question which I began the private-public discussion with was not as to a financial arrangement which you have dealt with so completely. My question was as to section 3(B) of the act which says that one of the requirements of any such grant or loan is that "satisfactory continuing control through operation or lease or otherwise" over the use of the facilities, and control must be complied with. It is this matter of control that I was concerned with, not the financial terms. Is this a workable arrangement, does it mean anything in real or practical terms or in fact isn't this just window dressing and a sop to someone?

Mr. MCCARTER. Let's take control. I have been controlled all my life.

Mr. MILLER. I mean control from both aspects now, both the private operator's point of view and those who must do the controlling.

Mr. MCCARTER. Let's take here in Washington, the National Capital Transportation Agency to produce a rapid transit system for Washington.

Mr. MULTER. A plan. They are not an operating agency; they are charged with producing a plan.

Mr. MCCARTER. That is right, producing a plan which might eventually become the system.

Mr. MULTER. Right.

Mr. MCCARTER. But in my opinion when it becomes a system there is going to have to be a very close coordination with the private system and I know that Mr. Chalk is going to testify here tomorrow. There has to be close coordination with the private system.

Now how are you going to get that coordination? I would say that this system could be leased to either Mr. Chalk or the District could buy it, pay Mr. Chalk for his properties what they are worth, and consolidate them. It could be leased on a basis of a last charge on earnings, or it could be leased on the basis of a percentage of net. The local community can determine, but if the local community wants rapid transit——

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Mr. MULTER. In the District here it will be the Congress that will have to make the determination unless and until we give them home rule.

Mr. MCCARTER. Yes; but as I say when Congress makes that decision, they can make that decision in many of these ways. If Mr. Chalk is the best operator that you can find and you want to continue his private operation, the Congress could lease the rapid transit system after it is built, to Mr. Chalk on whatever terms the Congress decided were the terms for the lease.

Now the problem, of course, and I can give you a specific problem of where sometimes you get into trouble that way. Now in Chicago when they built the Congress Expressway, one-half of that trackage was owned by the Aurora & Elgin Railway. The highway agencies found great difficulty in working with them because they were also working with another railroad, the B. & O.C.T. which had leases with the Soo Line and the Great Western and in dealing with those as highways do, where you depress there is a benefit to the railroad which the railroad pays. For the Aurora & Elgin, the benefit would have been $5 million. The Aurora & Elgin couldn't pay it, they didn't have the resources.

The highway agencies felt in this particular case because the ownership was outside of Illinois, colloquially called the Kansas Farmers, they felt that they couldn't subsidize them so I made the proposition that CTA would buy the rails for those 3 miles. The highway agency bought the right-of-way.

We paid a million dollars over a 5-year period without interest. The highway paid $3 million for the right-of-way. Then because we are a public, nonprofit agency we got great benefit out of it. We weren't assessed.

As a matter of fact, they moved our rails out of the way and then back in the median strip gave us new rails and new stations which they still own, we don't own, but we leased it on a perpetual basis. In other words, we have a perpetual easement as long as we operate rapid transit.

We use them and must maintain them.

Mr. MILLER. Mr. Chairman, these are illustrative examples which would be helpful upon study, but they have not assisted me to come to any conclusion with respect to how you feel this section 3(B) is a meaningful addition to this bill or is not.

Mr. MCCARTER. Well, it is section 4 that I am thinking of.

Mr. MILLER. Well, I am asking a specific question, and I would like to have you give me a response to that question.

Is section 3(B) a meaningful section of this bill or is it not?

Mr. MCCARTER. Well, of course section (a) is legal, financial and technical.

Mr. MILLER. I am talking about 3(B).

Mr. MCCARTER. All right: Satisfactory continuing control through operation or lease or otherwise over the use of the facilities.

Now my way of doing it would be just that way, to have the agency—that is where I would make my change in section 4—in Chicago, let us say, instead of having me as the operating agency make an application for funds for extending a subway or putting rails in the northwest median strip, I would have the agency that produces the other third make the application and if that is the State, maybe that is the State public works department, it might be the county, then they control it and I think they should control it and they can lease it, they can get another operator, or they can hire us to operate it. And I think they should control it and lease it.

Mr. DERWINSKI. Will the gentleman from California yield?

In line with your question, Mr. Miller, perhaps if we reminded Mr. McCarter that when Dr. Weaver was before the committee, his explanation of this section was that an operating public agency, city, county, or any combination thereof, has to be the vehicle to use the funds under this act. Therefore we would have to—forgetting for a moment a city like Chicago, New York, or Philadelphia with its huge type problem, we would have to go into any city in the country of 25,000, 50,000, or 75,000 population, completely isolated from a metropolitan area, would have to superimpose on the existing privately owned companies a transportation agency before they could qualify for assistance under this bill.

I think Mr. Miller finds his question correctly is asking you if that provision, therefore, is practical to the ultimate objectives of this bill.

Mr. MCCARTER. My interpretation of it is practical.

Mr. MILLER. Thank you.

Mr. DERWINSKI. We took the long way around, but we got the answer you wanted.

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Mr. McCarter. But to make it practical I think section 4 might be amended where it says that the administration shall estimate that portion of the cost of a project to be assisted under section 3 of this act, cannot be financed on reasonable terms from revenues, which portion shall hereinafter be called the net project cost.

Now if that stays that way, in Chicago apparently as far as CTA is concerned, or commuter railroads through some agency where they are concerned, they would have to make the application and they would have to see what we could do and what the net cost would be.

Now what I would like there is if another agency, like the State, were to build on to let us say our Congress Expressway, which they already own, that they ought to make the application and they ought to pay the third and the Federal Government pay the two-thirds and then they ought to be able to lease it.

Now in that case I don't think the net cost would come into it, the net project cost, but they would have to determine how much rent the operator could pay and what kind of rent he would pay.

Mr. Derwinski. Mr. McCarter, one of the questions we also picked up with Dr. Weaver was the feasibility of a publicly owned transportation operation being the vehicle which a privately owned and operated company had to use to get additional equipment, in other words, you as the Chicago Transit Authority could qualify under this bill. South Suburban Bus Lines or the Illinois Central Railroad, or the North or South Shore Lines couldn't.

Mr. McCarter. You are going to have testimony from South Shore Lines later.

Mr. Derwinski. The point I am making is this: You would get the funds. You could purchase equipment and lease it to the South Suburban Bus Lines. The question occurs to me that you are more apt to say we want to move out and take over your routes and your services rather than to lease this equipment which we are able to obtain.

In effect then this bill would provide the vehicle for you to put an operating effective servicing private busline out of operation.

Mr. McCarter. We could now in Illinois, which we have never done.

Mr. Derwinski. But you will have increased incentive and ability to do so under this bill.

Mr. McCarter. And what I am saying to you is that I am perfectly willing that the CTA not be the agency that applies for this. Let the State set up an agency for this purpose, to assist CTA, to assist the suburban railroads, to assist the South Shore and let them be the agency that buys the equipment or buys the right-of-way and then makes the deal with whatever operator they want, whether it is the Illinois Central, whether it is CTA, whether it is the Interurban Line.

Mr. Derwinski. Mr. McCarter, I think it is especially appropriate that you also appear before us on behalf of Governor Kerner. May I ask a question regarding the relationship of the CTA and the State at the moment?

Reading at page 3 of your statement, you say that the operators have seen this destructive publicly promoted competition greatly expanded by the expenditure of billions upon billions of public funds for expressways. You are making the point that this public use of funds has been the chief competitive detriment to private and public transportation systems.

Mr. McCarter. Yes.

Mr. Derwinski. Would it not be consistent with this objection for you to lobby in Springfield—and I use the word politely now—to lobby in Springfield for a reduction of State funds in multilane expressways and instead putting those funds into transportation systems or subsidizing transportation systems?

Mr. McCarter. No, I think those expressways are necessary.

Mr. Derwinski. Despite their destructive nature?

Mr. McCarter. But I think what should be a companion to them is like our Congress Street Expressway where you build a rapid transit system as a part of the expressway, where we carry in the rush hour 12,000 people an hour, compared with the 4-lane expressway carrying 8,000 people an hour, but we ought to carry more and we ought to have public support for added auxiliary facilities like parking facilities out at Des Plains Avenue so that the express facility could become more useful, because what is happening? You are building these expressways in the available corridors. They have become overloaded in the rush hour so that they have become almost useless.

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If you try to build another expressway in those corridors you will be in real trouble because in building the first expressway they took almost all of the available land, so what I am asking for is additional coordination so that when they build, the facilities are available for the coordination of rapid transit and the expressways, so that you can solve the total problem and not just the highway problem.

Mr. DERWINSKI. Mr. McCarter, one other statement you made, and this is on page 4, you said "By itself rapid transit is not self-supporting." This sounds to me an awful lot like the Washington Senators saying "We can't beat the Yankees." This is an admission of inability to operate at a profit.

Mr. MCCARTER. It is the admission of the inability to charge a rate of fare and keep your business that would produce a profit. Now let me give an example in Chicago.

Mr. DERWINSKI. May I interrupt at this point? Mr. Gunlock was here last week and incidentally gave very interesting testimony. At one point he stated that 5:15 was the peakload for your operation. He also said at that point that the congestion in the highways was such that people had to use your facilities. Obviously at 2 or 3 in the afternoon they do not have to use your facilities.

Mr. MCCARTER. That is right.

Mr. DERWINSKI. Why couldn't you gear your fares when they have to be used at a level to return a greater amount of funds? In other words, when they have to use it, you could hit them with a substantial fee to pay your costs. At 2 or 3 in the afternoon you could induce them by cut fares.

Mr. MCCARTER. I tried that in Cleveland.

Mr. DERWINSKI. This is my proposal, not Mr. Gunlock's, don't misunderstand me.

Mr. MCCARTER. By doing that you drive more people to the automobile.

Mr. MULTER. Apart from that, you are going to hit the worker who can't afford an automobile, and others who must use public transportation.

Mr. MCCARTER. We are on a very fine relationship as to whether people will use rapid transit or their private automobile. When you go up in fares, more people will use the automobile.

Mr. DERWINSKI. Do you think the rise will be that destructive?

Mr. MCCARTER. It always has been.

Mr. DERWINSKI. One last question, for the sake of the record, in 1947 when the CTA took over the rapid transit and the surface lines, the lush years that you refer to in your testimony, and in other cities experience had, in effect, been deprived of—your predecessor, the surface lines, had been deprived of this in Chicago?

Mr. MCCARTER. That is right.

Mr. DERWINSKI. Because of an unrealistically low fare. It was 7 cents, as I recall.

Mr. MCCARTER. Seven, and it went to nine, yes.

Mr. DERWINSKI. Obviously, a city council with some imagination and foresight would have permitted the surface lines to increase fares to a dime during those lush years.

Mr. MCCARTER. It was the commerce commission.

Mr. DERWINSKI. But obviously they could have built up a financial base which might have put them in a position to handle the transportation needs of Chicago.

Mr. MCCARTER. They would have, but they didn't.

Mr. DERWINSKI. That is the point I wanted to make.

Mr. MULTER. Mr. Widnall.

Mr. WIDNALL. Mr. Chairman, I would just like to ask one question about the financial aspects of this bill.

If this should become law, what do you estimate Chicago would try to take advantage of here, costwise?

Mr. MCCARTER. We went to the State legislature, the last two sessions, and didn't quite make it, and what we said there was that to modernize our system we would need about $15 million a year, and in a construction program about $15 million is all you can spend.

In other words, by the time you get the contracts and so forth, about $15 million a year would be the figure, but it would be a continuing $15 million a year.

Now, that brings up the question that has been raised of forward financing versus contract financing. Whether or not you could start a project and say you are going to get $15 million a year and then if you didn't get it the next year, stop the project, that would be difficult for an operation like mine.

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That is another reason I think that this ought to be provided, that another agency could come in under this act because they could stand that better than the operator could, if they didn't get the future money.

Mr. MULTER. Well, this bill contemplates just that, because any unused appropriation may be used in subsequent years. While there is $500 million divided over 3 years, the act does provide that anything not used this year may be used next year, and therefore if you came in and got an allocation of a hundred million dollars for Chicago, it could be spread over the 10-year period under this very act.

Mr. MCCARTER. Yes, if we got the hundred million. We need $300 million to do our job over 10 years.

Mr. DERWINSKI. At this point, Mr. Chairman, Mr. McCarter, may I also ask that you direct this figure to the Governor's attention, since I notice, reading from the Governor's statement that he expresses his interest in the problems throughout the State. The State of Illinois is one of the States that is continually shortchanged when it obtains Federal funds. To be very specific, for every dollar that we in Illinois get from the Federal Government, we pay $1.68 in taxes to obtain.

Therefore, if you received $100 million for mass transportation in Illinois under this bill, Illinois taxpayers would have to contribute $168 million to get this $100 million back.

The more we expand Government programs, States like New York, Pennsylvania, Illinois, Michigan, Ohio, the very States that are coming in before this committee asking for this bill, are the States who are paying premium dollars to get this money.

If we expanded your tax base, left the money home to start with, you would have your hundred dollars for each hundred dollars of taxes, and all we are doing here is adding to the continual shortchanging that Illinois taxpayers get from Federal programs.

Mr. MCCARTER. If that were possible.

Mr. DERWINSKI. Well, it is not going to be possible if the trend is to be to keep asking for more money.

Mr. MULTER. Let's get on and let's try not to repeat ourselves. This argument has been made repeatedly, and there are many of us who do not agree with the argument. But let's save that for the floor or for executive session.

Mr. DERWINSKI. I think it is important for the record, Mr. Chairman.

Mr. MULTER. Your statement is important for the record, but I think if made once that is sufficient. You are not going to get these witnesses to change their philosophy of their approach by repeating it several times on the record.

Mr. MCCARTER. I might say to Mr. Derwinski that I am a conservative southern Indiana fellow.

Mr. WIDNALL. Mr. Chairman—

Mr. MULTER. Mr. Widnall.

Mr. WIDNALL. Do I understand from Mr. McCarter's answer that you believe that Chicago would probably be asking for participation by the Federal Government to the extent of $10 million a year?

Mr. MCCARTER. Yes.

Mr. WIDNALL. And you would be putting up the other five under the grant program?

Mr. MCCARTER. Yes.

Mr. MILLER. Mr. Chairman, because Mr. McCarter has such wide knowledge, I wonder if we might get a very short answer to the question of whether or not the States and local communities can do this job of rapid transit unassisted or whether this proposed legislation is necessary for them to do a proper job.

Mr. MCCARTER. I don't know whether they can or not. I don't think they will.

Mr. MILLER. And one other question. You have said that the city of Chicago, and Governor Kerner refers to it—what we must do in the next few years in metropolitan areas is to coordinate the private automobile ride with transit and commuter railroads, and you have said that no "punitive action" will be taken against the auto.

How do you propose to get people to use rapid transit on a basis of choice? This is a matter which we have dealt with a great deal. Is there a possibility of a short answer to that question?

Mr. MCCARTER. Yes; I think it can be done by coordinating the expressway at the terminal of the rapid transit with the highway by building adequate parking there so that the fellow who comes in from farther out and has to use his auto-

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mobile—and on the Northwest Expressway a recent study indicated that 75 percent of the rush-hour travelers at the maximum load point on the North Side Expressway came from out in the suburban area beyond our services.

Mr. MILLER. In other words, you can give the illusion to the individual American of choice and at the same time without punitive action coordinate the private automobile with rapid transit?

Mr. MCCARTER. And they will take that action.

Mr. MILLER. The answer is what, "Yes"?

Mr. MCCARTER. They will take that choice if they have that choice, and I think many of these people would prefer to leave their automobile out at a terminal and take good, fast rapid transit at that point. But now they have no choice because our 500-car parking lot at Des Plaines Avenue is filled at 6:45 in the morning, which indicates they do use it where they can, but the remaining automobiles have no choice; there is no place for them to be left.

Mr. MULTER. I think it should be put the other way. If the cities create the incentive for the automobile owners, they will leave the automobiles on the outside of the center of the city.

We did that on Long Island by providing free parking, and they came in on the trains.

Mr. MCCARTER. I think that is correct, and we need help to do that.

Mr. MULTER. Thank you very much.

The CHAIRMAN. Now you take the parts you want to comment on.

Mr. CHALK. I now call attention to the part of the statement contained toward the bottom of page 537:

The reason why there is a serious lack of rail rapid transit today, and the reason why existing rapid transit systems cannot expand to meet even today's needs is obvious. Rapid transit systems are costly to construct, and costly to maintain and operate. Major improvements and extensions cannot possibly be financed out of the fare box alone at reasonable rates of fare.

I might digress to say that no rapid transit system can survive alone. I will expand on that latter.

Continuing on page 538:

By itself, rapid transit is not self-supporting. In all the cities of the United States that now have rapid transit, the rapid part of the transit system is supported by profitable bus operations, or by a public subsidy of one kind or another.

In Boston, the subsidy to the Metropolitan Transit Atuhority approximates $20 million annually. It is paid by Boston and the suburban communities served by Metropolitan Transit Authority. Each year the deficit arising from this service is prorated among the communities, which levy sufficient taxes to reimburse the authority.

Now in Boston their subsidy is different from any place else. It is what is called a deficit subsidy. In other words, they operate and at the end of the year come up with a deficit and that deficit is prorated against the communities on a population basis. Each of these systems are subsidized in a different way as I will explain.

In New York, the transit authority is subsidized to the extent of more than $100 million a year. The city of New York pays for virtually all capital improvements, the authority's police force, and other substantial charges.

In 1942, while I was general manager, the Cleveland Transit System became publicly owned. I was able, during the lush years of the war period, to earn enough to liquidate its initial debt. In other words, when the Cleveland Transit System became publicly owned, it was purchased from the private operators for $17½ million. During the war years we made enough money then so that within 10 years that debt was completely liquidated.

Shortly after the end of the war, however, Cleveland went into debt again to build the initial rapid transit system, and to acquire right-of-way at a reasonable cost which had been partly developed by the late Van Swearingen brothers as part of their railroad empire. This debt is now being serviced by the entire operations, including the bus system.

In other words, it was decided that Cleveland needed rapid transit. The transit system was in a good financial state and could support a new debt service which could support an initial rapid transit system.

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In Philadelphia, certain subways were built by the city of Philadelphia and leased to the private operator. In that connection at a later time I would like to comment on the relation of private operators and public operators and possibly suggest a slight amendment to your bill to expand that situation.

The city also purchases and leases equipment to the private operator, and is subsidizing some commuter operations.

I now pass over to page 540 of Mr. McCarter's testimony toward the bottom at the point beginning with:

In St. Louis and Johnny Bain is one of my closest friends, and if I were in Johnny Bain's place I would say St. Louis does not need rapid transit, I would say buses could do everything because I would know as a private operator that I couldn't operate rapid transit, but if another agency, if St. Louis and East St. Louis should decide that they need for the health of the metropolitan area, they need rapid transit and a public agency builds rapid transit, then they could lease it on some basis to the private operator.

I now pass on to the——

The CHAIRMAN. At that point, Mr. Chalk, let me find out your position. I understood you to say, maybe reluctantly, you are not objecting to a subway system.

Mr. CHALK. I am not objecting to a subway system.

The CHAIRMAN. That is what I thought.

Mr. CHALK. Oh, no.

The CHAIRMAN. You are objecting to some of the terms that were put in by the House of Representatives. Whether the transit system should be a management contract as opposed to a franchise operation.

Mr. CHALK. No, sir; I am presently in favor of the bill without any questions whatsoever. But I am pointing up the importance of the bus system and its relationship to a unified type of operation which seems to be in doubt under Mr. McCarter's statement.

The CHAIRMAN. Very well. Thank you. You may proceed.

Mr. CHALK. Now I pass over to page 541, and I believe the last quotation.

I suggest to the committee that those interested study the entire testimony. Mr. McCarter in response to questioning at that time by Mr. Multer:

Mr. MCCARTER. Let's take here in Washington, the National Capital Transportation Agency to produce a rapid transit system for Washington.

Mr. MULTER. A plan. They are not an operating agency, they are charged with producing a plan.

Mr. MCCARTER. That is right, producing a plan which might eventually become a system.

Mr. MULTER. Right.

Mr. MCCARTER. But in my opinion when it becomes a system there is going to have to be a very close coordination with the private system and I know that Mr. Chalk is going to testify here tomorrow. There has to be close coordination with the private system.

Now how are you going to get that coordination? I would say that this system could be leased to either Mr. Chalk or the District could buy it, pay Mr. Chalk for his properties what they are worth, and consolidate them. It could be leased on a basis of a last charge on earnings, or it could be leased on the basis of percentage of net. The local community can determine, but if the local community wants rapid transit.

Mr. MULTER. In the District here it will be the Congress that will have to make the determination unless and until we give them home rule.

Mr. MCCARTER. Yes; but as I say when Congress makes that decision, they can make that decision in many of these ways. If Mr. Chalk is the best operator that you can find and you want to continue his private operation, the Congress could lease the rapid transit system after it is built, to Mr. Chalk on whatever terms the Congress decided were the terms of the lease.

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The CHAIRMAN. We went halfway yesterday. I hope we go all the way.

Mr. CHALK. This is very timely, sir. That is why I recall it to the memory of all.

I think I have sufficient testimony on the part of Mr. McCarter to indicate that at one time Mr. McCarter was completely in accord with my views. There seem to be some differences today and I trust that these differences can be ironed out.

The CHAIRMAN. It does not occur to me at first reflection that there is anything particularly inconsistent in what you have read and the position that he takes now.

Mr. CHALK. These then, Mr. Chairman, are the issues. First, the responsibility of Congress to redeem its pledges to the D.C. Transit System under the act of 1956 by maintaining a continuing interest in its welfare. Second, by retaining for itself, the Congress of the United States, the right to determine the eventual operator of the subway system and whether or not it shall be by franchise investment, management-employment contract or by any other form of operational agreement acceptable to Congress.

Third, justice requires an equalization factor as between the subway system and the surface system to avoid unfair competitive practices to the detriment of private invested capital as well as to the detriment of the Government's investment in the subway.

This equalization factor, formula or statement of policy should apply equally in matters involving operations as well as in matters involving capital outlay.

In all other respects, we defer to the desires of the administration and the will of Congress.

I thank you for the privilege of appearing before you today.

The CHAIRMAN. Thank you very much, Mr. Chalk. This will certainly receive the committee's very careful consideration and now might I ask this. Have you and your legal counsel prepared any amendments that appear to give effect to the last paragraph which you have just testified to?

Do you have amendments which you would like this committee to consider?

Mr. CHALK. May I say, sir, there are no Chalk amendments.

I am suggesting that if the justice of my views are fairly considered it would be greatly appreciated if the Senators, if they feel inclined, might suggest their own amendments with my views being seriously considered.

The CHAIRMAN. Now we narrow this problem down to the question of whether or not you are adequately protected or whether you are not adequately protected under the bill that comes to us from the House of Representatives.

They took the position and their report is very clear, that they think there is adequate protection built into the law which is now before us.

Obviously you take a different view. Now what type of adequate protection under this other than they suggest there? You say it should be left to the Congress. Under point 2 you aver:

This should be left to the Congress to determine the eventual operator of the subway system and whether or not it shall be by franchise investment, manage-

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ment, employment, contractor by any other form of operational agreement acceptable to the Congress.

Did not the House of Representatives meet that issue in their bill? At page 5 where it reads:

Rail rapid transit lines and related facilities authorized by this act shall not be operated except under contract by private transit companies, private railroads, or other private persons.

Mr. CHALK. No, sir; they did not.

The CHAIRMAN. Why didn't they meet it?

Mr. CHALK. They did not make it clear which type of management was most desirable. They have left it entirely up to the NCTA.

The CHAIRMAN. Correct.

Mr. CHALK. And the NCTA has already made it clear that it favors the employment type of management, and, therefore, we are not protected. I merely say that the NCTA should not be the final arbiter and group to decide. I say Congress in its wisdom should make the decision.

The CHAIRMAN. My only point, Mr. Chalk, is that apparently as the bill comes to us a determination has been made, at least on the other side of the Hill, that the NCTA is the proper authority under delegation to enter into private contracts for operation. Apparently they have made that determination.

Mr. CHALK. Had the NCTA not stated its position and said that this subject is an open one, it is possible we might have passed over that particular point and said we will take our commands that they have an open mind and that private enterprise will get an equal break. But apparently, and beyond any doubt, they do not have an open mind on this subject.

They have already committed themselves to it, and we oppose their view in respect to the management. We say this is not true private enterprise and we want an opportunity as true private enterprise to assume the management of the subway system and its coordination with the bus system.

This is not possible today under the NCTA statement of policy.

The CHAIRMAN. Why isn't this true with private enterprise? I don't understand.

Mr. CHALK. The difference between true private enterprise and the type of management that is suggested by the NCTA, the NCTA merely wishes to employ a group of men, management consultants, or whoever they might be, who have no risk involved, who have no investment involved, possibly furniture and fixtures, but who have no risk of their own, no inducement or incentive for the highest degree of efficiency and tight economic controls.

Their job is merely to run the business as efficiently as possible as a good Government employee would do but he has not the incentive of a private enterprise investment. When a man invests or a group of men invest millions of dollars under the American system of private enterprise they are going to try to protect their investment.

This is the very foundation of the American capitalist system; we have to protect our capital, and we will operate efficiently in order to do so. Now we take the view that we can do a better job. A dollar, as I said before, in the hands of a private enterpriser is a long way further than a dollar in the hands of Government officials.

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The CHAIRMAN. Mr. Chalk, there certainly is not anything in the bill that is before us, passed by the House of Representatives, that in any way prevents you from bidding and securing this contract. Is that not correct? What if you were selected as the private contractor to operate this transit system?

Mr. CHALK. Let us follow it through to a logical conclusion.

The CHAIRMAN. I just want to hear your views.

Mr. CHALK. If I were the operator, and assuming the number comes out right and we are doing $20 or $30 million a year, and based on the normal method of managing a public transit system like they do down in Miami, the operating management consultant group would get about 2 or 2½ percent on gross operating revenues which in this case might be four or five hundred thousands dollars a year for which he will supply a staff consisting of, I would say, at least 15 or 20 men qualified at a cost to his company of several hundred thousand dollars and he might wind up at the end of the year with a profit after taxes of about $100,000 a year.

I am not so sure that I am interested in even devoting my energies or the energies of my company and staff to earning a hundred thousand dollars a year. It is that simple.

The CHAIRMAN. The Senator from Maryland indicated he might like to ask a question.

Mr. CHALK. If this is to be divided among thousands of investors and stockholders. I am not talking to myself. It is just not worth while to my stockholders.

The CHAIRMAN. The Senator from Maryland would like to ask some questions.

Senator TYDINGS. After that question, then the system which you would project as the franchise system would permit the franchise operator to purchase the rolling stock, say for $25 million, and to get a guaranteed return, say, of 6.2 percent or some other——

Mr. CHALK. No.

Senator TYDINGS. Well, a lesser figure as a guaranteed return.

Mr. CHALK. No, sir; that is wrong. I did not ask for a guaranteed return. The right to earn up to 6½ percent is no guarantee because even to date we have not gotten 6 percent, 6½ percent.

Senator TYDINGS. Right, but the franchise operator who purchased the $25 million worth of rolling stock would be getting the benefit of that $150 million subsidy which the city of Washington and the Federal Government put up to purchase or to build the subway system. Isn't that a fair statement?

Mr. CHALK. I don't think you heard my statement, sir.

Senator TYDINGS. I am asking you a question. Is that the case or not?

Mr. CHALK. That is not the case.

Senator TYDINGS. What would you be willing to pay for the construction of the subway system.

Mr. CHALK. I stated that we would undertake to defer the cost of the $150 million of bonds outstanding in addition to supplying the rolling stock.

Senator TYDINGS. You mean that if your company were negotiating for a franchise you would undertake the repayment of the Federal and District contribution of $150 million?

Mr. CHALK. You will find that in my statement.

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Senator TYDINGS. Let me go one step further. What about the outstanding debt—indebtedness to the bondholders?

Mr. CHALK. I am talking about the bondholders.

Senator TYDINGS. Mr. Chalk, I do not think that you understand. There are two steps to building the subway system. Part of the money is to be borrowed on the open market and part of the money is to be paid as a contribution by the District of Columbia and by the Federal Government. Is that right?

Mr. CHALK. That is right. I am talking about the part which is on the open market, the bonds. I am placing myself on an equality with the NCTA. If they are going to pay off the bond they will pay them off too assuming their figures are right.

Senator TYDINGS. I am talking about that portion not purchased on the open market, that portion of cost which goes into the construction of this subway which is subsidized by the people of the District of Columbia and by the people of the United States at $150 million.

Why should you or anyone else be permitted to come in on top of that and to benefit from the public $150 million subsidy? That would amount to a windfall, since you only intend to put up a small percentage of the contribution which the people of the District of Columbia and the United States are making.

Mr. CHALK. I don't think you were present when I stated a road is a road whether it is on the surface or beneath the surface. It still serves most of the people of the area and is intended to do that. It is a Government function to build a road on the top or beneath the surface of the streets and therefore this in itself is the justification.

The city and the Government built a highway on which my bus runs. I have never then undertaken to pay the cost of that highway and I should never be asked to undertake the cost of building that tunnel underneath the highway.

Senator TYDINGS. I question your logic, but let me ask you another question. In the event that any competent operator wanted to bid on a management contract to operate the transit system, and he did a good job, he would make a return for himself, a profit, of perhaps a hundred thousand dollars a year. He would also be able to produce for the bondholders and the transportation agency a return on the investment in the system. Would it not be more logical to make available any of the sum accruing from the operation of the system, rather than giving out a franchise and allowing an operator to make a windfall profit from a small investment in rolling stock, at the public expense? Would not a private enterprise management contract be preferable?

Mr. CHALK. May I say, Senator, that your presumption is wrong. Your presumption is that you could find such a man or find such a group of men. Both Mr. McCarter and I disagree with you. We both feel that no such man or group of men exists. It is impossible to run such a system at a profit other than deficit financing, There is no answer to this.

So I would say the presumption is wrong. But if then it were possible to find such a man or such a group of men as could operate a subway system profitably and pay off the bonded indebtedness I would say that you owe it to yourself to give him the job.

Senator TYDINGS. Take your analysis. If there is bound to be a deficit there will be far less of a deficit which the taxpayers of the

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District and the country will have to pay if it is operated under a management operation contract than if it is operated under a franchise contract?

Mr. CHALK. That is where you and I really disagree on fundamentals. I believe that private enterprise values a dollar—now this is no disrespect to Government officials—but the man whose shoe is tight, the man whom it hurts, he is the first to react where a man is uninjured to any extent other than his conscience he does not react to situations as quickly as a man who is hurt.

This is our capitalist form of government, sir. So that a man in private enterprise will do a better job, with due respect to all Government officials.

Senator TYDINGS. Insofar as private enterprise is concerned a private enterprise group coming in here to operate under a management contract which they bid for are still private enterprise operators, aren't they?

Mr. CHALK. No, sir.

Senator TYDINGS. Why aren't they? They are bidding and working for a profit.

Mr. CHALK. They are employees. If a man who comes to you and asks for a job as a private enterprise man? Yes, he is in a sense enterprising to get employment but I am saying employment is not the test. Risk is the test, the test can have making an investment and safeguarding that investment. This is the true test of private enterprise.

Senator TYDINGS. I understand that your position is that a group of men competing for any type of contract or business management, whether it be management consultants or any other group, are not engaged in private enterprise. They might be taking great risks of losses, or competing for business advantage, but you believe that they are not private enterprisers unless they have a tremendous capital expenditure in addition to their taking of business risks.

Mr. CHALK. A substantial amount.

Senator TYDINGS. If they are only operating for profit based on their own skills and labor they are not private enterprise, is that your position?

Mr. CHALK. The moment they obtain employment and are paid without an investment, other than their abilities of course, it is an employment contract.

Senator TYDINGS. I just want to get your position for the record.

Now I would like to cover one other point and ask you some questions. You spoke in your testimony of Congress' responsibility to redeem its pledge to the D.C. Transit System under the act of 1956 by maintaining a continuing interest in its welfare. The thrust of your testimony, that you had done a good job with the D.C. Transit System in the 8 years, since the act of 1956 when you started operation and under the terms of that——

Mr. CHALK. That is 9 years, sir.

Senator TYDINGS. Nine years; and under the terms of that act the Congress owed you certain reponsibilities based on the language which says that it shall continue to maintain a continuing interest in the welfare of the company and its stockholders. Let me ask you a few questions along those lines. Congress has exempted the D.C. Transit Co. from the payment of some taxes in recent years, has it not?

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Mr. CHALK. Not in recent years. That was part of the deal of 1956. The two gentlemen seated at your left can attest to that. They were present.

The CHAIRMAN. The act would be the best evidence.

Mr. CHALK. Yes.

Senator TYDINGS. I want to get into the record some facts whether or not the Congress has redeemed any of its pledges of continuing interest in the D.C. Transit Co.?

Mr. CHALK. We are not complaining. May I clarify sir, we are not complaining that Congress has not maintained its pledges. We are merely calling the attention of the Congress to continue in the same manner that the contract, and the franchise was a contract, intended, continue to redeem its pledges.

One was to maintain a continuing interest in the welfare of the D.C. Transit System and its investors. We are not critical. We are merely reminding.

Senator TYDINGS. As a matter of fact, since 1957 from time to time Congress has exempted the D.C. Transit Co. from the payment of gross receipts tax.

Mr. CHALK. And the D.C. Transit Co. in return has kept its promise. It has assumed tremendous obligations aggregating millions and millions of dollars, most of which has not as yet been paid and we are still obligated to make over $2 million a year payment on capital equipment and to invest over $3 million a year in new equipment.

Every year. We are keeping our part. We are not talking about small numbers and we are meeting all of the big numbers to the best of our ability.

Senator TYDINGS. I commend you as I am sure all citizens do for the way you have operated the transit company but your company has been exempted from taxes running into——

Mr. CHALK. That was part of the deal; yes, sir.

Senator TYDINGS. Running into millions of dollars as a matter of fact, since you have been operating the transit company. Is that correct?

Mr. CHALK. No, sir.

Senator TYDINGS. How much?

Mr. CHALK. I have—I will have to get the figures for you, but it is not that.

Senator TYDINGS. Will you supply them for the record?

Mr. CHALK. Yes.

(Information requested follows:)

Summary sheet—Exempted taxes

Estimated savings due to exemption from gross receipts tax	$1, 590, 108. 08
Estimated fuel tax savings due to company's failure to earn entitled return	3, 181, 299. 74
District of Columbia property exempt from real estate taxes, and amount of exemption, following final conversion from streetcar operations to bus operations	476, 259. 60
Total, tax relieved	[1] 5, 247, 667. 42

[1] In the event these exempt taxes had to be paid, D.C. Transit would correspondingly reduce its payments of State and Federal income taxes by 45 percent or $2,361,400.

NOTE.—D.C. Transit is required by statute to transport District of Columbia schoolchildren for a 10-cent fare. This represents a loss of 11¼ cents per passenger, or $671,502 in the year 1964, as the WMATC has approved a 21¼ cents minimum passenger fare throughout the District of Columbia. The School Bus Subsidy Act, as presently enacted, affords no relief whatsoever. D.C. Transit has never received any school subsidy.

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Estimated savings due to exemption from gross receipts tax, Aug. 15, 1956, through Jan. 27, 1962

Year	Gross revenue from rail operations	Estimated gross receipts tax at 3 percent
1956 [1]	$4,650,827.67	$139,524.83
1957	12,374,563.09	371,236.89
1958	11,842,711.48	355,281.34
1959	10,937,841.30	328,135.24
1960	6,668,646.32	200,059.39
1961	6,283,074.62	188,492.24
1962 [2]	245,938.41	7,378.15
Total	53,003,602.89	1,590,108.08

[1] D.C. Transit's operations.
[2] Rail operations terminated on Jan. 27, 1962.

Estimated fuel tax savings due to company's failure to earn entitled return

12 months ended Aug. 31, 1957	$375,630.72
12 months ended Aug. 31, 1958	361,135.14
12 months ended Aug. 31, 1959	Paid tax
12 months ended Aug. 31, 1960	413,664.96
12 months ended Aug. 31, 1961	461,744.00
12 months ended Aug. 31, 1962	508,715.82
12 months ended Aug. 31, 1963	531,327.90
12 months ended Aug. 31, 1964	529,081.20
Total	3,181,299.74

District of Columbia property exempt from real estate taxes, and amount of exemption, following final conversion from streetcar operations to bus operations (effective 2d half 1962 tax year)

	2d half 1962, Jan. 1 to June 30, 1962	Tax year 1963, July 1, 1962, to June 30, 1963	Tax year 1964, July 1, 1963, to June 30, 1964	Tax year 1965, July 1, 1964, to June 30, 1965
Half and M Sts. SE. garage	$4,709.35	$9,418.70	$9,418.70	$9,418.70
Eastern garage	6,535.04	13,070.08	13,070.08	13,070.08
M St. and Grace St. shops	5,731.36	15,282.12		
36th and M parking lot	140.63	450.00		
36th and M general office	10,006.25	22,022.50		
Chevy Chase terminal	986.43	1,972.86	2,184.26	2,716.46
Rock Creek loop terminal	513.98	1,027.96	1,027.96	942.96
14th and Colorado Ave. terminal	346.89	693.78	1,056.28	1,056.28
Northern garage	9,815.49	19,630.98	21,234.76	21,234.76
11th and Monroe Sts. terminal	209.60	419.20	419.20	419.20
Brookland garage	4,674.10	10,233.34	10,233.34	10,233.34
12th and Quincy Sts. terminal	95.03	190.06	190.06	272.58
Trinidad garage	4,065.09	8,130.18	8,130.18	8,130.18
62d and Dix Sts. terminal	139.98	279.96	279.96	279.96
Western garage	7,713.10	15,426.20	15,426.20	19,548.50
Bladensburg maintenance base	4,760.62	36,968.24	44,553.26	46,053.26
Total	60,442.94	155,216.16	127,224.24	133,376.25
Grand total		476,259.60		

Senator TYDINGS. The fuel tax saving alone between August of 1957 and August of 1962 amounted to $2.6 million.

Mr. CHALK. We have also supplied almost $300 million worth of service.

Senator TYDINGS. As a matter of fact the company that preceded you, did not have the benefit of these tax savings, did it?

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Mr. CHALK. Nor did you get the service which you are getting today. You get what you pay for, sir.

The CHAIRMAN. The direct answer to the question without explanation is "No," they do not have it; is that right?

Mr. CHALK. Well, you are not comparing apples.

The CHAIRMAN. That is not the question he asked. He asked whether they had the same tax benefits. The answer is "No."

Mr. CHALK. The answer is "No."

Senator TYDINGS. From 1957 to 1963, according to the Interstate Commerce Commission reports, your company paid to the District of Columbia taxes approximately $1,700,000 in taxes. Would that be a fair statement?

Mr. CHALK. No, sir; since 1956 our company has paid into the Federal Treasury over $10 million in taxes.

Senator TYDINGS. I am talking about the District of Columbia taxes.

Mr. CHALK. I did not hear you; I am sorry.

Senator TYDINGS. The predecessor company, the Capital Transit Companies from 1949 to 1955, by contrast, paid District of Columbia taxes in excess of $8 million. There have been comparable Federal tax relief accorded the D.C. Transit Co.

I think it is important to bear in mind that Congress is trying to redeem its pledge of continuing interest in your company.

Now, let me ask you another question, Mr. Chalk. You recently went into the U.S. Court of Appeals here in the District concerning your rate of return on your investment. You are familiar with the case I am referring to?

Mr. CHALK. Yes, sir.

Senator TYDINGS. Judge Wright pointed out, I believe, in his concurring opinion, in that case that from August 1957 through August 1962 the D.C. Transit Co. averaged a return on average book equity per year of 60 percent as compared with a return of your predecessor of approximately 4 percent.

Is that a fact?

Mr. CHALK. Senator, I regret that I do not think it would be proper for me to comment on a case which is still pending before a court.

Senator TYDINGS. I am just pointing out that I believe that your first point, the responsibility of Congress to redeem its pledge to the D.C. Transit System, to maintain a continued interest in its welfare is being carried out.

I would appreciate any additional facts that you could submit us along these lines because we do have a responsibility, and we do have a continuing interest.

Mr. CHALK. May I respond to that?

The CHAIRMAN. If I might interrupt, I want to recognize the Senator from Oregon, and then I am going to go from the Senator from Oregon to the Senator from Maryland. I would think on the question of the court case the case will speak for itself. I see no reason for you to comment on it. If your position is correct and if the case is on appeal, your position is more than correct.

We can draw our own conclusions. We recognize it is on appeal; it is not finalized. The Senator from Oregon.

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Mr. CHALK. I did want to make one comment in connection with the continuing interest clause. I have no complaint for the past 9 years. I am merely talking about the next 11 years.

Senator MORSE. May I say to my colleague from Maryland I am perfectly willing to have him continue, but the chairman of the committee, courteous as he always is, says he is a disciple of the seniority system. Of course, I am not. I would abolish it if I could. But nevertheless, I am going to abide by what he says.

I want you to know that I am coming in now by the ruling of the chairman in an impartial way and not by any request of mine. Mr. Chairman, I have a question or two to ask Mr. Chalk. Before I do that I would like to qualify myself as a legislative juror by making a very brief statement.

In view of certain reports, innuendos that I understand are in wide circulation in regard to the senior Senator from Oregon, may the record show that I sit on this committee at this hearing as I sit on every committee at every hearing as a legislative juror. My responsibility is to take the total record as it is made at the hearing and come to an impartial judgment on the merits of the various issues in accordance with the evidence submitted.

Why do I make that statement? I have a sense of humor that I will not comment on but I understand, Mr. Chalk, that there is a broad rumor circulating that I am in your pocket.

I just want the hearing record to show that nobody has ever gotten me into a pocket or gotten a rope around my neck or even been able to direct my course of action.

I consider these innuendos not only a reflection on me but upon you. I just wanted to point out that my mind is wide open on the merits of the controversy which is before us. I shall render my final verdict as a legislative juror on this committee in accordance with what the evidence will show should be the decision on its merits.

I suppose that such a rumor about the senior Senator from Oregon probably goes back to the great controversy that prevailed over the transit system in this city when Senator Bible and I went through that great controversy at the time there was a change from the former operations of the transportation system in the District of Columbia to the present operation of the D.C. Transit System.

I said earlier this morning at that time there was a strong movement on foot before your company ever came into the picture to have public ownership of the system. I was opposed to public ownership. I said that although public ownership seemed to be the trend in many cities, I thought at least we ought to try to continue the maximum of private enterprise in the operation of the transportation system of the District of Columbia.

Again, I recall, and I will stand on my recollection, any news reporter in the hearing room or any interested party in the hearing room, if he will go back to the 1956 hearings will find that I argued at some length that in my judgment a private enterprise system in the public municipal transportation systems of the country would have to be subsidized to some degree. I argued that I was perfectly willing to subsidize private enterprise in our transportation system to whatever the facts showed was in the public interest in order to maintain a system of private operations.

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I thought we would be better off with private operations and public subsidy inherent thereto than to have public ownership.

I think the hearing record will show that if I was not the first, I joined those who first proposed, for example, some subsidies in regard to some tax relief benefits. I proposed at that time that we ought to do something about subsidizing the company in respect to the fares of schoolchildren.

I had something to say about other forms of benefits that might be granted to any company and that was before Mr. Chalk was in the picture. There is a public responsibility on the part of the people as a whole and I remember I particularly stressed the interest that the business community has to see to it that a transportation system is supplied at reasonable rates of fare.

It was stated that companies just could not charge a fare sufficiently high to meet the cost of operation. I recall at those hearings, and the record again will speak for itself, we had exhibit after exhibit, company after company across this country, that showed how close to bankruptcy many so-called private companies were.

Then there developed a proposal for a franchise consistent with the position that the senior Senator from Oregon had taken in support of the private enterprise system, partially subsidized, if you want to use the term.

Then Mr. Chalk came into the picture and his company was not willing to meet the terms and conditions that the Congress insisted upon in the franchise. There was negotiating with you, too. You will remember that there was added the Morse amendment in connection with the labor relations program. I think you were very fair about it. My own subjective evaluation was that you did a little groping.

On the other hand you had a good labor record and you agreed with the final provisions of the Morse amendment that gave assurance to labor that they were going to have the type of protection in your system that there really existed under the so-called Washington agreement in respect to the railroad systems.

I suppose with all that history some people who don't know all the facts might come to the conclusion that the senior Senator from Oregon might not be an impartial legislative juror in the case. Added to the record in the earlier case was, of course, the position I took a couple of years ago when I raised the question as to whether or not a public utility commission was protecting in full measure such rights as you might have under the franchise.

I would do it again. It is quite an impersonal matter, asking for a finding of fact.

Now with that statement of qualifications as an impartial legislative juror, may I make the further statement in regard to some of the issues that are going to have to be satisfied for my thinking in regard to the pending case.

I think this committee has to go into depth in regard to the problems that can be raised if the bill is passed in one form or in another in respect to the rights of your stockholders. I want to be certain that if we should follow, for example, the bill in its present form that we would not be guilty of doing an inequity to the investment rights of stockholders because they are the foundation of the private enterprise

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system in respect to any particular project involving a corporation with its obligation to its stockholders.

Frankly, I don't know what the facts are, but I am certainly going to satisfy myself on that point and I am going to continue to call for additional evidence on that point before I decide what my vote will be.

Now it may very well be that when we come to analyze what the results may be to the people of the District of Columbia and the economic interests in the District of setting up an independent subway system and maintaining an independent D.C. Transit System that the problems that will result from that will be so complex and disturbing as far as the economy of the transportation system is concerned that the Congress should give consideration to canceling your franchise and assuming any legal obligations by way of compensation that may flow from such a cancellation.

If the facts show that that would be in the best interest of the transportation needs of the people of the District of Columbia, and as far as I am concerned, that is the controlling question, I won't hesitate to vote to cancel your franchise.

I will insist that you get fair compensation. It may very well be these facts may show that we ought to combine the two systems under one company and over a combined transportation system—bus and subway—and under a private enterprise format to any one who wants to come in and bid for such a franchise.

That is one alternative that is going to have to be considered. It may be that when all the evidence is in if we should follow the format of this bill where we have as you point out, private management, but basically public ownership with private management let out on a bid basis.

I summarize these alternatives by saying that the legal rights involved so far as your company is concerned are to what extent inequities be created if we follow the terms of this bill to your stockholders.

And if no injustice is caused them, it is not then going to bother me one bit to vote for private management if the evidence shows that that would best serve the transportation needs of the people of this District.

The senior Senator from Oregon wants to make very clear for this hearing record that as far as I am concerned it will be a resolving of the legal implications and the economic effects of those legal issues in determining what my vote on this committee is going to be.

With that by way of a statement of what I consider the basic problems to be, I ask you this question based upon some interpretations I made from a few of your comments that you made this morning.

Do you think, Mr. Chalk, that you would have a conflict of economic interest if you were the manager of the subway system under the managerial proposal in the present bill and also the president of D.C. Transit System at the same time?

Mr. CHALK. If I assumed the obligation of running both it would have to be with justice to both and I would feel that this would be the only answer.

Senator MORSE. Do you think that—talking hypothetically now, but it is very pertinent—do you think that if you were given the managerial contract for operating the subway under the terms of this bill and continuing to be president of the D.C. Transit Co. and responsible

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for the operation of that company in any manner that would earn for its stockholders a fair return, that you would be somewhat in a position of a lawyer who sought to be the lawyer for two conflicting sides of a controversy.

Mr. CHALK. No, sir. They would not be conflicting under that hypothesis.

Senator MORSE. You talked this morning about your belief that the NCTA approach would place you in a position where you would have to compete with the system that NCTA set up. I thought there was a great deal of substance in what you said about that.

But if that is true you would still have to compete with it as president of the D.C. Transit Co., even though you were the manager of the subway, and would you not be competing with yourself?

Mr. CHALK. I think the two hypotheses are not the same. If we were divorced from the subway operations and our major and sole interest was to serve the public the best way we can and get as much of the public's business as is possible, this would be our sole objective. In that case I don't think it would be to the best interest of the operator of the subway.

We would be competing. On the other hand, if we agreed not to compete upon such terms as might be negotiated, which would be favorable to my stockholders and which would hold some form of incentive, that would be a different story. There are two separate hypotheses. If we are divorced from any interest in the outcome of the subway except as a member of the public or citizens or taxpayers that is one situation.

If there are parts of a bargain involved for a double situation and we did assume the double situation, then we would have a special reason to be concerned.

Senator MORSE. Calling your attention to the major premise of my hypothetical—suppose that the NCTA program as encompassed in this bill were adopted, and suppose your company was not selected as the manager of the subway but X company was selected, in that instance you say that the transit company would be placed in a competitive position with X company. You would follow whatever legislation—whatever legitimate practices were permissible to get, I think you said, every last passenger you can get.

Your conclusion, as I understood it, was that that would not be to the advantage of either your company or the subway company?

Mr. CHALK. That is right.

Senator MORSE. And you would have to do that in order to protect the stockholders of the D.C. Transit Co.?

Mr. CHALK. Macy never helps Gimbel.

Senator MORSE. That is right. But the reason you would have to compete would be to protect the interest of the stockholders of the D.C. Transit. Now, assume that you do obtain the managerial contract or franchise or whatever they finally decide, you have the same obligation to your stockholders don't you, in the D.C. Transit Co.?

Could you justify following a managerial course of action in operating the subway that would give a lesser return to the stockholders of the D.C. Transit Co. that you could if you had a separation of obligation and had no managerial responsibility to the subway?

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Would not your economic operational practices have to be the same as far as your obligation to the stockholders of the D.C. Transit Co. is concerned?

Mr. CHALK. You are now talking in a situation where we do assume both?

Senator MORSE. You assume both now. You are the manager of both.

Mr. CHALK. Then my objective would be to see that both are successful. In that case, although we would probably earn far less on the management phase of it, would be wholly comparable, it would be a public service in that particular case, not so much a financial inducement.

It would rather be a willingness to engage in public service but assuming a responsibility which would have to be fulfilled. It would have to be so performed, of course, in such a manner as would not be harmful either to the public obligation or the private obligation.

Senator MORSE. I will read your statement very carefully but let the record show in my opinion your statement itself supports what is clearly implied in the senior Senator from Oregon's question. If you are going to operate these two systems independently but under a company that has the same management authority, you must, then, as you say, bring in what you consider to be the public interest. You can't do that, it seems to me, without the stockholders of the company paying a price for that operation.

It causes me to wonder whether or not we ought to give careful consideration to not only a joint management of the two companies but also joint investment interest.

We might have to end up here with a single company if you are going to protect the private investment interest of the stockholder, or maybe we ought to go to a single public administration, public ownership, if you will.

I only raise it as a hypothetical possibility.

Now I yield to my friend from Colorado.

The CHAIRMAN. You said you had a request of the chairman?

Senator MORSE. I was going to make the request when I got through with all the questions.

Senator DOMINICK. I want to ask you this, Mr. Chalk. At the risk of perhaps duplicating something that may have been asked when I was away, suppose the Government built the subway as far as the roadbed is concerned, have you made any investment analysis from a management point of view as to whether you would be willing—you and your company—to invest in the equipment and put this into operation as a private enterprise investment, and would you require the consent of the stockholders to do it and, if so, do you think that consent would be granted?

Mr. CHALK. It would, of course, require the consent of our stockholders on such a major move. I would have no doubt that they would grant it.

Senator DOMINICK. Have you made any analysis to determine whether this would be a profitable expansion from your point of view of your operation?

Mr. CHALK. We feel that it has elements of profitability, depending on the terms of the franchise upon which it is granted.

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Senator DOMINICK. So from a private enterprise investment point of view which you are talking about you think this might be something that management would recommend that the stockholders approve depending on the terms of the franchise.

Mr. CHALK. Yes, sir; that is correct. I have indicated—and I think this is in response to your question and that of Senator Morse—a great reluctance to assume that hypothetical situation that you mentioned, Senator; that is, to be two faced or two headed or whatever you might call it, where one side is opposed to the other.

There would be very little profit in assuming a management contract if the situation arose that a D.C. Transit System were able to operate its own bus system and at the same time manage the subway. The profit or a management contract would be so little as to, I think, almost preempt us from bidding.

I think I used that statement at the beginning of my statement today. We would in effect be preempted because in good conscience, and only as a public service and I think I could do it as a public service, but it would be difficult, to balance the public operation against the private operation.

I have a duty to my stockholders and I have a duty as a citizen. I would be placed in a bad position. I would rather compete as Macy does against Gimbels and be divorced from the operation, a clear competition. Or I would rather be one altogether, one company, with an element of profit with my investment.

If I would invest $25 or $50 million in the subway, then I have a stake, then I have to protect that investment for the benefit of my stockholders. Likewise I have to protect it for the benefit of the bus system. Let me call your attention to one more thing and again I quote Mr. McCarter. Mr. McCarter said—

by itself rapid transit is not self-supporting.

In all the cities of the United States that now have rapid transit the rapid transit part of the transit system is supported by profitable bus operators or by public subsidy of one kind or another.

Mr. McCarter, the director of the NCTA says this. I concur with his opinion. Therefore, in the hypothetical situation which you have mentioned, Senator, I could not see it in good justice to my stockholders to turn over the potential of their profits to a loss operation.

Senator MORSE. May I make this request, Mr. Chairman? Based on the questions and the hypotheticals I have raised it would be very helpful to me and the members of the committee if you would, on behalf of the committee, and at my request, request the staff to prepare a memorandum that could be included at the end of the hearing record, setting forth a comparative analysis of the operation of the bus and subway systems in other cities where they have bus service and the subway system. I think we need to know about that.

(Information requested may be found in the appendix on p. 273.)

Mr. Chalk has made reference to Mr. McCarter's reference to Boston, Chicago, St. Louis, New York, and other cities.

I just want to know how these systems operate in these other cities. I am ignorant about it. I will close my comment by saying to Mr. Chalk that my tentative opinion is that it would not be in the public interest to be setting up a competitive system between surface and subway systems because I think the only losers would be the taxpayers

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in the District of Columbia because I think you would have to give more subsidies to each. I think that is what that kind of cutthroat competition would produce.

Mr. CHALK. That is exactly my point.

The CHAIRMAN. The request of the Senator from Oregon is a reasonable request. He has been working in this field, as the Senator knows in mass transportation, since 1952, which is 13 years.

We have spent $5 million in moving it this far. I am sure it will not be too difficult to find the answer to his questions. I will ask the staff to supply them for the record. The Senator from Colorado?

Senator DOMINICK. I have no further questions.

The CHAIRMAN. The Senator from Maryland.

Senator TYDINGS. Yesterday Congressman Multer proposed several amendments to the bill before us. Are you familiar with these amendments?

Mr. CHALK. I was not present when he proposed it.

Senator TYDINGS. Are you familiar with his amendments?

Mr. CHALK. No, I did not hear it.

Senator TYDINGS. My next question would be, would one of these amendments take care of your objective, sir?

Mr. CHALK. I don't know what the amendment was.

The CHAIRMAN. May I interject? It is substantially the same amendment as was discussed on the House side and discussed on the floor. You are certainly familiar with the amendment that was offered on the House floor.

Mr. CHALK. There were four. I don't know which one the Senator is referring to.

The CHAIRMAN. What is your opinion of each of them?

Senator TYDINGS. For the record we would like to know your opinion on each, Roosevelt amendment, Dowdy amendment, and Multer amendment.

Mr. CHALK. If someone would supply the amendment to me I would be delighted to comment.

The CHAIRMAN. I think the testimony of Congressman Multer was that the amendment that he suggested to this committee on the Senate side was substantially the same. There was very little change from the amendment he offered on the House side and on the House floor.

It is in the record. I am sure you are reasonably aware of what the amendments embrace. (See p. 102.)

Mr. CHALK. The Dowdy amendment apparently referred to the concept of operating the subway under a franchise investment type of operation. Now without commenting on the wording of this amendment I would say that the concept is something that I would be in favor of. That is a franchise investment type of management with a stake on the part of private enterprise.

The CHAIRMAN. As I understand it you want a franchise and you don't want a management contract.

Mr. CHALK. That is correct, sir. The second amendment submitted by Mr. Roosevelt refers to timing. In the event of unification. Mr. Roosevelt's amendment related to the possible unification, having one system. I have offered no comment directly in my statement in connection with that because of Mr. McCarter's statement to Senator Kennedy ruling that possibility out.

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But if you ask me whether I thought there should be unification and have one system, I say that makes good sense as far as I am concerned and more important as far as the public is concerned.

Now as to the next amendment, Mr. Multer's, that the decision as to whether it is one type of contractor or another should rest with Congress, I think I have made that perfectly clear.

The CHAIRMAN. It is your position that the Congress should do this instead of the NCTA?

Mr. CHALK. That is right.

The CHAIRMAN. If there are any other amendments that Mr. Multer submitted.

Mr. CHALK. I don't know but if there are I will be glad to comment and submit a further statement.

The CHAIRMAN. Certainly. The record will be kept open, Mr. Chalk, in fairness to everyone involved we will keep the record open so that they can make additional comments as they wish.

(Memorandum and summary from NCTA re amendments of Hon. John Dowdy and Hon. James Roosevelt may be found in appendix on p. 285.)

Mr. CHALK. May I place in the record, sir, a reproduction from the New York Herald Tribune as late as Monday, July 5, of a newspaper article which says, caption, "Record $62 Million Transit Deficit Seen" and they quote Transit Authority Chairman Joseph E. O'Grady who said:

Put the blame of the declining trend in rapid transit riding, the continuation of the upward trend in surface riding.

The CHAIRMAN. Without objection that will be made a part of the record.

(The document referred to follows:)

[From the New York Herald Tribune, July 5, 1965]

RECORD $62 MILLION TRANSIT DEFICIT SEEN

The Transit Authority said Saturday it expects a record $62 million deficit in its $349,591,120 operating budget for the fiscal year that began Thursday—$12 million more than it anticipated earlier this year.

But, it said, it will be able to keep the 15-cent fare through the end of 1965. What will happen then it did not say.

Transit Authority Chairman Joseph E. O'Grady put the blame on the "declining trend in rapid transit riding, the continuation of the upward trend in surface riding (and) reduced World's Fair revenues."

The first reactions to the gloomy news came from two Democratic mayoral candidates, Representative William F. Ryan and City Councilman-at-Large Paul O'Dwyer.

Representative Ryan said the higher projected deficit "points up the need for Federal subsidy for urban mass transit systems," and Mr. O'Dwyer called for the creation of a single transit system for the metropolitan area to preserve the 15-cent fare.

The anticipated deficit, the TA said, would be offset in part by $23 million that will become available once the board of estimate gives its consent. This sum will come from surpluses and expected operating profits of the Manhattan and Bronx Surface Transit Operating Authority, a TA bus subsidiary created in 1962.

"These funds," Mr. O'Grady said, "will enable the Transit Authority to maintain the 15-cent fare until the end of 1965, in keeping with our statements earlier this year."

Mr. O'Grady said the means of raising funds to cover the remainder of the deficit "may depend" on recommendations to be made later this year by a committee appointed by Governor Rockefeller and Mayor Wagner.

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The TA coupled its fiscal forecasts with a report on the past year, saying it took in a total of $316.5 million and 1,838 million passengers.

Passenger revenues accounted for most of the income, totaling nearly $283.5 million.

In June, the TA said, it received $22.5 million, the balance credited to it from the sale of city-owned transit system powerplants to the Consolidated Edison Co.

That, along with a $16 million credit for materials and supplies formerly owned by the city, enabled the TA to start the current fiscal year with an accumulated deficit of only $98,543.

The TA said it expects passenger fares to produce more than $280.3 million in income in the new fiscal year, or $3.1 million less than the year that just ended.

This the TA said, reflected an annual drop of about 1 percent in passengers on the rapid transit system that began in 1963. The TA expects its surface line service to continue its one-half of 1 percent passenger growth.

Total operating expenses during the new fiscal year are expected to be $16,474,865 higher than was budgeted in 1964–65.

Labor costs in salaries and wages have been set at $258,200,000, an increase over the last fiscal year of $13,621,800.

The balance of the increase in operating expenses, the TA said, was due to higher than expected costs for pensions, health and hospitalization insurance, social security payments, power, material, supplies and rentals.

The budget includes a $13,300,000 credit from the city for operating expenses of the transit police department.

The TA said it expected to take in $205,644,000 from subway fares and $74,672,000 from busline fares.

The figures include the $11,232,000 in school bus fares and $8,821,000 in subway fares for schoolchildren.

The CHAIRMAN. If I might observe, I understood your answer to be that you are not objecting to a rapid transit system?

Mr. CHALK. Not at all. It is my feeling that it is the prerogative of the U.S. Government to build a battleship and have it sunk if it wants to.

This is the right of government. There is justice in building a battleship and having it sunk if necessary because in the world competitive situation prestige sometimes is more important than money.

The CHAIRMAN. Are there further questions from the Senator from Maryland?

Senator TYDINGS. No further questions.

The CHAIRMAN. Gentlemen, we appreciate your appearance here this morning. Mr. Chalk, I think you have made a very full explanation. I think I understood your viewpoint. Without objection the hearing will be adjourned subject to the right of all concerned to make such additional comments as the result of testimony which has been developed either by the NCTA, other witnesses, or yours.

The record will be kept open until August 2. We stand in adjournment.

(Whereupon, at 12:10, the committee recessed, to reconvene subject to call of the Chair.)

(The following letters and statements were submitted for the record:)

COMMONWEALTH OF VIRGINIA,
COUNTY OF FAIRFAX,
Fairfax, Va., July 19, 1965.

Hon. ALAN BIBLE,
Chairman, Senate Committee on the District of Columbia, New Senate Office Building, Washington, D.C.

DEAR SENATOR BIBLE: In connection with the consideration of the Senate Committee on the District of Columbia of the proposed rail rapid transit system, I would like to advise you of the position of the Board of County Supervisors of Fairfax County relative to this matter.

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I enclose herewith excerpts from the minutes of the board meeting of January 13, 1965, and have marked in red [1] that portion of these minutes dealing with this subject.

You will note that in conclusion the board enthusiastically endorsed the proposal of the National Capital Transportation Agency for a rapid rail transit system in the District of Columbia with immediate plans for two stations in Virginia.

Best wishes.

Sincerely yours,

CARLTON C. MASSEY,
County Executive.

JANUARY 13, 1965

* * * * * * *

Chairman Babson said Mr. Warren Quendstedt had informed him that the National Capital Transportation Agency needs a decision by this board, and other northern Virginia jurisdictions, as to whether or not they approve or disapprove their proposed rail rapid transit system in the District of Columbia with one river crossing into Virginia. He said copies of their proposal had been sent to each member of this board and board members in other jurisdictions and it was his understanding that many of the northern Virginia jurisdictions have already endorsed this proposal, which would send a rail rapid transit line into Virginia, but only as far as Rosslyn and Pentagon City, not as far as he and other members of this board would like to have seen it come as they wanted to see the line come out to Springfield and out Route 66 farther into Fairfax, but the $431,000,000 system which is proposed simply would not permit those extensions into the suburbs at this time. He said he would like to point out that not one penny would have to come from the county taxpayers for the system as now proposed as it would be financed by two-thirds Federal funds and one-third District of Columbia funds and yet we would benefit by it as we could eventually connect to this basic system, and he asked board members how they felt about the matter.

After a brief discussion on motion of Supervisor Alexander, seconded by Supervisor Bradley and carried by a vote of four, Supervisors DeBell, Parris, and Parrish not having arrived as yet, the board went on record as enthusiastically endorsing the proposal of the National Capital Transportation Agency for a rapid rail transit system in the District of Columbia with immediate plans for two stations in Virginia.

* * * * * * *

DOWNTOWN PROGRESS,
Washington, D.C., July 19, 1965.

Hon. ALAN BIBLE,
Chairman, Senate Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: The National Capital Downtown Committee, Inc., better known as Downtown Progress, was was created by business and civic leaders in the Washington community to develop a plan for the revitalization of the heart of our Nation's Capital, and to assist in putting that plan into action. It is our purpose to help, in every possible way, to make downtown Washington an attractive, healthy, vital place worthy of its unique setting between the White House and the Capitol.

Our early studies, beginning in April 1960, clearly demonstrated that the key to downtown revitalization was an efficient, modern transportation system. This system must utilize all appropriate means of moving people safely and comfortably, linking together all parts of the region. Mass transit is of particular importance to downtown. With growing employment, more shopping trips, and more attractions for our ever-increasing number of visitors, downtown, as the heart of the community, could not survive without mass transit.

A subway system, making downtown accessible by rail rapid transit to all parts of the region, is the most efficient and the most desirable form of mass transit. The action plan for downtown, which provides the framework for a revitaliza-

[1] The two paragraphs following this letter.

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tion program, emphasizes the role of the subway in serving the central business area.

Downtown Progress has worked closely with the National Capital Transportation Agency from the time it was created by the Congress. There has been a particularly close and mutually satisfactory working relationship between our staff and the Agency's staff. The National Capital Transportation Agency plan takes full cognizance of the objectives of the action plan, so that the two plans are not only compatible, but, to a degree, they are interdependent.

We have consistently lent our support to the National Capital Transportation Agency in the past. Now that it appears that our mutual efforts are likely to bear fruit, we support, with even greater enthusiasm, the vital legislation which they, and the entire Washington community now seek. H.R. 4822 has the full, unqualified endorsement of the National Capital Downtown Committee.

We shall be glad to testify if you wish. This statement has been prepared for the record, however, with a view to conserving the time of your committee.

Sincerely,

O. S. COLCLOUGH,
Chairman, Executive Committee.

DISTRICT OF COLUMBIA SOCIETY OF PROFESSIONAL ENGINEERS,
Washington, D.C., May 21, 1965.

Hon. Senator ALAN BIBLE,
Chairman, District of Columbia Committee,
New Senate Office Building,

DEAR SENATOR BIBLE: Enclosed is a copy of a letter which was sent to the Washington Post and the Evening Star papers. This letter states the position of the District of Columbia Society of Professional Engineers.

We hope that you will find the enclosure helpful. If there are any questions or if we can give any further information to you or your committee we will be delighted to do so.

Very truly yours,

FRANK WOLFSHEIMER, *C.E., P.E.*

The District of Columbia Society of Professional Engineers wants to go on record in favor of a balanced transportation system for the Metropolitan Washington area.

By balanced transportation we mean the beginnings of a minimal subway, as presently proposed to the Congress, and the early completion of a minimal freeway system to supplement and augment the planned subway system. Both the freeway system and the subway system will have to be enlarged in the future. We have been told, by National Capital Transportation Agency, that their projected usage is based upon the completion of the minimal freeway system as now proposed by District of Columbia, Virginia, and Maryland highway departments for the Metropolitan Washington area. This means completion of a North-Central Freeway, building of an additional river crossing in the vicinity of Three Sisters Island and completion of an inner loop freeway system.

At the same time parking must be provided for the cars which will come into the District of Columbia through the various freeways and the District of Columbia Society of Professional Engineers has actively supported the creation of a Parking Authority for the District of Columbia similar to the parking authorities which are now in existence in most major cities in the United States to provide public parking where it is needed.

To complete the minimal freeway system necessary to carry the traffic which is not planned to be carried by National Capital Transportation Agency, the Congress should grant borrowing authority to the District of Columbia to augment funds now collected by the District of Columbia gas tax in order to prevent the highway program from grinding to a halt.

We believe that competent professional talent should be used for the projections and planning of both freeways and subways in the metropolitan area in cooperation with the District of Columbia Society of Professional Engineers and the AIA. Projects must be economically sound, the engineering must be feasible and safe and the esthetics must conform with the requirements of the Capital City of the Nation. We believe that the new proposed administration of the National Capital Transportation Agency will eliminate many of the problems

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which existed in the past and will be adequately governed by sound professional opinions and not by ill-informed emotional reactions.

We hope the new administration of NCTA will get on with the job of building the much needed rapid-rail subway system for the District of Columbia and that the Congress will allow the necessary competion of the minimal highway system to be completed at the same time.

Within the next 4 or 5 years the downtown approaches will be strangulated by the growing traffic demands if a balanced subway and highway system is not completed.

These much needed public works must not be throttled by sentimental outbursts of well-meaning but unscientific judgments; they must proceed in a planned systematic manner and be guided by the best available professional opinions.

PARALYZED VETERANS OF AMERICA, INC.,
Washington, D.C., January 20, 1965.

Hon. ALAN BIBLE,
U.S. Senate, Washington, D.C.

DEAR SIR: The Paralyzed Veterans of America places its full support behind the goal of the Architectural Barriers Project Committee, and other committees composed of the interested public and the disabled, to eliminate the architectural barriers to the aged and disabled in our Nation's Capital.

Primarily, we urge that a resolution be passed by your committee requiring that all future District-financed construction include a means of access for the wheelchair-bound. This would be in accord with the program of the President's Committee and the practice of the General Services Administration which requires that all Federal buildings be so designed. Further, that all present structures be reexamined for the purpose of altering them to meet these qualifications.

The proposed underground rapid transit system has been well publicized, is in much need for the District, and seems sure of being created. But nowhere have we seen any evidence that this system will be designed with the disabled in mind. We are hoping that a representative body of leaders of the disabled will be consulted before such plans are finalized. We shall be happy to present our plans and specifications which, if adopted, will do more than provide transportation for our disabled. It will continue the role of leadership adopted by the Congress in aids to the disabled, and will provide a showpiece for those other great urban locations which are planning the same transit systems for their vehicle-choked streets.

We further urge that a District law be passed creating special parking privileges for the totally disabled driver. We certainly recognize that Washington is the most congested traffic area in the Nation, complicated by the many diplomatic and governmental vehicles with special immunity from local traffic laws. This should hardly deter us from considering some provision for the many disabled who are employed in the District, and the many more who could be if they could reach places where they might find prospective employment. Experience in this field will also enable us to be of assistance in drafting any proposed legislation aimed at relieving this very vital need.

Our Capital is supposed to be a showplace for the Nation and the world. If we cannot think of our disabled residents, we must certainly think of our disabled visitors, both domestic and foreign. Our leaders incline toward helping those in greatest need. Surely these are areas of great need in the field of rehabilitation, if not for recreation.

There are already too many things the wheelchair-bound cannot do; too many places they cannot visit, and too many ways they cannot travel, restricted to them, not because, or as a result, of their disability, but because of the lack of foresight—or consideration—of our city planners. It is time we lifted from them the imposition of second-class citizenship.

We sincerely urge your favorable and active support.

Your very truly,

HARRY A. SCHWEIKERT, Jr.,
Executive Secretary.

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JOINT COMMITTEE ON TRANSPORTATION FOR METROPOLITAN WASHINGTON,
Washington, D.C., July 20, 1965.

Hon. ALAN BIBLE,
Chairman, Committee on District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: Enclosed is a statement from Mr. Miles Colean, chairman of the Joint Committee on Transportation for Metropolitan Washington. Mr. Colean regrets that he is unable to appear in person, but hopes the committee will accept this expression of the joint committee's views for record purposes.

Sincerely,

LAWRENCE J. HOGAN, *Coordinator.*

STATEMENT OF MILES L. COLEAN, CHAIRMAN, JOINT COMMITTEE ON TRANSPORTATION FOR METROPOLITAN WASHINGTON

The Joint Committee on Transportation for Metropolitan Washington is grateful for this opportunity to comment on S. 1117 and H.R. 4822, the bills which would authorize a rapid rail transit system for Washington.

The joint committee was formed in 1963 by four impartial organizations concerned with the well-being of the Nation's Capital, the Metropolitan Washington Board of Trade, the Federal City Council, the Washington Board of Relators and the National Capital Downtown Committee. It was and is the conviction of these four groups that Washington needs a balanced transportation system which includes a rapid rail transit system, well-planned freeways and adequate bus service.

There is widespread community support for this concept as evidenced by the fact that so many community organizations have endorsed it.

For the fastest growing major metropolitan area in the country, Washington's current transportation facilities are woefully inadequate. Our rapidly expanding population, which is expected to reach 3 million 1980, continues to create an almost insatiable demand for new housing on the perimeters of the city and our streets and roads are already drastically overburdened.

Because Washington is the Capital City of the Nation, it has many special problems. It is a tourist mecca for all Americans who, welcome though they are, aggravate our traffic problems. Numerous distinguished foreign visitors are honored with parades, and other official parades are held very frequently. Undoubtedly, Washington has more parades than any city in the country. As the recent Shriners convention illustrated, parades raise havoc with downtown traffic. The subway system under consideration would be immune from this kind of disruption.

The chaotic state of our current traffic situation and the population projections make a rapid rail transit system essential.

The legislation before the committee is sound. Under this proposal, the District of Columbia would pay its fair share of the costs involved. Private operation of the system would stimulate efficient operation. The rights of labor are adequately protected. The proposed system would allow quick and efficient distribution of commuters throughout downtown employment centers, an essential aspect of a transportation system. In addition to serving commuters, the system would provide a convenient means of travel for downtown shoppers and for the internal circulation of people during the day to and from the business, commercial, and governmental centers of activity. The system has been designed so that it can be readily connected with spurs being planned by Maryland and Virginia.

Because the legislation now before your committee is a practical, businesslike solution to a perplexing problem which requires immediate attention, the Joint Committee on Transportation for Metropolitan Washington urges its enactment as soon as possible.

THE SILVER SPRING BOARD OF TRADE, INC.,
Silver Spring, Md., February 19, 1965.

Hon. ALAN BIBLE,
Chairman, Senate Committee on the District of Columbia, The Capitol, Washington, D.C.

DEAR SENATOR BIBLE: The Silver Spring Board of Trade wishes to be placed on record as favoring Senate bill 1117, which would establish a rapid transit

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system for the Metropolitan Washington area. We are writing a similar letter to the chairman of the House Committee on the District of Columbia favoring passage of H.R. 4822.

Traffic congestion through the Maryland suburbs into Washington is becoming more serious each year. There is an urgent need for a balanced transportation system of highways coordinated with mass transit, to serve the rapidly increasing population of this area. Every year that passes without action only compounds the need. We have already gone on record urging construction of the North-Central Freeway, believing that that project is a companion to the rapid transit system, the first step in a long-range plan for meeting traffic needs. Both projects are vitally necessary if Metropolitan Washington is to survive.

This letter is to respectfully urge that the Congress authorize the rail transit system at the very earliest date so that construction can begin as quickly as possible. Realizing that traffic will continue to increase even after enactment of this legislation and during all the years of construction, we believe that nothing should be permitted to postpone the date when the system can finally be put into operation.

We suggest some slight modifications in the plan for the Silver Spring area. However, these pertain to operating details and will have little effect on the overall program. We believe that the terminus of the route should be extended about 1 mile, beyond Woodside, to the Capital Beltway, where more adequate access can be provided and where traffic destined to the terminus parking lot can be more easily accommodated. We also request that the Silver Spring terminal be located at the site of the present B. & O. Railroad Station and that parking facilities be provided adjacent to the terminal by consolidating the several public parking lots existing in that area. We recommend that connecting bus service be provided between the terminal and the Silver Spring Transit Center, with a minibus system circulating throughout the Silver Spring business district and nearby apartment developments. We plan to discuss these proposals with officials of the National Capital Transportation Agency at a later date.

We sincerely hope that your committee will favorably report S. 1117 and press for its early passage by the U.S. Senate.

Respectfully submitted.

HUGH W. YARRINGTON, *President.*

THE ASSOCIATION OF THE OLDEST INHABITANTS
OF THE DISTRICT OF COLUMBIA,
Washington, D.C., July 19, 1965.

HON. ALAN BIBLE,
Chairman of Rapid Transit Bill S. 1117,
Senate Office Building, Washington, D.C.

MY DEAR SENATOR: This association wishes to go on record in support of the rapid transit bill introduced by you in the Senate (S. 1117) simultaneously with the bill in the House of Representatives (H.R. 4822) which has passed the House.

This association is celebrating its 100th anniversary and the members are the most prominent residents of this, once the most beautiful city in the world.

Personally, I have been a resident of Washington for more than 50 years and a member of the District of Columbia Bar for 40 years and active in civic affairs. I have advocated rapid transit for a number of years. We are way behind other cities and other countries.

It is about time proper action be taken to alleviate the traffic congestion caused principally by out-of-town people coming to work in the morning and going home after work for a short period in either direction, and in most cases out of every 10 cars, 9 of each car is occupied by the driver only. I live on New Hampshire Avenue near the District line and have observed it for the last several years. Please stop the destruction of our streets and the building of race tracks. If the Senate fails to pass this time our beautiful city will be forever destroyed. Please save it.

Respectfully yours,

EDWARD J. REAMER,
Corresponding Secretary.

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AMERICAN SOCIETY OF CIVIL ENGINEERS,
NATIONAL CAPITAL SECTION,
May 26, 1965.

Hon. ALAN BIBLE,
Chairman, Senate District Committee,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: The National Capital Section, American Society of Civil Engineers, is composed of a membership of 2,022 civil engineers working and living in the National Capital area. We are a section of the American Society of Civil Engineers, a national organization consisting of more than 53,000 civil engineers, dedicated to the advancement of engineering knowledge, practice, and high professional standards in the public interest.

With those objectives in mind, we respectfully submit the attached resolution concerning Washington area needs for an adequate coordinated transportation system utilizing complementary modes of travel, including the necessity for regional and downtown highway and expressway networks. We request your support of results of studies supervised by professional personnel to this end.

Sincerely yours,

WILLIAM E. HIATT, *President.*

RESOLUTION

Whereas population forecasts for the Metropolitan Washington area indicate continued and substantial growth through the foreseeable future; and

Whereas transportation studies indicate that our present transportation facilities will be inadequate to handle the anticipated requirements for the future movement of people and goods; and

Whereas we accept the principle that recommendations of metropolitan area transportation studies for the provision of new transportation facilities should represent complementary and not competitive services; and

Whereas past Washington area transportation studies have recommended a rapid rail transit system, with coordinated express, feeder, and local bus service for the area, and regional and downtown highway and expressway networks; and

Whereas the board of directors of the American Society of Ciivl Engineers has adopted a statement on "Principles of a Sound Transportation Policy" which offers guidance: Therefore, be it

Resolved, That the National Capital Section of the American Society of Civil Engineers endorses the concept that the Metropolitan Washington area needs an adequate, coordinated transportation system utilizing complementary modes of travel to serve safely and efficiently and be responsive to all of the future requirements for the movement of people and goods.

The section further endorses the concept that the coordinated system be based on and supported by competent engineering, economic, and planning studies and analysis by professional personnel, and that the maximum amount of cooperation and agreement between those responsible for the provision of the different modes be achieved.

This organization will lend its support to the achievement of these goals.

MAY 24, 1965.

COMMONWEALTH OF VIRGINIA,
HOUSE OF DELEGATES,
Richmond, February 18, 1965.

Re S. 1117, National Capital Transportation Act of 1965.

Hon. ALAN BIBLE,
U.S. Senator,
Old Senate Office Building, Washington, D.C.

MY DEAR SENATOR BIBLE: I respectfully recommend your most serious consideration of Senate bill 1117, "National Capital Transportation Act of 1965." In my opinion this bill is vital to our Nation's Capital and to the Commonwealth of Virginia.

There is a clear and compelling need for a rail rapid transit system that will alleviate the almost impossible traffic congestion on downtown city streets and on the primary arteries of egress and ingress into the city.

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In my opinion the system proposed by the National Capital Transportation Agency will alleviate this congestion. Transfer arrangements for bus riders and automobile drivers at junctions with major arterial roads will extend the benefits of frequent dependable rail rapid service into the nearby areas of Virginia and Maryland.

It is essential that steps be taken now to bring a balanced transportation system to the metropolitan area.

I respectfully urge your strong support of this measure.

With all good wishes,

Respectfully,

JOHN L. SCOTT.

WASHINGTON, D.C., *February 16, 1965.*

Hon. ALAN BIBLE,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: The bill H.R. 4822 for the development of a rapid transit system in Washington, D.C., will be considered in this session of Congress. We ask you to keep in mind that there are 225,000 persons in the metropolitan area with physical limitations. There are all potential riders on a properly planned, architectural barrier-free rapid transit system. Most of them are unable to use the buses.

Dr. Howard Rusk estimates that by 1980 there will be one person over 65, one chronically ill or one otherwise physically disabled for every able-bodied person in the country. We should plan realistically for this segment of the population on our rapid transit system.

Many of us have met with the planning staff of the National Capital Transit Agency and have made these needs known to them. Costs to make the rapid transit system barrier free would be minimal if included in the original plans. The system would be safer for the general public.

The following should be given due consideration:

1. Speed walk-speed ramps for rapid movement of passengers from one level to another.
2. Elevators where speed walk-speed ramps are not possible.
3. Walking ramps should have not more than a 8.5-percent incline.
4. Wide gates for wheelchairs near turnstiles.
5. Wide entrance and exit doors—minimum 32 inches.
6. Safe, usable parking with ramped curbs near terminals.
7. A flap out from the train to platforms so wheels of wheelchairs and heels would not get caught.
8. Adequate space in areas near the car door for a person in wheelchair.
9. Nonslip floors.
10. No revolving doors, steps, or escalators.
11. In addition to the minimum requirements stated above, there should be general conformity to American Standard Association specifications, A–117.1—1961.

We hope you will give consideration to these points when the bill for a rapid transit system is presented. The Capital of the United States should be a leader in the development of an architectural barrier-free rapid transit system as a guide to the world in all future construction. You have an unusual opportunity to provide realistically for future needs without excessive cost.

Sincerely yours,

Paul O'Donnell, President, National Capital Area Chapter of the National Paraplegia Foundation; Margaret Kenrick, M.D., Medical Adviser for Opening Doors; District of Columbia Medical Society; Section of Physical Medicine and Rehabilitation of District of Columbia Medical Society; Rehabilitation and Chronic Illness Committee of District of Columbia Medical Society; Metropolitan Washington Society for Physical Medicine and Rehabilitation; Virginia Society for Crippled Children and Adults, Inc.; Maryland Society for Crippled Children and Adults; District of Columbia Society for Crippled Children; Washington, District of Columbia Area Chapter, Indoor Sports Clubs, Inc.; National Capital Area Chapter, the National Foundation; Multiple Sclerosis Association of Greater Washington; Washington Heart Association, Inc.; Greater Washington Chapter, Muscular Dystrophy Association of America, Inc.; District of Columbia

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Area Chapter of National Multiple Sclerosis Society; District of Columbia Chapter of United Cerebral Palsy; National Capital Chapter, National Association of the Physically Handicapped, Inc.; District of Columbia Chapter of American Association of Retired Persons; District of Columbia Chapter, Paralyzed Veterans of America.

P.S.—We also urge you to vote favorably for bill H.R. 3820 which would require that a portion of Government parking facilities be established at our national monuments, memorials, and Government buildings for wheelchair-bound.

THE AMERICAN INSTITUTE OF ARCHITECTS,
Washington, D.C., July 20, 1965.

Hon. ALAN BIBLE,
Chairman, District of Columbia Committee,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BIBLE: Attached is a statement by the American Institute of Architects concerning the transit development program for the National Capital region dated July 20, 1965, with attachments.

We ask that this position be entered into the committee record.

Sincerely,

GEORGE E. KASSABAUM, AIA,
Vice President, the American Institute of Architects and Chairman, AIA Committee on the National Capital.

STATEMENT OF THE AMERICAN INSTITUTE OF ARCHITECTS CONCERNING TRANSIT DEVELOPMENT PROGRAM FOR THE NATIONAL CAPITAL REGION

The American Institute of Architects, now in its 109th year, is a professional association uniting over 21,000 architects including over 16,000 corporate members and over 5,000 associate members represented in 159 chapters located in all States of the Union.

The AIA, with long concern for and experience in the design of cities, urges that the present and contemplated growth of the National Capital makes a mass transit system inevitable, and that it is essential to undertake the design and construction of such a system at once in order to enhance the beauty, character, and efficiency of the Nation's Capital.

In support of the institute's position, we attach the following:

1. Statement of July 17, 1963, transmitted by AIA Past President J. Roy Carroll, Jr., FAIA of Philadelphia, to the Honorable Alan Bible, the Honorable John L. McMillan, the Honorable Charles A. Horskey, and the Honorable Basil L. Whitener.

(*a*) The statement cited the urgent need for an effective transit system to serve the National Capital region.

(*b*) It quoted AIA Past President Philip Will, Jr., FAIA of Chicago, in March of 1961 wherein he stated, "Strangulation by traffic can only be eased by effective development of mass transportation."

(*c*) It further quoted AIA Past President Henry L. Wright, FAIA of Los Angeles in March of 1963 wherein he stated, "Traffic cannot be considered as a separate and isolated problem. It does not generate itself, but derives from the uses of land for the design and construction of buildings and facilities. To provide any community with vitality, economic health, and beauty which are the goals of large-scale urban architecture * * * movement of people and goods must be planned as elements of the comprehensive problem."

2. Statement of the American Institute of Architects of February 17, 1965, under the AIA administration of AIA Past President Arthur Gould Odell, Jr., FAIA of Charlotte, N.C.

3. Resolution passed at the 97th Annual Convention of the American Institute of Architects conducted in Washington June 13–19 entitled "Urban Transportation."

4. Copy of our AIA Journal, issue of January 1963, entitled "Washington in Transition." We particularly urge your attention to page 39, "A Plan for the National Capital Region in the Year 2000," and page 70, "The Washington Regional Plan," and page 75, "Transportation in Washington."

We urge your careful consideration and support of this vital pending legislation.

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WASHINGTON BUILDING CONGRESS, INC.,
Washington, D.C., July 20, 1965.

Senator ALAN BIBLE,
Chairman, District of Columbia Committee,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Washington Building Congress has gone on record in the House of Representatives in full support of H.R. 4822, a bill to authorize the prosecution of a transit development program for the National Capital region, and desires that the records of the Senate show our continued support of this measure.

The building congress is the largest construction industry organization in the metropolitan area. Our 1,500 members come from every segment of the construction industry, such as architects, engineers, general contractors, subcontractors, material suppliers, representatives of organized labor, mortgage and banking interests, and top officials from Federal, State, and municipial agencies.

We have long recognized the need for an adequate transit system and have joined the many other organizations which have urged the Congress to pass legislation to meet the transportation needs of the Nation's Capital. We urgently need a rail rapid transit system and firmly believe it is essential if we are to have a healthy and progressive city.

The House committee has done a magnificent job on H.R. 4822 and worked long and hard in order to bring out a good and just bill. It differs widely and wisely from the bill that was considered in the 88th Congress and has been supported by more than 400 major official and private organizations in statements presented and filed with the House Committee on the District of Columbia.

We well know that this measure is not and will not be the complete answer to our transportation needs, but it is a great step in the right direction. We know that you will give your every effort toward passage and we are happy to voice our support.

Very sincerely,

ARTHUR H. KEYES, Jr., *President.*

CITIZENS TRANSIT IMPROVEMENT ASSOCIATION,
Washington, D.C., July 16, 1965.

Subject: Washington desperately needs rail rapid transit; passage of S. 1117 is a necessary step.

Senator ALAN BIBLE,
Chairman, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: The Citizens Transit Improvement Association wishes to thank you for your steadfast efforts on behalf of the orderly development of the National Capital region, and for introducing S. 1117, which we hope will be enacted as the National Capital Transportation Act of 1965. We do not wish to prolong the public hearings by even 1 minute. In asking that this statement be made a part of the printed record of the hearings, we hope that our written position will carry as much weight as oral testimony.

In our view, the Senate should pass S. 1117 in the same language as the House passed H.R. 4822. Congressional authorization for the prosecution of the transit development program is so urgent that every effort should be made to avoid the need to refer the bills to conference.

At this time, further amendments are unnecessary and undesirable for the following reasons:

1. Changes to the National Capital Transportation Act of 1965 can be accomplished by separate legislation.

2. The National Capital Transportation Agency welcomes the views of persons and organizations who would like to participate in the solution of transportation problems. The Agency is cooperative, diligent, and ably administered. We anticipate that the future regional transportation (interstate) compact organization likewise will be efficiently operated, and will give persons and organizations opportunities to present their views. There appears to be no need to further restrict administrative discretion at this time.

3. The rights of D.C. Transit System and other local bus companies are adequately protected by their franchises, and by the legislation that established the

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Washington Metropolitan Area Transit Commission. This is not the time to bestow, on any transit company, rights and privileges to which it is not entitled on the basis of existing statutes. D.C. Transit obtained its franchise in 1956—4 years after the issuance of a congressional mandate, to the National Capital Planning Commission and the National Capital Regional Planning Council, to conduct the mass transportation survey, work that was followed by the establishment of the National Capital Transportation Agency. The basic congressional mandate was to plan and design a regional rapid transit system, and this mandate still exists. It is significant that, when the Congress enacted D.C. Transit's franchise, it did not make D.C. Transit a chosen instrument, to operate the rapid transit system that the governmental agencies were planning. Surely, this was no oversight on the part of the Congress. Moreover, there is no evidence to indicate that, at the time the Congress was formulating or deliberating on the franchise legislation, any D.C. Transit founder proposed that any of its to-be-acquired properties be assigned a role or function in the implementation of whatever rapid transit development program the planning agencies would later submit to the President and the Congress.

We assume that a majority of Members of Congress recognize that automobiles and buses will be able to move more freely when the transportation load is shared by rapid transit trains operating on exclusive rights-of-way in both fair and foul weather. The alleviation of traffic congestion will enable ambulances, fire engines, and police cars to reach their destinations more easily and safely. Electric trains will give an added bonus: They will help us in our fight against air pollution and water pollution, because fumes pollute both air and water.

Promoting the livability of Washington will benefit not only Washingtonians, but also the millions of visitors from every congressional district and most foreign countries. Rail rapid transit in the National Capital Region will be a national resource meriting continuing Federal pride and concern. Enhancing the cultural amenities, moreover, will make it easier to attract and retain talented personnel in Federal service in Washington, an important consideration in view of the growing complexities of both domestic problems and international relations.

Sincerely yours,

HILLIARD H. GOODMAN,
Executive Vice President.

LAUNDRY-DRY CLEANING ASSOCIATION OF GREATER WASHINGTON,
Washington, D.C., February 24, 1965.

Hon. ALAN BIBLE,
Senate Office Building,
Washington, D.C.

DEAR SIR: Following is a resolution adopted by the members of this association at a meeting held on February 22, 1965:

"Whereas traffic congestion in Metropolitan Washington grows progressively worse; and

"Whereas population projections for the area indicate that our already overtaxed transportation facilities will be totally inadequate to handle the anticipated requirements for the movement of people: Therefore, be it

"*Resolved*, That the Laundry-Dry Cleaning Association of Greater Washington endorses the concept that Metropolitan Washington needs a balanced transportation system which includes more and better highways, an efficient bus system and a rapid rail transit system; and

"This organization will lend its support to efforts to achieve this objective."

Respectfully,

WILMER H. BALDERSON,
Executive Vice President.

STATEMENT BY MRS. ALLAN B. FAY, CHAIRMAN, RE ARCHITECTURAL BARRIERS PROJECT, METROPOLITAN WASHINGTON AREA

We wish to thank Senator Bible and this committee for hearing us.

The architectural barriers project is sponsored nationally by the President's Committee on the Employment of the Handicapped and the National Society for Crippled Children and Adults. Locally it is cosponsored by the District of Columbia Commissioners' Committee on Employment of the Handicapped and

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the District of Columbia, Maryland, and Virginia Societies for Crippled Children and Adults. It consists of organizations and individuals who are working together to make all buildings and facilities accessible to and usable by everybody, not only part of the population.

As individual citizens we fully endorse a rail rapid transit system. However, over 12 percent of the population have permanent functional limitations and cannot use any present public transportation system. This percentage is rising. For sound economic reasons, as well as social reasons, it is important that these people be able to earn their living and function in the community. Accessible, usable public transportation is essential for them.

We support rail rapid transit as individuals for the obvious reasons:

1. It would provide rapid transportation at all times.
2. Rail transit would complement the buslines by relieving some of the surface congestion.
3. Present buses produce fumes which are unpleasant for the passengers and the public at large, whereas electric trains would not add to air pollution.
4. Underground lines would be unaffected by snow or sleet so that a large core of employees could get to work during the worst weather, thus saving time and money for private business and the government.
5. Electric rail transportation is smoother and safer than motor transportation because there are no unexpected stops or sharp turns to throw passengers off balance.
6. Subways require one cut into the ground for access and egress from stations whereas busses and cars require extensive upheavals of large ground areas to construct the needed cloverleaves and access roads for high speed traffic.

As members of the architectural barriers project we are not only concerned with rapid, clean, safe transportation but also with its usefulness.

According to Dr. Philip S. Lawrence, Chief, Division of Health, Health Interview Statistics, National Center for Health Statistics, Public Health Service, 12.3 percent of the noninstitutional population of the United States have chronic limitations of activity. "In addition there are about 60 million people who have one or more chronic illnesses or impairments which cause no present limitations. Private medical practices and governmental agencies at all levels strive, in their daily practices and through research, to prevent progression of disease and impairment into higher levels of disability. But we must also strive to maintain, in those who are already handicapped, an optimum level of useful activity and self-support."

Over 12 percent of the population who need transportation cannot use public facilities at present. These are the permanently disabled: those in wheelchairs, on crutches, those with heavy leg braces, artificial limbs, using canes, those having degenerative diseases, heart, pulmonary, or muscle coordination problems. Next there are persons with short-term disabilities: those with broken legs, sprained ankles, postoperative cases, pregnant women. Finally there are those who are momentarily disabled: those individuals whose vision or reactions are momentarily hampered by an armful of packages, a tugging child, new eyeglasses. Thus, what at first thought appears to be the problem of only a few, turns out to be a problem that affects almost everyone at one time or another—not only 12 percent. This large portion of the population could be added to the number of riders and the income expected from an accessible and usable transportation system.

An "optimum level of useful activity and self-support" cannot be maintained if the functionally limited are confined to their immediate neighborhood due to lack of transportation they can use or afford. Many cannot afford $3 to $6 for daily cab fares to and from work, nor can they afford cab fare to investigate possible jobs, especially those in the low-income brackets. Buses are impossible for someone permanently confined to a wheelchair.

People from all over the country want to visit the Nation's Capital. Nationally there are approximately 18,220,000 persons over 65; 5 million with heart ailments; 139,000 with artificial limbs; 200,000 wearing heavy leg braces; 250,000 in wheelchairs not in institutions. Added millions have impairments to their mobility due to arthritis, impairment of purposeful muscle control due to polio, brain damage, strike or degenerative disability, or serious visual limitations. Locally there are more than 202,000 persons over 65 (9 percent of the population), 50,000 with heart ailments, 3,500 wearing leg braces or artificial limbs, 3,000 in wheelchairs.

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Congress has demonstrated its interest in the well-being of the individual citizen through the passage of many bills. Most recently hearings have been held in both Houses on the administration's proposal to improve the vocational rehabilitation program. Among the suggestions before Senator Hill's subcommittee on S. 1525 was that a national commission on architectural barriers be set up to coordinate the efforts of public and private organizations on the prevention and elimination of these barriers. This bill was received sympathetically by the committees in both Houses and constructive additions were suggested.

However, the intended results of the proposed architectural barriers commission and of all present physical and vocational rehabilitation projects are bottlenecked by lack of usable low-cost transportation for persons with functional limitations.

More and more we are realizing the benefits of getting the disabled off the welfare rolls and back onto the tax rolls; of enabling the elderly to contribute their knowledge and experience to community enterprises. For this, transportation is a must. The saving in money not spent on housebound individuals would be surpassed only by the saving in lives otherwise wasted.

Doctors express their concern when their patients are rehabilitated to the point where they could return to society, work, pay taxes, but find that they cannot get to work due to lack of transportation. As architectural barriers are eliminated by the General Services Administration and other Federal agencies, by the District of Columbia government, and by private enterprise, more persons should be able to work. This could be a great step toward fewer people on public welfare rolls and more sharing the assessed taxes—but only if such people can reach these buildings.

An increasing number of persons are living to an advanced age with resulting ailments, debilities, or functional limitations. Due to increased medical and surgical knowledge and improved care large numbers of persons who would have died a few years ago are surviving birth injuries and defects, illnesses, accidents, but with major functional problems. Their mental ability is not affected. Their work potential, their potential contribution to the lives of others, is often affected only by the existence of artificial, unnecessary barriers. These exist only because the architect, the businessman, or the legislator has not realized what constitutes a barrier for a large part of the population.

Most persons want to be independent: they do not want to ask for help; they do not want to complain. Many try to live as best they can in make-shift circumstances at home. Without transportation to a job they may finally give up and become a burden to society, to their families, to themselves. Unless you provide this portion of the population in Washington with usable transportation, nobody can help them.

Transportation is an essential facility in this urbanized age. To provide public transportation for all who wish to use it, the basic essentials are: First, level access to stations; second, ramps, moving ramps or elevators between levels; third, level access from platform to vehicle.

As we mentioned earlier, more than 12 percent of the population cannot use present public transportation. Rail rapid transit offers a space next to the train doors where persons on crutches, in wheelchairs, persons pushing baby carriages or shopping carts can travel. The rail rapid transit system should offer these persons accessible public transportation with level or ramped access to trains. At this stage of planning it would be simple to incorporate these into the design criteria for stations and trains so that they would be accessible to and usable by the total population. When post office and delivery services realize the benefits of rapid transit they too will benefit from elevators and moving ramps.

A barrier-free structure or facility provides superior customer service and convenience, as well as reduced accident frequency. With subway stations on an average of 30 feet underground a person would have the equivalent of three flights of stairs to get to and from trains. This is too much to expect from the average person, and impossible for those with heart problems or emphysema. Many others will not use the subway unless an easy, safe approach is provided.

Escalators and stairs cannot be used by mothers with baby carriages, persons in wheelchairs, on crutches, or using shopping carts. Escalators are unsafe for many persons with problems of coordination, for children, for persons with visual impairments. They have been the cause of serious injury and sometimes fatal accidents. Elevators, moving ramps, or stationary ramps can be used by everybody.

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Economically the incorporation of features that will make the rapid transit system accessible to all is insignificant in cost if planned at this stage. The increased numbers of passengers would mean at least 12 percent more train fares and tax receipts. Socially the saving in human potential makes such action most desirable, and, as you know, each life intimately affects at least five other lives.

Cities all over the United States are planning or adding to rail rapid transit systems. Present subway systems elsewhere are not usable for the disabled population only because nobody thought about it in the design stage. Boston, Chicago, Cleveland, New York City, Philadelphia, and Toronto, Canada, are expanding their systems. San Francisco, south Jersey, Montreal, are building rail rapid transit systems. Los Angeles and Atlanta are planning such systems.

At present the population of functionally limited persons equals the sum total of that in 18 States. By the year 2000 there will be one person over 65, one person chronically ill, or one person physically disabled for every able-bodied person in this country. One would certainly expect this rapid transit system to be functioning still in the year 2000. We should plan for the future and make it accessible for this half of the population.

It is not too late for your Capital City, and ours, to set a shining example that future transportation systems in the United States and the world would follow. You have the unique opportunity to provide for a rapid transit system that will be specifically designed to serve the needs of the total population; a system that will provide maximum safety and convenience for everybody; a system for which an increasing number of your constituents will be grateful to you.

We have met with members of the planning staff of the National Capital Transportation Agency. They agree with our conclusions regarding safety, convenience, maximal use, and need only your direction to include these criteria in their designs of stations and trains.

We strongly urge that your committee amend this bill to assure that the rapid transit system be so constructed that it will be accessible to and usable by the total population.

We wish to call your attention to the statement submitted to this committee by Mr. Harold Russell, chairman of the President's Committee on Employment of the Handicapped, and to the letter sent to Senator Bible by Opening Doors and the National Capital Area Chapter of the National Paraplegia Foundation February 17 and approved by 17 other organizations. We also wish to submit these supporting letters and other materials for your further consideration.

If you have questions we will gladly answer them. You have been most courteous in listening to our request. Thank you very much for allowing us to appear.

LAMOND-RIGGS CITIZENS ASSOCIATION RESOLUTION ENDORSING DISTRICT OF COLUMBIA RAIL RAPID TRANSIT BILLS

Lamond-Riggs Citizens Association, which represents a community of more than 10,000 District of Columbia taxpayers and citizens, herewith unanimously endorses the two bills, S. 1117 (sponsored by Senators Bible and Tydings) and H.R. 4822 (sponsored by Representative Whitener), similar in language and purpose, to authorize the construction of a coordinated system of rail rapid transit, and known as the "National Capital Transportation Act of 1965."

The association also urges sister associations and organizations to take similar action.

In endorsing the early enactment of S. 1117 and H.R. 4822, this association calls on the abandonment of the proposed North-Central Freeway to give rail rapid transit a chance to work and to save beautiful and prosperous areas and homes from wanton destruction, complicating the city's already crucial housing problem. Approved at the meeting of March 1, 1965.

AUBREY B. KEARNEY, *President.*

WASHINGTON, D.C.

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NATIONAL ASSOCIATION OF THE
PHYSICALLY HANDICAPPED, INC.,
NATION'S CAPITAL CHAPTER,
Washington, D.C., July 19, 1965.

Hon. ALAN BIBLE,
Chairman, Senate District Committee,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: We understand that the S. 1117 bill known as the Whitener-Bible bill will come up before the Senate District Committee in a few days.

On behalf of the Nation's Capital Chapter of the National Association of the Handicapped, Inc., I want to submit the attached requirements to be incorporated in the record for the benefit of all handicapped in the metropolitan areas.

We as citizens of this area are very desirous to be able to be riders on this proposed rapid transit system. However, if we have architectural barriers, this would be impossible.

We urge that these requirements be included in the plan, and that you will personally give our request serious consideration.

Thanking you in advance for your cooperation.

Sincerely yours,

Miss GRACE H. WARD,
President.
Miss KATHERINE S. FOSSETT,
Chairman, Legislative Committee.
DELBERT PHILLIPS,
Chairman, Architectural Barriers Committee.

The following are the requirements for the handicapped for the proposed rapid transit system bill, S. 1117, known as the Whitener-Bible bill:

1. Speed walk-speed ramps for rapid movement of passengers from one level to another.
2. Elevators, where speed walks-speed ramps are not possible.
3. Walking ramps should not have more than a 5 degree angle.
4. Wide gates for wheelchairs near turnstile.
5. Wide entrances and exit doors—minimum 32 inches.
6. Safe usable parking with ramp curbs near terminals.
7. A flapout from the train to platform so wheels of wheelchairs and high heels do not get caught.
8. Adequate space in areas near the car door for a person in wheelchair.
9. Nonslip floor.
10. No revolving doors, steps or escalators.
11. Conformance with ASA specifications 117.1, 1961, generally.

TAKOMA PARK, MD., *July 19, 1965.*

Senator ALAN BIBLE,
Chairman, Senate Committee on the District of Columbia,
U.S. Senate.

DEAR SENATOR BIBLE: I am writing as chairman and on behalf of the Metropolitan Citizens Committee for Rapid Transit, in support of the National Capital Transportation Act of 1965, before your committee.

We are informed that, desiring the earliest possible Senate action on this measure, you hope to avoid prolonged testimony. We strongly support you in this.

The MCCRT therefore submits the enclosed statement which we request be made a part of the printed record in order that our full support be recorded for the National Capital Transportation Act of 1965.

Our membership deeply appreciates your strong leadership in this matter.

Sincerely yours,

DUNCAN WALL,
Chairman, Metropolitan Citizens Council for Rapid Transit.

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STATEMENT IN SUPPORT OF THE NATIONAL CAPITAL TRANSPORTATION ACT OF 1965 BY THE METROPOLITAN CITIZENS FOR RAPID TRANSIT

The Metropolitan Citizens Council for Rapid Transit, a confederation of citizens' organizations with very broad membership in the District of Columbia and adjacent Maryland, strongly supports this legislation. The council has authorized me, as chairman, to make this appearance on their behalf. My name is Duncan Wall, a resident of Takoma Park, Md.

The MCCRT is organized to promote creation of rail rapid transit facilities, in order to achieve the rational balance now totally lacking in a metropolitan transportation system fatally dependent upon roadway movement, mainly by private automobile. This irrational utter dependence daily demonstrates its progressive disability for the mass transit of workers to and from their homes. This daily movement is the massive core problem of urban transport, not the "through" traffic, or visitors', or business service and personal errand trips.

We agree that rail rapid transit, indispensable for the daily mass movement, should be complemented, as proved necessity may require, by rationally planned roadways carrying efficiently directed and controlled traffic.

The interests of all employers, and equally of all employees, will be better served by provision of rail rapid transit as a means by which workers can safely, economically, conveniently, in all weather, quickly reach their posts of duty and return to their homes. In the National Capital, the Government is the paramount, though not the only, employer.

Moreover, the increasing flow of welcome visitors to the National Capital will be more conveniently and comfortably accommodated. The central business district will prosper better when it is more accessible to shoppers and when downtown space is redeemed from the necessity of uneconomic and unsightly daytime storage of an excessive number of automobiles. Necessary surface mass transit vehicles will move more rapidly. So will the necessary local traffic of business services and personal trips.

Most of all, we treasure the hope that a rational urban transport system will help to keep the Nation's Capital a living city by keeping it a city to live in. Historic shrines and beautiful parks belong to the Nation. Unmarred dignity of a National Capital befits the Nation. Decent and healthful space in which to work and play and live is an American heritage. We all want to preserve these. A rational urban transportation system will help to do so.

We therefore trust that the Senate will speedily pass the National Capital Transportation Act of 1965, thus putting its seal upon action to which the House of Representatives has already agreed. Let the beginning be made at once, we urge, and any improvements which wisdom and time may indicate be the subject of separate action. Delay in beginning can only mean progressive, cumulative, delays in completing the rail rapid transit facilities necessary to rationally balance an urban transportation system urgently needed in the National Capital metropolitan area.

We wish our conclusion to be an expression of warmest gratitude to those Senators who have so actively sponsored this measure and to those who support it, just as we are grateful for the approval given this measure in the House of Representatives.

CITY OF FALLS CHURCH, VA.,
July 19, 1965.

The CHAIRMAN,
Senate Committee for the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: The Council of the City of Falls Church has on numerous occasions, in the past 3 years, expressed its full support of the rapid transit system proposed by the National Capital Transportation Agency.

The city of Falls Church has supported, and will continue to support, the Northern Virginia Transportation Commission whose function is to coordinate the efforts of the northern Virginia communities to extend the proposed Washington rapid transit system to serve the people of northern Virginia.

The city of Falls Church urges your committee to give favorable consideration to the approval of legislation for a rapid transit system for the Washington area, as approved by the House of Representatives.

Respectfully yours,

C. M. HAILEY, *Mayor.*

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FAIRFAX COUNTY CHAMBER OF COMMERCE,
Fairfax, Va., February 10, 1965.

Subject: A rapid transit system for the Washington metropolitan area.

Hon. LYNDON B. JOHNSON,
President of the United States,
Washington, D.C.

DEAR PRESIDENT JOHNSON: The board of directors of the Fairfax County Chamber of Commerce, meeting on February 2, 1965, had as their guests, Mr. Warren Quenstedt and Mr. Cody Pfansteihl of the National Capital Transportation Agency, who made a fine presentation of NCTA proposed rapid transit system for the Washington metropolitan area.

The presentation and discussion that followed resulted in the adoption of a resolution which I respectfully submit for your information.

We, of the Fairfax County Chamber of Commerce hope this resolution will be favorably received, as we feel it reflects the consensus of opinion of the residential and business community of northern Virginia.

Respectfully,

JOE B. COCHRAN, *President.*

RESOLUTION

Whereas Fairfax County, Va., is the fastest growing county in the United States, it being long obvious that an efficient mass transportation system is needed here; and

Whereas huge sums of public money have already been spent to carry out the intent of the National Transportation Act of 1960, a carefully considered plan having been presented to the Congress on November 1, 1962, for mass transportation in the entire Washington metropolitan area; and

Whereas the solution of mass transportation problems throughout the world has proven to be as set forth in the National Capital Transportation Agency's recommendations of November 1, 1962, to wit: primary emphasis on downtown subways, served by rail rapid transit which in turn is served and made more flexible by a "feeder" bus system: Therefore, be it

Resolved, That the Fairfax County Chamber of Commerce continues to support the recommendations of the National Capital Transportation Agency; in particular, its provision for operation by private enterprise; and be it further

Resolved, That this organization endorses the now current plan limited to a downtown Washington subway system only as a short-term beginning of a solution to the mass transportation problems of northern Virginia.

[SEAL] THE FAIRFAX COUNTY CHAMBER OF COMMERCE.

Adopted February 2, 1965.

COMMONWEALTH OF VIRGINIA,
GOVERNOR'S OFFICE,
Richmond, February 23, 1965.

Hon. ALAN BIBLE,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: I am pleased to offer the following comment regarding S. 1117, now pending before the Committee on the District of Columbia.

The Commonwealth of Virginia offers no objection to the pending legislation, but the following language is respectfully suggested in the form of an amendment to section 2:

"(f) No provision of this Act shall conflict with any provision or provisions of the Washington Metropolitan Area Transit Regulation Compact (74 Stat. 1031, and 76 Stat. 764)."

With kindest regards, I am,

Sincerely yours,

ALBERTIS S. HARRISON, Jr., *Governor.*

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ARLINGTON COUNTY,
OFFICE OF THE COUNTY BOARD,
Arlington, Va., July 19, 1965.

Hon. ALAN BIBLE,
Chairman, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR BIBLE: I am enclosing a copy of a resolution passed by the Arlington County Board in support of a National Capital transportation Agency legislation now before your committee.

I would appreciate your including this resolution in the record of your committee's hearings on this matter. Should you wish to have a member of the Arlington County Board appear before your committee personally, please let me know. Any one of us would be pleased to testify to the board's position in support of the legislation.

Sincerely yours,

JOSEPH L. FISHER,
Chairman, Arlington County Board.

RESOLUTION—NCTA TRANSPORTATION PROGRAM

Whereas the National Capital Transportation Agency plan for a rapid rail transportation system to be presented to the Congress is a promising beginning to a coordinated transportation program to facilitate the movement of people throughout the National Capital region; and

Whereas the steadily increasing traffic on our streets and highways is of grave concern to Arlington County and this transportation program is intended to relieve congestion and to provide an economical means of rapid transit to commuters; and

Whereas it is extremely important that steps be taken at the earliest possible date to implement this plan in order that construction of a more complete system may be completed within a reasonable period of time;

Now, therefore, the County Board of Arlington County, Va., endorses in principle and gives general acceptance to the concepts and the recommendations of the National Capital Transportation Agency for a balanced transportation system in the National Capital region and requests that the Congress of the United States authorize and provide funds for such a program.

Adopted January 1, 1965; reaffirmed February 13, 1965.

STATEMENT OF WASHINGTON BUILDING CONGRESS

FEBRUARY 19, 1965.

To Hon. Alan Bible, chairman, U.S. Senate Committee on the District of Columbia.

To Hon. Basil L. Whitener, chairman, House Transportation Subcommittee of the District of Columbia Committee.

We support the objectives of H.R. 4822 and S. 1117 now before you, authorizing the National Capital Transportation Agency to proceed with a transit development program for the Nation's Capital.

Our support is not made subject to the following changes but we do believe it will be a better bill if these changes are made:

1. NCTA should be given wide latitude to make changes in the general layout of the transit lines since the route suggested in the latest plan submitted by NCTA is, in our opinion, too much the product of calculations based on the present population patterns. Rapid transit should not merely serve existing patterns and trends, it should be used creatively to produce new and more desirable patterns and trends. It would be fruitless to argue planning details in a public hearing, however, and we shall refrain from going into these details. We merely request that NCTA be given the same wide latitude with respect to planning changes that is accepted with respect to highway planning.

2. NCTA should have the authority, subject to approval by the National Capital Planning Commission, to adopt a downtown subway distribution system in advance of actual construction.

After the adoption of this plan, and in advance of any appropriation for construction of the complete downtown subway system, NCTA should have available

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a fund of $15 million for the advance purchase of easements made in accordance with the plan. The adoption of this proposal would serve the following purposes:

(*a*) It would locate all the stations in the downtown area and would, therefore, permit intelligent planning decisions to be made with respect to the precise location of important new public and private buildings in the downtown area.

(*b*) There are a number of places where it is still possible to acquire important offstreet easements for curves and switching without having to pay for the removal of expensive structures. If a complete downtown rapid transit plan is adopted, it would be elementary good sense to acquire the easements in advance of any expensive new construction. It may be necessary to build a portion of the tunnel as a part of a new building in some cases. It is for this reason that NCTA should have a relatively large appropriation for such purposes.

(*c*) The very fact that easements are purchased and even short sections of tunnel are build as need arises in these strategic spots will give a validity to the plan which would otherwise be missing.

(*d*) The ultimate cost of the downtown distribution system will be reduced and NCTA can plan with assurance and a lessened tendency to accept unsatisfactory compromises.

This is the Nation's Capital. Planning decisions of great foresight and broad scope must be made in relation to the general layout of the transit lines and all must be in harmony with the important elements of an existing great and beautiful city. We are certain that a rapid transit system can add to its greatness and preserve its beauty.

NORTHERN VIRGINIA APARTMENT OWNERS ASSOCIATION. INC.,
Falls Church, Va., July 20, 1965.

Hon. ALAN BIBLE,
Chairman, Senate Committee on the District of Columbia, U.S. Senate, Washington, D.C.

DEAR SIR: The attached statement of the Northern Virginia Apartment Owners Association concering the passage of bill S. 1117 is a reaffirmation of our concern for matters affecting the development of the Nation's Capital and surrounding areas.

We hope that you and your committee will carefully study the position of the association in your deliberations on the pending legislation.

We would appreciate having this entered in the record.

Sincerely yours,

ROGER J. MOURÉ, *Executive Director.*

STATEMENT OF THE NORTHERN VIRGINIA APARTMENT OWNERS ASSOCIATION, INC., RE S. 1117 BEFORE THE DISTRICT OF COLUMBIA COMMITTEE, JULY 20, 1965

Mr. Chairman and members of this committee, my name is Roger J. Mouré. I am the executive director of the Northern Virginia Apartment Owners Association, with offices at 6521 Arlington Boulevard, Falls Church. Va.

For the information of the committee, our organization represents the owners of apartments in Arlington, Fairfax, Loudoun, and Prince William Counties, as well as the cities of Alexandria, Falls Church, and Fairfax which constitutes the northern Virginia region.

The Northern Virginia Apartment Owners Association comprises owners of apartment buildings and/or projects in our region and represents an industry that owns more than $2 billion worth of real estate in the area. Further, we are the landlords of over 100,000 families in northern Virginia.

Our appearance at this committee is to endorse the program of the National Capital Transit Agency as it is before you under the Senate bill S. 1117, with the amendments passed by the House of Representatives.

It is with full knowledge that the National Capital Transportation Agency program for 1965 provides for a fully coordinated system of rail. rapid transit, but transportation and automotive highways that we endorse this plan. It is our belief that the beauty, dignity and welfare of the northern Virginia region will be greatly enhanced by the use of the proposed system.

We of northern Virginia are fortunate in that our State legislature caused to be created the Northern Virginia Transportation District as well as the

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Northern Virginia Transportation Commission. It was in this manner that the Commonwealth of Virginia announced to the other areas of the compact to be formed that we of Virginia are ready to go ahead and do what is required to set up appropriate interstate compact which will finance, build and operate a metropolitanwide transport system, the beginning of which is called for in the bill before you.

The question of the tristate transportation compact came up various times during the House of Representatives hearings and floor debates. The present situation of the compact so far as Virginia is concerned can best be described as follows:

(*a*) We, in Virginia have created both the Northern Virginia Transportation Commission and the Northern Virginia Transportation District.

(*b*) All the jurisdictions in northern Virginia are now members and the Northern Virginia Transportation District can be expanded to include Loudoun and Prince William Counties in the future if they desire to participate in both the district and the commission.

(*c*) In the recent primaries for house of delegates, the question of Rapid Transit Transportation was raised and all candidates endorsed appropriate legislation for the interstate compact.

(*d*) It is believed that at the next meeting of the Virginia General Assembly in January 1966, appropriate legislation will be introduced and it should pass both houses of legislature as prime important legislation.

The question of whether Virginia was ready to finance their portion of a rapid rail system is best answered by the fact that so many of the candidates for the house of delegates or the State of the Commonwealth made it a point to state they would support the appropriate legislation. Further, the various local jurisdictions of the northern Virginia areas, that is: Arlington, Fairfax, and Prince William Counties and the cities of Falls Church and Fairfax have passed resolutions supporting the legislation as presently before you.

Each of them at the public hearings at which these resolutions were adopted were advised and knew of their own knowledge that they would have to provide the financial support for the extension of the system into their own areas. These various communities have enough faith in the plans of the NCTA going forward that they have appropriated out of their own budgets a sum in excess of $160,000 for the operation of the Northern Virginia Transportation Commission. It is believed that all of these jurisdictions would not have made this appropriation if they were not ready to follow through when the time comes to make the necessary financial arrangements to continue the project to its full and complete fruition.

Some of the people of northern Virginia are even now planning on the best locations for extending the routes of the rail rapid transit over the more densely populated areas, in order to get the most out of the proposed system.

At its May public meeting, the Northern Virginia Transportation Commission adopted a $162,200 budget for the fiscal year beginning 1st of July 1965. This budget will finance a program of transit planning with a goal of completing suburban rapid transit extensions into Virginia at the same time that the National Capital Transportation Agency completes the subway from downtown to the Pentagon in 1970.

Immediately following congressional approval of the NCTA plan, NVTC will expand its staff and commence translating traffic and other data into general plans for specific alinements of rapid tranist extensions and feeder routes.

The budget also provides for some attention to improvements that can be made during the interim period between now and when the first rapid transit train operates. Bus service revisions and introduction of commuter train service upon existing rails are envisioned. The budget does not include the cost of purchasing of rights-of-way or of any construction or operation of transit facilities.

A $6,000 surplus carried over from the current fiscal year reduces the amount of required new funds to $156,200 which is prorated among the participating cities and counties proportionate to U.S. Bureau of the Census estimates of their populations as of July 1963: Fairfax County, $77,615.78; Arlington County, $45,657.26; city of Alexandria, $25,382.50; city of Fairfax, $4,514.18; and city of Falls Church, $3,030.28.

Since we submitted our statement to the House of Representatives, the NCTA has had a change of Administrators. Mr. Stalzenbach administered the Agency during the period of planning. With the planning studies, engineering studies, and various other studies completed the time came for a new Administrator to

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come into the project. Now, it was time for action, the NCTA was fortunate in being able to get the services of a man long experienced in transportation operations, Mr. Walter McCarter, to get on with the problems of constructing the rail rapid transit system, at such time as the Congress may designate.

It is with pride and pleasure that the Northern Virginia Apartment Owners Association join with the many organizations that are currently requesting the passage of S. 1117, and we do ask that this committee pass favorably on the bill, and in sending it to the floor ask for expeditious passage by the full Senate of this much needed legislation.

Attached hereto is a copy of the statements submitted in support of H.R. 4822 which we resubmit to you for your perusal.

STATEMENT OF THE NORTHERN VIRGINIA APARTMENT OWNERS ASSOCIATION, INC., RE H.R. 4822, BEFORE THE DISTRICT OF COLUMBIA COMMITTEE, FEBRUARY 17, 1965

Arlington County, the cities of Alexandria, Falls Church, and Fairfax. This commission constitutes the Virginia share of an interstate compact which will finance, build, and operate a metropolitan-wide transportation system, and which is called for in the bill before you.

Our northern Virginia community is ready to go forward with the mass transportation plan of the National Capital Transportation Agency. We have prepared ourselves in our northern Virginia region by having endorsements by Arlington, Fairfax, and Prince William Counties and the cities of Falls Church, and Fairfax. (Copies of their resolutions are attached.)

On Monday evening, February 8, 1965, the Northern Virginia Apartment Owners Association sponsored a meeting on rapid transit, at which we had Mr. Julian Barber of WTOP-CBS, as the moderator. Our distinguished panel consisted of Hon. Joel T. Broyhill, Member of Congress from Virginia; Hon. Frederick A. Babson, Jr., chairman of the Northern Virginia Transportation District Commission; Mr. Warren D. Quenstedt, the Deputy Administrator of the National Capital Transportation Agency; and Mr. Robert M. Coultas, of the Locomotive & Car Equipment Department of the General Electric Corp. Summaries of their remarks are attached hereto and are a part of this presentation.

It may be of interest to this committee that this meeting was attended by close to 400 very interested people, who represented every local jurisdiction, the State and Federal Governments, as well as the business and civic leaders of our northern Virginia community. After the meeting, the concensus of opinion was that something must be done now. At the risk of repeating myself, we in northern Virginia have come to feel that once the initial program for mass transportation is started and a realistic balanced transportation system for the area is achieved the economic, health, and welfare of our communities will be greatly improved. The proposed program, while not being the complete system that we of northern Virginia would like to have, is at least a beginning, and a step toward solving the transportation needs of the area.

It is however, suggested that definite provisions for the extension of the system to the entire Metropolitan Washington region, and not for the District of Columbia alone. It is further suggested that since northern Virginia is the only area that has taken the proper steps for proceeding with the requirements of the interstate compact called for in the Transportation Act of 1960, a demonstration line should be immediately planned and placed in operation to serve the most densely populated area in Virginia. Definite provisions should be included in the present act for the implementation of title III of the Transportation Act of 1960, which called for the establishment of the Northern Virginia Transportation District has accomplished, but, the District of Columbia and the State of Maryland have not accomplished.

Therefore, Gentlemen, with the knowledge that we have been able to obtain, after having heard the pros and cons of various possible systems, our endorsement of this program, which can be the beginning of a true balanced transportation system; is one in which we join with all the local government bodies of our northern Virginia region in asking this committee to act expeditiously and favorably, subject to the amendments suggested.

We wish to thank the members of the committee for having granted us the time and opportunity to present our views before you.

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INTRODUCTION BY MR. CHARLES F. WARNER, PRESIDENT, NORTHERN VIRGINIA APARTMENT OWNERS ASSOCIATION, AT THE SYMPOSIUM ON RAPID TRANSIT, FEBRUARY 8, 1965

Distinguished guests, ladies, and gentlemen, I am Charles F. Warner, president of the Northern Virginia Apartment Owners Association which is sponsoring this symposium on rapid transit.

This was to have been a regular membership meeting to discuss all the pros and cons of a rapid transit-type system. It is our hope by this symposium, in place of our regular meeting, our association will be in a better position to more effectively recommend a system of transportation that will not only be realistic, but to the best interest of all the people in the area.

Due to the time factor, we will not be able to introduce many of our guests who represent local, State, and Federal governmental jurisdictions, including their transportation commissions, committees, and agencies.

It is with pride, I announce, that our moderator is Mr. Julian Barber, WTOP-CBS news personality, and moderator of "News-Night" which is heard over WTOP, channel 9, each weekday evening from 6 to 7 p.m.

I would like, now, to turn the meeting over to Mr. Barber, who will moderate the program and who will introduce our distinguished panel as we proceed.

Thank you.

STATEMENT BY MR. JULIAN BARBER, WTOP–CBS, MODERATOR OF THE SYMPOSIUM ON RAPID TRANSIT, FEBRUARY 8, 1965

Thank you, Mr. Warner, and good evening ladies and gentlemen, and distinguished guests, I am delighted to be here this evening and to participate in this transportation symposium, for nowhere in the country is this issue more important and the approaches to it more diverse and more complex than in the greater Washington area.

I believe that the Northern Virginia Apartment Owners Association has performed a valuable service, by bringing together spokesmen for so many areas and so many approaches for this exchange of ideas and thoughts. I'm glad Charlie Warner made clear my role in this program, moderator, because of the many misconceptions about us newsmen by those of you who permit us in your homes each night, via television, that if we are not experts in every field of knowledge and endeavor, we are, at least, authorities. Of course, we are not. I think Edward R. Murrow had the best answer to this misconception when he once admonished a group of us broadcast newsmen as follows "The fact that your voice is amplified to the extent that it reaches from one end of the Nation to the other, bestows upon you no more wisdom or understanding then when your voice reaches from one end of the bar to the other."

I have had experience both before the microphone and before the bartender, but Mr. Murrow's admonishment has kept me from becoming an expert. We do, however, have some experts and qualified authorities in the field of transportation with us tonight, so lets get on with the business at hand and hear from our speakers.

Each of our four speakers will be given approximately 10 minutes for his presentation and afterwards we will welcome questions from the audience.

In the interest of time, will you please write out your question. I think every one has been given blanks or a questionnaire for that. Address it to anyone or all of the speakers, please sign your name and your organization or affiliation.

Questions will be passed up to the stage, I'll read them to the individual and we hope he will answer. They will be screened to avoid duplication but, of course, will not be edited.

Our first speaker tonight represents the General Electric Co., Mr. Robert M. Coultas.

Mr. Coultas is a native of Moline, Ill. He received his bachelor's degree in commerce at Augustina College, Rock Island, Ill. He did graduate work in transportation at the State University of Iowa and the American University in Washington.

Mr. Coultas has served as manager of locomotive sales for the General Electric Co. until a few months ago when he was transferred to Washington where he represents the locomotive and car equipment department of the company.

It is with pleasure that I introduce our first speaker, Mr. Robert M. Coultas of GE.

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RÉSUMÉ OF STATEMENTS BY ROBERT M. COULTAS, INCLUDING EXTRACTS FROM FILM ON RAPID TRANSIT, PRESENTED BEFORE THE NORTHERN VIRGINIA APARTMENT OWNERS ASSOCIATION, FEBRUARY 8, 1965

Washington needs all of the transportation it can get. The population of the metropolitan area is growing faster than that of any other in the Nation. The area needs more highways, increased bus transportation, additional parking facilities and—to bring the system into balance—rail rapid transit.

In those cities which have rapid transit, expansion is either in the planning or construction stages. These include Boston, New York City, Philadelphia, Cleveland, Chicago, and Toronto. Montreal, South Jersey, and San Francisco are building new systems.

What specifically will the people in these cities gain from balanced transportation? Most obviously, their means of getting around will be the best ever with more time to spend with their families. Furthermore, good transportation attracts new industry and commercial activity—thus, thousands of new jobs will be created in each area. In some of these cities, if not all, the increase in property values alone will justify the expenditure for rapid transit.

The central core areas, with their unique commercial, recreational, and cultural services will be strengthened by improved accessibility.

All these benefits add up to better living.

What is rapid transit? It is a system of passenger vehicles capable of being economically operated in trains on their own separate right-of-way without interference with any other form of traffic. Such a system can operate at speeds up to 80 miles per hour, give the rider time to travel comparable to that of the auto on the expressway, and provide accurate service regardless of the weather. Rapid transit brings a city's transportation system into balance. Balance means the combination of autos on expressways, feeder buses, adequate parking, and high-speed rapid transit, in which each is used to its best advantage to enhance the value of the others.

Transportation planners who recognize the need for both rapid transit and highway facilities have observed certain transportation principles that have universal application.

The first principle is that people must determine ahead of time the type of city they want and realistically can attain. All transportation planning is then carried out with these goals in mind.

Second, all transportation systems must be coordinated with each other and planned on an areawide basis. Piecemeal efforts to provide for transportation needs are usually ineffectual and much more costly.

Third, when properly planned. and executed, the expenditure of public funds for transportation facilities—either highway or rail—is an excellent investment. Good transportation is a powerful tool for orderly growth and can be used to shape community development.

The fourth principle is that modern rail rapid transit represents the best combination of safety, speed, comfort, convenience, and economy and is recognized as the ideal method of moving large numbers of people in metropolitan areas.

The fifth principle is that local leadership must take the initiative in identifying transportation problems and developing solutions. The Federal Government, whose transit role has only recently been defined, can only play a supporting role in helping cities achieve balanced transportation systems.

The solution to the social problem of traffic congestion will be found within the framework of these principles.

SUMMARY OF REMARKS MADE BY CONGRESSMAN JOEL T. BROYHILL, OF VIRGINIA, AT A MEETING SPONSORED BY THE NORTHERN VIRGINIA APARTMENT OWNERS ASSOCIATION, MONDAY, FEBRUARY 8, KNIGHTS OF COLUMBUS HALL, ARLINGTON, VA.

First let me make it absolutely clear that I am not opposed to the National Capital Transportation Agency subway-surface rail plan for rapid transit for the metropolitan area and I am not opposed to a more elaborate bus transportation system for this city and its environs. In fact, I strongly favor a balanced transit system which would utilize all modes of transportation and will strongly support the efforts of the Federal and State agencies most intimately concerned. I reserve the right, of course, to exercise my judgment as to what the best possible course of action will be.

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I am advocating a reevaluation of the AMF-Safege suspended monorail for possible use in the metropolitan area. I do not believe that the criticism of this system in the past have been sufficient to categorically rule out this method of rapid rail transportation for use in the National Capital area.

Suspended monorail utilizes the airspace over congested areas, along super highways and expressways, yet is a clean, attractive, structure. The high-strength support beams are narrow and do not interfere with motor or pedestrian traffic. Erected on or adjacent to existing traffic arteries, no premium priced or heavily taxed land is required for construction as in the case of surface transit.

Electrical power units running within an enclosed beam on pneumatic tires provide safe, quiet, and comfortable transportation. Suspended monorail can negotiate turns in a minimum of space, especially in congested traffic areas where sharp curves are required which precludes the construction of other rail systems.

This monorail is an all-weather system, capable of speeds up to 75 miles per hour and its track structure requires only 32 to 39 inches at ground level.

In northern Virginia, in suburban Maryland, and in parts of the District of Columbia, this system is admirably suited to provide rapid mass transportation. It can be constructed and in operation in a short period of time (1 year to 18 months). It is economical to construct in a congested area because of the availability of rights-of-way. This is the severe disadvantage encountered in building new surface rail lines or subways in this area.

Of course, surface rail is cheaper in open country where right-of-way is unrestricted. However it is ridiculous to say that surface rail or subway can compete with monorail where rights-of-way in a metropolitan area must be acquired.

I do not believe this system has been sufficiently examined nor afforded the opportunity to demonstrate what it can do. I ask that monorail be reexamined and if indeed, it is again rejected, the reasons for such a decision should be made public and accorded extensive publicity.

The cities of El Paso, Tex., and Juarez, Mexico, have this week signed the initial agreements that will lead to the construction of a suspended monorail system between their two cities. This is a metropolitan complex on nearly three-fourths of a million people. Major capitals throughout the world and large cities in this and other countries are now seriously considering the AMF-Safege suspended monorail. I feel that the Washington metropolitan area would be well advised to do the same.

SUMMARY OF A TALK BY FREDERICK A. BABSON, CHAIRMAN, NORTHERN VIRGINIA TRANSPORTATION AGENCY, TO THE NORTHERN VIRGINIA APARTMENT OWNERS ASSOCIATION, FEBRUARY 8, 1965

Today there are over 2.3 million people owning over 850,000 vehicles in the metropolitan area. Fifteen years from now we expect to have 3 million people owning 1½ million vehicles. I believe that it has been established that the economic health of any area is determined in large part by the proficiency of its system of moving people and goods to and from and within the area. In short, transportation is vitally important to the well-being of the people in any area.

Our Nation's Capital should serve as a model. Yet in the field of transportation, as in others, we lag behind. While railroad tracks were being removed from the Mall in 1902, the great capital cities of Europe were tunneling beneath their cities and creating rail transit systems that, to this day, are rapid, economical, technological phenomena; London has 258 miles of such track.

Men of reason advise that we must develop a balanced transportation system, which means taking advantage of all modes of transportation, highway, rail, water, and air. Since, nationally, automobile usage is growing twice as fast as population, this advice seems patently sound. When it is remembered that on a cost-per-passenger basis, rail transit is less expensive than buses, this advice is even more appealing. Furthermore, there is no example of a bus system that is truly competitive with the private auto.

Our object should be to create a transportation system for the movement of people within the Metropolitan Washington area which is economical, comfortable, safe, and efficient enough to attract people from their private autos to this system. I personally believe that this will require a rail rapid transit system, which will have the additional effect of enabling vast improvement in bus service by taking many private autos off the same highways which the buses must use.

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Any rapid transit for northern Virginia must use a subway in downtown Washington and available rights-of-way in the outlying areas in order to be economically justified.

However, the day is rapidly approaching when these extensions of service into Virginia will not be economically justified—simply because we will not be able to afford them. Due to increasing costs of construction, each new plan is necessarily more expensive than the last. But, even more critical is the fact that usable rights-of-way are disappearing for other uses before they can inexpensively be pressed into use for transit. For example, where we once had the grade of an abandoned railroad, we are now forced to employ costly subway construction. So, paradoxically, while every year brings evidence of greater patronage for a rail system, each year also brings a higher cost of providing such service.

The latest subway proposal from NCTA's drawing boards is inadequate, particularly for northern Virginia. But, it is acknowledged to fall short of the area's needs. At first look, it appears to offer no benefit to northern Virginia. However, the plan represents that all-important phase of rapid transit development, a start. If we do not start, we can never finish. If subways are not provided within the District of Columbia, extensions into Virginia cannot be accomplished. In reality, as an NCTA plan, it is more than adequate for northern Virginia. NCTA has no authority to develop lines within Virginia, yet the Agency proposes to build 3.4 miles of line into our Commonwealth, tapping the major traffic points of Rosslyn, the Pentagon, and Pentagon City. This projection of fast, modern, all-weather dependable train service across the river is to be constructed at no cost to northern Virginia. This is justifiable from a District of Columbia point of view for at least three reasons which need not be detailed here.

The NCTA plan does not show extensions into the suburbs. However, the plans do provide for such extensions. For one example, the terminal at Pentagon City is designed in such a way that the tracks can be extended onward to Alexandria. For another example, the station and tunnels at Rosslyn are designed in such a way that a branch line can be built through Arlington toward Falls Church and Fairfax.

Last year, at the behest of Senator Charles Fenwick, the Virginia Legislature created the Northern Virginia Transportation District, composed of the counties of Arlington and Fairfax and the cities of Alexandria, Falls Church, and Fairfax. The same law established the Northern Virginia Transportation Commission, composed of four members from Fairfax County, three members from Arlington, and two from Alexandria, and one each from Falls Church and Fairfax City. Ultimately, this Commission will be Virginia's share of an interstate compact involving the District of Columbia, Maryland, and our Commonwealth. This compact, which must be ratified by Congress, will finance, build, and operate a metropolitanwide transit system. (I use the terms "build" and "operate" in their broadest sense: as it is likely that both will be performed by private enterprise under contract to the compact agency.)

About a year and a half ago, NCTA proposed a rail rapid transit system which would have served, with direct lines, the Virginia and Maryland suburbs as well as downtown Washington. This would have cost about $860 million, but Congress did not approve it.

As the magazine of the National League of Cities stated in its January issue of this year, NCTA "lost a bitter, widely publicized fight with the highways advocates" and "at the same time, the agency was taking on the peppery owner of the local bus company, Roy Chalk, ardent advocate of both private enterprise and bus solutions to urban transportation problems."

Parenthetically may I say here that in the interim the voters of the San Francisco Bay area, by a whopping 60 percent majority, voted to tax themselves to pay for the construction of a similar rail rapid transit system at an almost identical cost to the system proposed by NCTA for Washington.

I sincerely believe that if the voters of the Metropolitan Washington area were given a chance to vote for or against the rail rapid transit system for this area, they would approve it.

I also sincerely hope that those who feel that they have a vested interest in the highways of this region will not again attempt to defeat NCTA's proposal for a rail system. We should not put self-interest above the public interest; and defeat of the current NCTA proposal will, in my opinion, deal a severe blow to the future of this area.

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Personally, I do not care who operates any proposed rail transit system, just as long as proper procedures are followed to insure that we obtain the very best operator available.

Furthermore, I think it is unimportant as to whether we use monorail, duorail, or trirail, just as long as we obtain the very best system.

In closing I would recall the old cliche about the weather—everybody complains about it—but nobody does anything about it. We have a chance here to not only complain about the traffic but to do something about it. And I would warmly invite all those who would rather "light a candle than curse the darkness," to join together to build for our Nation's Capital, a superior transportation system which will serve our people for generations to come.

SUMMARY OF A TALK BY WARREN D. QUENSTEDT, DEPUTY ADMINISTRATOR, NATIONAL CAPITAL TRANSPORTATION AGENCY, TO THE NORTHERN VIRGINIA APARTMENT OWNERS ASSOCIATION, FEBRUARY 8, 1965

Let's move.

The National Capital region needs a modern rail rapid transit system.

With support widespread—newspapers, planning organizations, highway departments, civic and business organization, governing bodies and individuals—I ask you: Do you know of any other regional problem affecting everyone on which so much agreement exists?

The community is ready. The general plans are ready. Now is the time to begin to build a modern, high-speed rail rapid transit system to relieve the load on our highways.

We must have more highways, also. But it is unfair to commuters, motorists, truckers, bus and taxi operators, and taxpayers to try to force this one method—the highway—to do the whole job in the crowded years to come.

In addition to the people it serves directly, and the motorists it benefits by relieving the load on the highways, a rail rapid transit system offers the brightest hope for our bus companies when they consider their problems in the years to come.

One million more automobiles will be added to our traffic in this region within 15 years.

If buses could increase their present-day average speed of approximately 11 miles per hour by only 1 more mile per hour they would benefit by a million more dollars per year because of the increased efficiency in use of equipment.

The Washington Metropolitan Area Transit Commission is doing a fine job of regulating our existing transit companies. The bus companies are doing their best to handle the mushrooming problem. I'm told by transit operators from various parts of the United States that our local transit operators are among the very best in the country. Certainly the A. B. & W. which serves northern Virginia along with D.C. Transit, I can say from my personal knowledge ,is rendering fine service under the increasingly difficult traffic conditions they must face every day.

These people are good operators, but they aren't magicians. They can't work miracles. They can't widen the streets, eliminate stoplights, or sweep all competing automobiles out of the way. And they can't stem the inevitable tide of 1,500,000 more people before 1980.

The three highway departments having responsibility for this region have plans for new highways. NCTA feels the National Capital region should have the very best highway system possible. But highway departments, businessmen, traffic jammed commuters, and virtually everyone else agrees that rail rapid transit remains a necessity. No matter how many highways we build, we still need a modern rail rapid transit system.

As a matter of fact, the National Capital Transportation Agency was created in 1960 because of that widespread agreement. The need for rail rapid transit was clearly proposed in the Mass Transportation Survey of 1955–59.

NCTA has looked here and abroad for solutions—highways and private cars alone; highways, cars, and buses only, exotic systems, and even the idea of doing nothing at all. We found that 32 cities of the world have or are constructing rail systems, 26 of them abroad. Half the rapid transit miles have been built since World War II. Washington is virtually the only major capital of a nation without the advantages of rail rapid transit.

San Francisco citizens voted their own tax money for a brandnew rail rapid system and they are now building it. Montreal is building a subway. Toronto is adding to its system. Los Angeles and Atlanta are making serious plans.

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In Atlanta the steam for the idea came from the smart and far-seeing man who operates the local privately owned bus system. The bus operator looked for a friend who could help him with his traffic jam problems. He found one—a high-speed rail system which could bring customers by the trainload to him, bring people out of the time-consuming money-costing congestion of downtown, bring them to him at stops along the line so he could whisk them home through the suburbs on his flexible bus routes. He didn't want to tie up his bus equipment in virtually motionless jams in the near downtown. That's management with vision.

Here in Virignia the legislature has shown its concern by creating the Northern Virginia Transportation Commission to deal with this problem. The chairman is the Honorable Fred Babson who is with us here tonight.

In addition, representatives of Virginia, under the leadership of Arlington's great public servant, Senator Charles R. Fenwick, have been meeting regularly with representatives of Maryland and the District of Columbia to draft an interstate compact to take over the affairs of the National Capital Transportation Agency as soon as agreement and ratification can be accomplished.

Meanwhile, we must start somewhere. The place to start is in the heart, the economic center of the region. NCTA's preliminary blueprints do exactly this.

Once a subway is started in the center, the neighboring States can, and we are confident they will, join in the construction of the world's most modern and efficient rapid rail system to serve our entire region.

Once again I ask you:

Do you know of any other regional problem affecting everyone on which so much agreement exists?

The region is ready. The plan is ready.

Let's move.

RESOLUTION NO. 15 OF THE BOARD OF SUPERVISORS, PRINCE WILLIAM COUNTY, RE TRANSPORTATION, METROPOLITAN AREA

(January 14, 1965, adjourned meeting)

Be it resolved, That the Board of Supervisors of Prince William County, Va., does hereby reaffirm its resolution No. 8, adopted January 24, 1963:

COMMENTS RE RECOMMENDATIONS FOR TRANSPORTATION IN THE NATIONAL CAPITAL REGION

The Board of Supervisors of Prince William County recognizes the need for planning and development of transportation in the National Capital area. The location of the county dictates that the plans encompass consideration for the channeling of transportation routes so as to provide trunklines into the county along routes deemed most desirable, taking into consideration the population expectation and economic feasibility.

Motion: Johnson, Manderfield.

Vote:

Ayes: Fitzwater, Ferlazzo, Johnson, Manderfield, Alvey.

Nays: None.

Absent: Lowe.

A CERTIFIED COPY

N. C. SHARP, *Executive Secretary.*

RESOLUTION

Whereas the National Capital Transportation Agency plan for a rapid rail transportation system to be presented to the Congress is a promising beginning to a coordinated transportation program to facilitate the movement of people throughout the National Capital region; and

Whereas the steadily increasing traffic on our streets and highways is of grave concern to the city of Falls Church, Va., and this transportation program is intended to relieve congestion and to provide an economical means of rapid transit to commuters; and

Whereas it is extremely important that steps be taken at the earliest possible date to implement this plan in order that construction of a more complete system may be completed within a reasonable period of time;

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Now, therefore, the Council of the City of Falls Church, Va., endorses in principle and gives general acceptance to the concepts and the recommendations of the National Capital Transportation Agency as set forth in the transit development program of 1965 for a balanced transportation system in the National Capital region and requests that the Congress of the United States authorize and provide funds for such a program.

Adopted by the Falls Church City Council, January 11, 1965.

A true copy teste:

ROBERT A. MATTSON, *City Clerk.*

OFFICE OF THE COUNTY EXECUTIVE,
COUNTY OF FAIRFAX,
February 11, 1965.

The board of supervisors did not pass a resolution as such but the attached is a copy of minutes of the January 13, 1965, meeting of the board which includes the motion endorsing this proposal.

January 13, 1965: Chairman Babson said Mr. Warren Quendstedt had informed him that the National Capital Transportation Agency needs a decision by this board, and other northern Virginia jurisdictions, as to whether or not they approve or disapprove their proposed rail rapid transit system in the District of Columbia with one river crossing into Virginia. He said copies of their proposal had been sent to each member of this board and board members in other jurisdictions and it was his understanding that many of the northern Virginia jurisdictions have already endorsed this proposal, which would send a rail rapid transit line into Virginia, but only as far as Rosslyn and Pentagon City, not as far as he and other members of this board would like to have seen it come as they wanted to see the line come out to Springfield and out Route 66 farther into Fairfax, but the $431 million system which is proposed simply would not permit those extensions into the suburbs at this time. He said he would like to point out that not one penny would have to come from the county taxpayers for the system as now proposed as it would be financed by two-thirds Federal funds and one-third District of Columbia funds and yet we would benefit by it as we could eventually connect to this basic system, and he asked board members how they felt about the matter.

After a brief discussion on motion of Supervisor Alexander, seconded by Supervisor Bradley and carried by a vote of four, Supervisors Debell, Parris, and Parrish not having arrived as yet, the board went on record as enthusiastically endorsing the proposal of the National Capital Transportation Agency for a rapid rail transit system in the District of Columbia with immediate plans for two stations in Virginia.

The following resolution was adopted by the Arlington County board on January 1, 1965.

Whereas the National Capital Transportation Agency plan for a rapid rail transportation system to be presented to the Congress is a promising beginning to a coordinated transportation program to facilitate the movement of people throughout the National Capital region; and

Whereas the steadily increasing traffic on our streets and highways is of grave concern to Arlington County and this transportation program is intended to relieve congestion and to provide an economical means of rapid transit to commuters; and

Whereas it is extremely important that steps be taken at the earliest possible date to implement this plan in order that construction of a more complete system may be completed within a reasonable period of time:

Now, therefore, the County Board of Arlington County, Va., endorses in principle and gives general acceptance to the concepts and the recommendations of the National Capital Transportation Agency for a balanced transportation system in the National Capital region and requests that the Congress of the United States authorize and provide funds for such a program.

HON. JOEL T. BROYHILL

Our next speaker is a man who has been deeply and directly involved in the Washington area transportation problem for a good many years.

I have had the pleasure of introducing him on television on "The Report From Capitol Hill" program for the past several years, but in spite of this, last November he won reelection to his seventh consecutive term in the U.S. House

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of Representatives. He recently shattered tradition in the House by being renamed to the District of Columbia Committee while retaining his seat on the influential Ways and Means Committee; thus becoming the first Republican Representative to serve on the Ways and Means Committee while serving on a second committee.

Ladies and gentlemen, it is my pleasure to introduce the Honorable Joel T. Broyhill.

FREDERICK A. BABSON, JR.

Mr. Babson is an attorney, born and raised in North Carolina. He received his A.B. and law degrees from the University of North Carolina.

Mr. Babson has served with a number of civic associations, was president of the Northwest Annandale Civic Association, a regional officer in the junior chamber of commerce, president of the Fairfax County Young Democrats in 1960, chairman of the Democratic Party in Falls Church District since 1961, and various similar groups.

Mr. Babson is currently vice chairman of the board of supervisors of Fairfax County, chairman of the Northern Virginia Transportation Commission, a member of the executive board of the Council of Governments, chairman of the organizing committee to prepare a prospectus for the transportation planning process for the National Capital region.

WARREN D. QUENSTEDT

Mr. Quenstedt, a native Virginian, is an attorney who practiced in Virginia and the District of Columbia prior to his appointment as Deputy Administrator of the National Capital Transportation Agency.

Long active in civic affairs of Northern Virginia, he has served as president of several citizens associations; as an officer of the Fairfax County Federation of Citizens Associations; as a president of the Mount Vernon Lions Club; and has taken an active part in fund drives in Fairfax County—the Community Chest (and later, United Givers Fund), and the Founders Fund Drive for Fairfax Hospital. He has been constantly identified with efforts in behalf of improved schools in Fairfax County, and is a member of the National Committee for Support of Public Schools.

STATE OF MARYLAND PLANNING DEPARTMENT,
Baltimore Md., July 20, 1965.

Hon. ALAN BIBLE,
Chairman, Senate Committee on District of Columbia, New Senate Office Building, Washington, D.C.

DEAR SENATOR BIBLE: I have been authorized by Hon. J. Millard Tawes, Governor of Maryland, to write to you indicating the Governor's interest in. and general approval of S. 1117, the "National Capital Transportation Act of 1965" on which hearings are presently being conducted by your committee.

S. 1117 will authorize necessary design and construction to establish a system of rail rapid transit lines and related facilities for the Nation's Capital, a system which will not only do much to alleviate traffic conjection and expedite travel in Washington proper, but which will serve as a backbone for an extensive system of rapid transit ultimately to serve the entire metropolitan area.

Such a system cannot help but reduce travel time of countless Federal employees going to and from work and at the same time lessen overcrowding on streets and roads and greatly improve transit and and traffic circulation.

It is hoped that your committee, after due deliberation, will see fit to give its approval to this proposed legislation.

Sincerely yours,

JAMES J. O'DONNELL, *Director.*

A JOINT STATEMENT BY THE UNDERSIGNED WASHINGTON AREA CITIZENS GROUPS ON A PROPOSED "CONTINUING, COMPREHENSIVE, COOPERATIVE TRANSPORTATION PLANNING PROCESS"

Admiral Neill Phillips (U.S. Navy retired), chairman, Committee of One Hundred on the Federal City.
Leslie Logan, president, Arlingtonians for Preservation of the Potomac Palisades.
Roderic F. Davis, chairman, Save Takoma Park Committee.

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Peter S. Craig, chairman, Northwest Committee for Transportation Planning.
William B. Peer, chairman, Transportation Committee, Neighbors Inc.
Melvin H. Harris, president, North Takoma Citizens Association.
Dr. C. Joseph Nuesse, chairman, Metropolitan Citizens Council for Rapid Transit (affiliates: Brookland Area Coordinating Council, Neighbors, Inc., Save Takoma Park Committee, Woodside Civic Association, Woodside Park Civic Association, District of Columbia Committee on the Freeway Crisis).

After July 1, 1965, according to the Federal Aid Highway Act of 1962, all interstate freeways, highways, and bridges in urban areas must be "based on a continuing, comprehensive, cooperative, transportation planning process." This law would prohibit approval of freeway, highway, and bridge projects in the Washington metropolitan area unless they are properly coordinated with rapid transit plans and compatible with the needs and desires of local communities.

Within the past 2 weeks an ad hoc organizing committee, established by the Maryland, Virginia, and District of Columbia highway departments, has completed a lengthy and obscure "preliminary" prospectus calling for a new Transportation Planning Board. This prospectus is designed to bring transportation planning in the Washington metropolitan area into compliance with the Federal Aid Highway Act of 1962. It is clear, however, that the prospectus proposes only nominal compliance without any fundamental change in the highway-dominated planning procedures presently in effect.

A final version of this prospectus will be circulated to area government bodies sometime next month with the request that they endorse and sanctify this new transportation Planning Board by written memorandums of agreement before June 30, 1965.

Indications are that many elected public officials in the Washington metropolitan area have never even heard of the proposed Transportation Planning Board. Some have been given a vague notion that they may be asked to sign an agreement to cooperate on transportation planning. Everyone is for cooperation and the emergency June 30 deadline may preclude questions and thoughtful consideration.

Since 1948, the area highway departments, without express statutory authority, have collaborated in highway planning through a staff of highway engineers known as the Washington Metropolitan Area Transportation Study (WMATS). The prospectus concludes, "It is logical to retain this group to utilize its skills, files, and experience rather than attempt to duplicate them" and proposes that this staff of highway engineers be constituted as the transportation planning staff with full responsibility for both the collection and analysis of data and the preparation and evaluation of plans and reports for both highways and transit. All of the existing, lawfully created transportation planning agencies—the National Capital Transportation Agency established by Congress and its counterparts recently established by the Virginia and Maryland Legislatures for suburban areas—are relegated to advisory roles. The National Capital Planning Commission, as well as the legally constituted planning agencies of suburban jurisdictions, are likewise relegated to mere advisory status.

The prospectus further provides that the freeway, highway, bridge, and transit plans prepared by the transportation planning staff (currently highway engineers) will be adopted upon approval of a new Transportation Planning Board. This board will have 12 (possibly 13) voting members: 3 elected government representatives from suburban Maryland; 3 elected government representatives from suburban Virginia; 3 nonelected government representatives of the District of Columbia; 3 nonelected representatives from the District of Columbia, Maryland, and Virginia Highway Departments; and 1 Federal representative (right to vote optional), to be appointed by the administration.

Because the District does not have home rule, it is probable that the three District government representatives will be persons compatible with the views of the District of Columbia Highway Department. This will insure at least six (including the three Highway Department representatives) of the seven votes necessary to adopt freeway, highway, and bridge plans recommended by the planning staff.

The prospectus provides for no meaningful citizen participation in this "continuing, comprehensive, cooperative transportation planning process." The legally constituted planning agencies now assigned this task will be relegated to an advisory status. The elected local governments, upon signing the memorandum of agreement, would surrender to the all-powerful Transportation

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Planning Board their rights to effectively participate in the planning process. They would have no opportunity to veto proposed freeways for their own jurisdictions, even when totally unacceptable to their own constituents..

Assessment of transportation needs, as well as preparation of freeway and bridge plans, would become the function of the Transportation Planning Board's technical staff. This is the same staff that currently uses discredited and rejected traffic projections to prove the need for and strongly recommends the North-Central Freeway, the Three Sisters Bridge, the Potomac Freeway, two Inner Loop Freeways, the Intermediate Loop Freeway (sometimes innocuously called Fort Drive), and another 14th Street Bridge.[1] In the past they recommended the 11th Street East Leg Freeway, the Glover-Archbold Expressway, and the Palisades Freeway. Within the District of Columbia alone they presently recommend over $500 million worth of new freeways that will destroy over $200 million worth of property and displace over 15,000 District residents. Adoption of such plans for Washington and suburban jurisdictions would be left to the discretion of the Transportation Planning Board, half dominated from the start by the highway departments.

Public release of the new prospectus is scheduled for May 1, 1965. Although 2½ years will have elapsed between approval of the Federal Aid Highway Act of 1962 and the publication of the plan to implement its comprehensive transportation planning requirement, only 2 months is being given for its appraisal. Neither the citizens of the Washington metropolitan area nor their elected representatives can possibly have sufficient time to adequately assess this complex and far-reaching new scheme. However, a cursory examination of the preliminary draft reveals several elemental deficiencies:

1. Existing comprehensive planning agencies such as the National Capital Planning Commission and existing transportation planning agencies (such as NCTA and its suburban counterparts) have the legal responsibility and the proven capability of preparing comprehensive regional transportation plans. A new, rival machinery duplicating these functions can only lead to confusion and disputes. Where existing legally constituted planning agencies have not met their responsibilities, it has been largerly because they have failed to recommend plans that have a consensus of community support or because of irresponsible claims and sniping by the area highway departments and their expert technical staff, the Washington Metropolitan Area Transportation Study. Instead of curing these existing deficiencies, the new proposal would appear to bypass existing planning machinery and vest comprehensive transportation planning in the highway department's own technical staff.

2. Adoption of plans recommended by such staff is vested in a new transportation planning board in which the three area highway departments directly and, through the District's three government representatives, will have the dominant voice. Rapid transit will not have a single voting member on the board.

3. Further highway-orientation of this planning process will result from the fact that it will be financed by funds supplied by the Bureau of Public Roads and the area highway departments. Anticipated funds from the Housing and Home Finance Agency cannot be made available according to latest reports.

4. Although the District of Columbia is the largest community in the area and will have to pay at least 50 percent of the total cost of new transportation facilities in the area, it will have only three representatives on the Board and none of these will be locally elected or otherwise responsible to District voters.

5. While the prospectus espouses the necessity of cooperation among area governments "toward achievement of a community consensus in transportation decisionmaking," local governments would be deprived of any effective voice in plans affecting their own jurisdictions. The new planning machinery would make possible the adoption of a new freeway, highway, or bridge in any jurisdiction despite the unanimous opposition of the locally elected officials.

6. Absolutely no provision would be made for citizen participation in planning decisions that directly affect their welfare.

The grave consequences of this new scheme, which would appear to repudiate rather than implement the goals of the Federal Aid Highway Act of 1962, previous legislation by Congress dealing with the District of Columbia, and existing laws

[1] The highly questionable validity of this staff's traffic projections is attested to by the action of the District Commissioners on Apr. 21, 1965, calling for a reexamination of the traffic statistics on which the alleged need for the North-Central Freeway was based.

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governing regional planning, lead the citizens groups issuing this statement to demand the following:

1. That immediate steps be taken by the sponsors of the new plan to secure adequate distribution of the prospectus and related materials to all interested citizens, civil groups, and, most importantly, their elected representatives;

2. That the public be advised where it may secure authoritative answers to the many unanswered legal and factual questions that are presented by the prospectus;

3. That the Board of District Commissioners, in cooperation with other area governments (perhaps through the council of governments) hold joint hearings on the proposal at a central location in Washington, at times convenient for employed citizens to attend, and with ample opportunity for citizens to obtain answers to their questions;

4. That, in advance of signing away their legal rights by a memorandum of agreement, the governing bodies of each local community hold local hearings to receive the views and recommendations of their own constituents.

(Copies of this statement are being mailed to all elected public officials in the Washington metropolitan area.)

[Reprint from the Washington Post, Mar. 14, 1965—Metropolitan Citizens Council for Rapid Transit Newsletter]

Here is the first article to place the proposed North-Central Freeway in its proper perspective: not as an isolated project, but as the key segment of a maze of interstate urban freeways that would transform the Metropolitan Washington area into another Los Angeles.

Cityscape

HIGHWAY PLANNING BRINGS NATION TO THE CROSSROADS

(By Wolf Von Eckardt)

After July 1, according to the Federal Highway Act of 1962, all urban freeways must be "based on a continuing, comprehensive transportation planning process."

"This could be a great help or a great disaster." It could mean the beginning of orderly city and metropolitan development. Or it could mean the final Los Angelization of our cities, their strangulation by concrete ribbons hastened by downtown congestion, diminishing tax income and subsequent decay and dispersal. It depends upon who does this transportation planning.

The intent of the longoverdue provision is, of course, that the zeal of the highway builders be at last subordinated to the overall interests of the city and its people. There is hope that that's the way it is being understood in Washington.

But keep your fingers crossed. For there is also the danger that the highway builders may seize this opportunity to take over entirely and dominate all city planning. The continuing comprehensive transportation planning process would then become continuing, comprehensive freeway building.

That is no joke. A recent study prepared for the Automobile Manufacturers Association says that when we're through with all the urban freeways now being built or planned for completion by 1972, we'll have to go ahead and double them.

To get an idea what this means in terms of Federal expense, just consider that the present program is already costing $4.6 billion more than the originally estimated $41 billion. But even though the Federal Government pays 50 or 90 percent of the cost, the cities pay even more heavily. Washington had 2,100 acres of highly taxed downtown land on its rolls in 1960. Construction of all highways then proposed, figures Consumer Reports, would have reduced this by 375 acres of 17 percent. It would have displaced 33,000 people.

"When the American people, through their Congress, voted in 1957 for a multi-billion-dollar highway program, the most charitable thing to assume about this action is that they hadn't the faintest notion of what they were doing," wrote Lewis Mumford some time ago. We are beginning to get an idea now. Opposition to urban freeways keeps growing.

That is why President Kennedy, in the spring of 1962, proposed that they be approved only if they "are consistent with comprehensive plans" and an "integral part of a soundly based, balanced transportation system."

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But the highway interests, according to Senator Clifford P. Case, Republican, of New Jersey, changed the language of this provision. As a result we now have the somewhat ambiguous "transportation planning process carried on cooperatively by States and local communities."

This ambiguity virtually invites the highway departments to run the show, make their own projections of needs and continue to equate "transportation" with speeding private cars through the city at 60 miles per hour. This kind of transportation planning shows no regard for social or community values or even for the needs of the automobile once it arrives downtown. There is no 90-percent subsidy for parking garages.

A good example of this kind of planning is the proposed 10-lane North-Central Freeway to speed commuters from Montgomery and Prince Georges Counties to downtown Washington.

In the District it will cost an estimated $21 million per mile (the price of three four high school buildings) to pump 11,390 more automobiles daily into the city (each of them requiring 250 square feet of parking space). It will displace anywhere from 2,000 to 4,000 people, depending on what side you're on. But no one disputes that most of them are Negroes who'll have a very hard time finding decent homes.

It will also gobble up several playgrounds, divide residential areas like Woodside and Takoma Park and destroy the historic identity of Brookland and Michigan Park as university neighborhoods serving Catholic University.

Perhaps all these sacrifices are essential. But a large number of serious and respected experts who have studied the proposal claim that they are not. They say the Highway Department's projections of traffic needs are vastly exaggerated. Car traffic from Montgomery County is actually less than it was 6 years ago. They further point out that the North-Central Freeway doesn't make any sense unless it is followed up with the whole inner loop network, which will take over 600 acres and make 15,000 people homeless.

The leaders of the affected communities find it strange that the North-Central Freeway is proposed just as Congress considers a subway that would serve the same area. The subway would carry at least three times as many people at one-third of the cost. They suspect that the highway interests want to prove the subway ineffective.

"Even if rapid transit construction takes place," says Peter Craig, chairman of the Northwest Committee for Transportation Planning, "the highway people believe that the presumed demand of suburbanites to drive their own cars is so strong that, if they receive continued coddling through more radial highways and more central city parking, rapid transit will fall of its own weight."

If this is indeed the motive, it is not sinister but natural. In the good old American spirit of competition, the highway boys want to build highways and the car, cement, rubber and oil manufacturers obviously cheer them on and support them politically.

Nor can anyone deny that a great many suburbanites help them cheer. They may ride that subway when they see it, but for the moment they want bigger roads so they can drive to work faster.

The problem is not that selfish interests assert themselves. It is that there is no one to keep these interests in check and to look out for the welfare of the entire community. We need someone to balance not just transportation but all the needs of the city, including good housing and clean air, adequate recreation areas and all the rest.

It's hard to tell objectively just how the North-Central Freeway fits into the total picture of community development because no one has drawn such a picture. There is, at best, a very vague one. The National Capital Planning Commission's procrastination has left a vacuum and we can't really blame the highway bulldozers for moving in. In fact, the Planning Commission reportedly lets the Highway Department draw the roads into its still unfinished year 1985 plan for the District.

This failure of effective city planning makes the transportation planning required by the 1966 Highway Act extremely difficult, even with the best will in the world. But at least the good will seems to be there.

The organizing committee for the required planning is chaired by Frederick A. Babson, Jr., of the Fairfax Board of Supervisors. The committee seems to be fully aware of the need for comprehensive overall planning and Babson, for one, believes there is more to transportation than building freeways.

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His committee has proposed a board of 12 voting members representing the District, Virginia, and Maryland as well as the National Capital Transportation Agency (subway), the Washington Metropolitan Transit Commission (buses) and the Federal Government. Only 3 of the 12 represent highway departments.

It sounds promising. Now it will be interesting to see what, if anything, the new body will do about the North-Central Freeway.

THE CONNECTICUT AVENUE ASSOCIATION,
Washington, D.C., July 20, 1965.

Senator ALAN BIBLE,
Chairman, District of Columbia Committee,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BIBLE: The Connecticut Avenue Association, representing business enterprises on and in the vicinity of downtown Connecticut Avenue, in Washington, has endorsed legislation, now before your committee, to authorize a rapid transit public transportation system in the District of Columbia.

The Connecticut Avenue Association comprises apparel and specialty shops, banks and financial institutions, furniture stores and decorators, beauty shops, real estate and investment firms, restaurants, hotels, theaters, and office buildings. Memberships are also held by two international trade union organizations, and by two prominent churches. The majority of the association's members are long-time residents of the Washington area. Many of the firms and establishments represented have been continuously in business in the vicinity of downtown Connecticut Avenue for the past 25 years, and longer.

Downtown Connecticut Avenue has achieved a distinguished and distinctive reputation throughout the world. Many visitors in the Nation's Capital include the avenue in their itineraries when they are here. In addition, thousands of shoppers from all parts of the Metropolitan Washington area come regularly to this thoroughfare to do business. A number of Connecticut Avenue firms report that more than half of their customers reside in suburban Washington.

During the past several years, traffic congestion along downtown Connecticut Avenue has developed into an extremely serious problem. We of the Connecticut Avenue Association are apprehensive that traffic and parking problems in our area will worsen substantially. As more new high-rise buildings are constructed in this section of the city, and in other sections to which Connecticut Avenue and adjacent streets provide through access, the problems are bound to become more acute. As these changes continue there will be relatively fewer parking facilities per number of people who work in the area.

We who operate retail, service, and other business establishments along Connecticut Avenue have reasons to be convinced that our very business life in this area depends upon a solution to our traffic problems. We believe many of these businesses can survive only if there is access to them from all parts of the city as well as from the immediate vicinity. This access can only be provided by creation of a vastly improved mass transportation system as proposed in the pending rail legislation.

On behalf of the Connecticut Avenue Association, I urge a favorable report on the rail-subway transit legislation before your committee, and its prompt passage by members of the U.S. Senate.

We respectfully ask that this communication be included in the hearings by your committee on this matter.

Sincerely,

RALPH SEMSKER, *President.*

STATEMENT OF NORTHERN VIRGINIA TRANSPORTATION COMMISSION ON S. 1117 AND H.R. 4822

During previous hearings and discussions, the question has arisen, Are the Virginia suburbs willing to pay their share of the cost of a rail rapid transit system?

The affirmative answer to this question has been manifested in the creation, by the Virginia General Assembly, of the Northern Virginia Transportation Commission as a public instrumentality to plan and develop a transportation system (Acts of Assembly, 1964, chs. 630 and 631). This commission will participate in the interstate compact transit authority that will supersede the National Capital

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Transportation Agency (NCTA), in compliance with title III of the National Capital Transportation Act of 1960. So, ours is the first permanent public transportation body in this region. Since creation of our commission, the Maryland Assembly established a Washington Suburban Transit Commission.)

Enthusiastic participation in our commission further amplifies the affirmative answer. Membership in the commission is according to population: four from Fairfax County, three from Arlington County, two from the city of Alexandria, and one each from the cities of Fairfax and Falls Church. The Virginia Department of Highways is also represented. Following are the commissioners:

Frederick A. Babson, chairman (Fairfax County).
Lee M. Rhoads, vice chairman (Falls Church).
Roye L. Lowry, secretary-treasurer (Arlington County).
Joseph Alexander (Fairfax County).
John L. Beerman (Fairfax County).
Nicholas A. Colasanto (Alexandria).
Joseph L. Fisher (Arlington).
Philip D. Fisher (Fairfax City).
James T. Luckett, Jr. (Alexandria).
John P. Mills, Jr. (Virginia Department of Highways).
John P. Parrish (Fairfax County).
Leo Urbanske, Jr. (Arlington County).

Members of the commission are elected officials of the local county boards and city councils. In fact, Messrs. Joseph Fisher and Parrish are chairmen of their respective county boards, Mr. Babson is a vice chairman, and Messrs. Colasanto and Rhoads are vice mayors of their cities.

The Northern Virginia Transportation Commission wholeheartedly and without reservations endorses H.R. 4822. We are prepared and anxious to extend the NCTA rapid transit system into Virginia because we are fully aware of the need for fast, high-capacity rail service. At its January 14, 1965, public meeting, the commission voted to pursue a program of actively supporting the NCTA subway proposals—the first 6 months of our small staff's effort have been devoted to this. At its May 20, 1965, meeting, the commission adopted a $162,200 budget for the fiscal year that began on July 1; this budget finances a program of rapid transit planning with a goal of completing suburban rapid transit extensions into Virginia at the same time that the National Capital Transportation Agency completes the subway from downtown to the Pentagon by 1970. Appropriations to this budget were approved promptly by each city and county. However, the commission will not implement this program until Congress authorizies the District of Columbia subway, for it would be folly at this point to plan extensions to a nonexistent subway.

The operation of the Northern Virginia Transportation Commission is financed by the participating governments, prorated according to their populations. It is a duty of the commission to develop formulas for apportioning Virginia's contribution to costs of land, construction, and operation of transit facilities by the interstate compact transit authority.

The rail rapid transit system that would be authorized by H.R. 4822 represents that all-important phase of rapid transit development: A start. If we do not start, we can never finish. If subways are not provided within the District of Columbia, extensions into Virginia cannot be accomplished.

Although the NCTA plan does not show the extensions into the suburbs, the plans do provide for such extensions. For one example, the terminal at Pentagon City is designed so the tracks can be extended onward to Alexandria. For another example, the station and tunnels at Rosslyn are designed in such a way that a branch line can be built through Arlington toward Falls Church and Fairfax.

Ultimately, the Northern Virginia Transportation Commission will be Virginia's share of an interstate compact involving the District of Columbia, Maryland, and our Commonwealth. This compact, which was recently approved by the Maryland Legislature, will finance, build, and operate a metropolitanwide transportation system. (The terms "build" and "operate" are used in their broadest sense; both will be performed by private enterprise under contract to the transit authority.)

We are proud of the fact that northern Virginia is the first of the participants to create a body to be its share of the interstate compact. Northern Virginia is the first to take advantage of the new Virginia law enabling creation of metropolitan transportation districts and commissions. To the best of our

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knowledge, ours is the first official effort where a suburban area has organized to develop rapid transit.

While the development of a final transit plan and construction and operation will be left for the compact agency to accomplish on a metropolitanwide basis, the Northern Virginia Transportation Commission can do much in the interim. It can do preliminary planning resulting in tentative plans, develop stopgap solutions to transit problems, and acquire or reserve rights-of-way in order to assure their availability when it is time to construct upon them. We are giving careful attention to interim improvements such as better bus service and new commuter train service. The commission is already engaged in an attempt to preserve the right-of-way of the Washington & Old Dominion Railroad which will provide a vital link in any rail transit system.

We have received the best possible cooperation from the National Capital Transportation Agency. NCTA has rendered invaluable assistance to our staff and has endeavored to keep us up to date on its plans and activities.

In summary, there is a great need for rapid transit in northern Virginia. We must not delay in getting started. The NCTA plan, while it lacks the vital extensions into Virginia, will provide three basic benefits—if it is passed by Congress.

1. It will provide a rapid transit facility into Virginia.
2. It has designed-in provisions for extensions and branches to serve Virginia.
3. It represents that necessary start that we cannot afford to delay any longer.

Therefore, on behalf of the estimated 643,098 residents of this transportation district, the Northern Virginia Transportation Commission endorses H.R. 4822 (including the amendments adopted by the House of Representatives) and urges prompt consideration and passage by the U.S. Senate.

DISTRICT OF COLUMBIA REPUBLICAN COMMITTEE,
Washington, D.C., July 20, 1965.

Re H.R. 4822.

Hon. ALAN BIBLE,
Old Senate Office Building,
Washington, D.C.
(Attention: Mr. Chester H. Smith, staff director, Senate District Committee).

DEAR CHAIRMAN BIBLE: The President's proposal for a 25-mile, $431 million rapid transit system for the Nation's Capital is a proposal which Congress should adopt in principle and act upon favorably. Since about 13 miles of the 25 route-miles would be subway, and 20 of the 29 stations proposed would be underground, the proposal minimizes its adverse impact on the appearance of the District, which is beginning to look like nothing more than a transportation complex.

Fares proposed by the National Capital Transportation Agency of 25 cents within the District are too high, when it is considered that local residents who will use the system have extremely limited means.

As I understand the plan, it proposes a $100-million grant from the Federal Government, $50 million from the District of Columbia government, and revenue bond issues to provide an additional $333 million (including $52 million for interest expenses during construction). Since the proposed transit system is designed primarily to serve the national interest, and provide greater speed and convenience for employees of the Federal Government who neither live nor pay taxes in the District, the ratio of one-third of the cost being borne by the District appears to be inequitable.

District residents have adequate surface transportation today to meet their needs. The addition of the proposed rapid transit system will undoubtedly be of considerable benefit to District residents, and is vitally important to relieve congestion in peak hour traffic on our streets and minimize the continuing demand for highways. It will, also, help in accommodating the 7 or 8 million tourists who visit the Nation's Capital each year. But the fact remains, the President's proposal is primarily to serve the interests of the Nation, not the interests of local taxpayers. Revenue sources in the District have reached the point of diminishing returns, and the District must have the President's support in an

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ever-increasing Federal payment if we are to maintain our public institutions in a manner worthy of the capital of a great nation. It is unfortunate that residents of the District of Columbia do not have a larger voice in the deliberations of the National Capital Transportation Agency and similar agencies which have a great influence on affairs affecting the lives and property of the taxpayers in the District of Columbia.

Despite these considerations, which Congress will surely weigh carefully, nearly everyone agrees that we must commence at once to construct a rapid transit system to serve the Nation's Capital.

Very truly yours,

CARL L. SHIPLEY, *Chairman.*

NORTHERN VIRGINIA REGIONAL PLANNING AND ECONOMIC DEVELOPMENT COMMISSION,
Arlington, Va., February 19, 1965.

Mr. CHESTER A. SMITH,
Staff Director, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR MR. SMITH: This is in response to your letter of February 5 concerning copies of S. 1117, a bill pending before Senator Bible's committee.

This commission is very anxious to see the building of a rapid rail system get underway. By fortunate coincidence our northern Virginia regional plan will be unveiled on February 24 (a copy of which will be sent to you) and specifically includes the rail lines shown in the 1962 National Capital Transportation Agency proposal. This commission has also endorsed the less ambitious program with a feeling that if a subway is built in Washington, extensions can then be made deep into the suburbs of northern Virginia. A copy of the letter to Mr. Stolzenbach on this matter is enclosed.

We sincerely hope that Congress will make it possible for the construction of a subway to begin soon.

Sincerely,

WALTER B. SCHILLING, *Director.*

NORTHERN VIRGINIA REGIONAL PLANNING AND ECONOMIC DEVELOPMENT COMMISSION,
Arlington, Va., January 11, 1965.

Mr. C. DARWIN STOLZENBACH,
Administrator, National Capital Transportation Agency, Washington, D.C.

DEAR MR. STOLZENBACH: This is in reference to your report entitled "Rapid Transit in the Nation's Capital."

The Northern Virginia Regional Planning and Economic Development Commission did not hold a December meeting and any action by this body will not be forthcoming until our meeting of January 28. However, our resolution of October 24, 1963, is as pertinent to your new proposal as to the previous plan with the exception of the reference to the I–66 right-of-way. The resolution is as follows:

"*Resolved*, That the Commission approves in concept an early start on a first phase rail rapid transit system to serve Washington, D.C., and the Rosslyn and Pentagon areas of northern Virginia, with the stipulation that there also be reservation and/or acquisition of adequate and necessary right-of-way in corridors such as Interstate Route 66 through Arlington and Fairfax Counties to accommodate future phase extensions of rapid transit lines into the northern Virginia region."

We will keep you advised of any further action taken by this Commission.

Sincerely,

SAMUEL EPSTEIN, *Chairman.*

ALLIED CIVIC GROUP, INC.,
Silver Spring, Md., June 9, 1965.

Senator WINSTON L. PROUTY,
Senate District Committee,
The Capitol, Washington, D.C.

DEAR SENATOR PROUTY: Enclosed is a copy of our transportation committee's analysis of the NCTA rapid rail system. At our regular meeting on May 24, 1965, the group unanimously adopted the committee's comments. These com-

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ments were to be made available to the members of the House and Senate District Committees.

Also enclosed is a copy of our group's comments on the proposed joint compact. The committee was requested to update this report to include information as to the impact Maryland bill 300 would have on the proposed compact.

An enclosure giving the history of our organization and its purpse is attached. Through our 57 member civic associations, the allied represents more than 40,000 families in the eastern part of Montgomery County, Md.

Sincerely yours,

MILTON M. RODES, *President.*

COMMENTS OF THE TRANSPORTATION COMMITTEE, ALLIED CIVIC GROUP, INC., ON THE PROPOSED RAPID RAIL TRANSIT SYSTEM

(Prepared by Fletcher R. Brande, chairman, transportation committee)

INTRODUCTION

The Allied Civic Group, Inc., has for some time supported the principle of rapid transit, and the transportation committee (TC) makes no exception with regard to the current proposal. We wish to make it abundantly clear to all that we enthusiastically endorse the current proposal referred to in H.R. 4822 and described in NCTA's draft report, "Rail Rapid Transit for the Nation's Capital." Further, we believe that there can be no effective transportation program in this area without mass transit facilities of such a nature as is proposed. The alternative—a multitude of high-speed freeways—over and above the proposed North Central Freeway is not the solution to deal with the projected population expansion.

This proposal, in one form or other, has been suggested to the public and to Congress, and we believe it is now time to begin developing the necessary transportation facilities. However, this does not mean that we should not carefully scrutinize the present plan, for it will affect the initial usefulness of the basic system and any subsequent expansion of the facilities. We have, therefore, examined the NCTA report and supporting information and have met with NCTA officials in an effort to provide ACG members and others with meaningful information on which to base their judgments. Generally, the proposal has many sound points and those involved are to be complimented for their constructive efforts. There are also some matters which we feel merit additional attention. These are presented in the following report in the order in which they appear in the NCTA draft report. We encourage all to obtain and study the NCTA report, and to consider our comments in the constructive spirit in which they are intended.

GENERAL

As pointed out in the transmittal letter and the introduction and summary, the current proposal costing in the aggregate about $890 million (construction cost and interest) is the first installment of the total system to be developed. It is the most difficult and expensive segment. A total of 25 miles is to be built now and 58 to 73 miles of extensions later, as needed.

CONTRIBUTIONS

The current proposal estimates construction and equipment costs at $431 million and $52 million of interest on debt during the construction period for a total price tag of $483 million. Of this amount, the Federal Government is to contribute $100 million and the District of Columbia government $50 million toward costs. These gifts are described as grants, but they appear to us to be subsidies. We point this out so that everyone will understand that a large portion of the financing is to be contributed. Furthermore, the Federal Government is underwriting or guaranteeing the bonds which are described as "4½ percent non-tax-exempt federally underwritten."

INTERSTATE COMPACT

Reference is made to the creation of an interstate compact organization to continue the development of transportation facilities on a regional basis. This is the subject of another TC paper which is to be presented after this report, and

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concerns matters of equal if not greater importance to us for it not only governs this segment of the system but also any extensions, operations, and overall management.

NEED FOR RAPID TRANSIT

We agree that flexibility in transportation facilities is needed and that rapid rail transit provides this with its ability to expand the number of cars in transit during peak periods and to uncouple them when not needed. It appears to us that the system ought to be based strictly on the necessity for transportation of people. We note and have been advised by NCTA officials that this is the case for most parts of the proposal. However, we also note the table of world cities which have rapid transit, and the inference is left that we should have it if they do. We do not look at this in the light of a prestige item, but strictly on a broad economic basis considering a variety of necessities. If the inference is not intended, this should be clarified in a public statement at the hearings before the Senate District Committee.

CONVENIENCE OF RAPID RAIL TRANSIT

A point is made of type of equipment and operation over rights-of-way designed for speed and comfort. There are many factors which should also be considered. A recent research study report from which was publicized points out some very basic factors which govern whether persons utilize public transportation facilities or their automobile in going to and from work. The study results show—

1. Half of all workers who have public transportation available to them nonetheless chose automobiles for commuting purposes. Where the distance to public transportation was within two blocks from their residence the proportion of use of public transportation was 51.5 percent of the total possible customers. However, the farther workers were from the public transportation the less it was used.

2. The greater the distance to work the greater the use of automobiles. From 5 to 15 miles, which is the distances we are concerned with under the present proposal, 57 percent chose the automobile and only 42 percent chose public transportation.

3. High family income and increasing income causes persons to choose auto rather than public transportation. From $5,000 to $10,000 income—60 percent chose auto and 32 percent chose public transportation. From $10,000 to $15,000 income, 57 percent chose auto, and 37 percent chose public transportation. From $15,000 and over, 64 percent chose auto and 36 percent chose public transportation.

Unfortunately, the data was not gathered solely under a mass transit situation. but it does present interesting enough results to merit review and evaluation of the present proposal. We feel this should be pursued to assure adequate design of rapid rail transit facilities.

G STREET LINE

The present proposal would route persons via G Street. This is slightly off center of much of the destination of rail transit patrons, which would be Federal workers destined for the area between Pennsylvania and Constitution Avenues and shoppers patronizing stores between Pennsylvania Avenue and F Street. If we follow the reasoning that the more convenient that mass transit is the more it is likely to be used, then the line should be located between Pennsylvania Avenue and F Street—an E Street location. We inquired of NCTA officials as to why G Street was chosen, how was it better than E Street, and if there was a construction problem forcing the G Street choice. The answers we got indicated to us that no thorough evaluation was made of the E Street location, and that there was no reason why this location instead of G Street could not be used. We were surprised to find out that the G Street choice was made on the basis that a loop would eventually be constructed to serve Independence Avenue locations, and there appeared to be some apprehension over whether this would be constructed if a line were built close to Pennsylvania Avenue to serve the Federal complex. If we are wrong or misunderstood what was intended then we shall be only too happy to be corrected, but if we are not, then we think all will agree that E Street rather than G Street is more suitable. We would hope that all locations of routes and stations would be based upon demand for service, and that

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any future construction would be similarly based. For purposes of the current proposal, let us get the best arrangement possible, and then deliberate in the future over the extensions. Should we not do this we may find that the present basic system is not economic and serving sufficient patrons, and there may be no extensions.

FREQUENCY OF SERVICE

The report states that trains will be scheduled 3 minutes apart throughout the day. We were never really able to satisfy ourselves why 3-minute headways were better than 2-, 4-, or 6-minute headings, and we think the 3-minute frequency should be fully justified. Furthermore, the day described is from 5 a.m. to 1 a.m., a 20-hour period. Is there really sufficient demonstrated need for this much service between rush hours? Do we really need to provide midday shoppers with such deluxe service? Because there is likely to be a deficit from operations, would not this compound the loss? The frequency of service, even at the beginning of the system operations, should be set on a reasonable basis. If we need this much service we say "fine, let us have it", but has anyone really justified the frequency of service planned?

TRAVEL TIME

A schedule shows the travel time from rail station to rail station, but we do not have a complete comparison of present transportation times via existing public transportations and autos. There is some data on bus time operation, but more information is needed. This would be helpful and would answer questions in many peoples' minds. Frankly, we have not heard more than a few small voices say, "I will be glad when rapid rail transit is constructed so that I can ride it to and from work." We get the impression that many support rapid rail transit with the hope that it will put off construction of the North Central Freeway or; that rapid rail transit is for the other fellow to ride so that they can drive to work less hampered. If we have been "auto oriented" so long that we are not likely to change, and if there is very little difference in time between auto to work and rail to work, then we had better find it out now for the stakes are high. Time data could be useful in this regard.

RAIL-BUS SERVICE

The conception or premise of the system is that there will be complimentary rail and bus service. This is generally referred to as a bus feeder system carrying passengers to the rail line to be whisked downtown. This would relegate many of the buses to suburban operation as shown in figure 4 (following page 8) in the report. Several cities have experienced significant problems in working out effective arrangements. We note that there has not been a positive statement as far as we know from D.C. Transit regarding whether we can expect 100 percent or less cooperation. Presumably, there could be two bus systems operating in order to assure rapid rail customers adequate service if D.C. Transit did not cooperate fully. We believe the public is entitled to clarification on this point.

PARKING, SAFETY, AND ENGINEERING

We are generally well satisfied with these three items which has involved considerable effort. There are many good points. We would make one suggestion for patrol of stations and parking areas. The proposal provides for monitoring stations with TV cameras and the thought is expressed that assaults and robberies would not likely occur with so many people around. The presence of persons did not help a woman murdered in a New York park, in fact people watched the show. Persons on the bank did not save a local woman from drowning while perched on top of her car begging for help because she could not swim and her car was sinking. Until people are willing to help one another, we believe there is need for patrols.

TRAFFIC MAINTENANCE DURING CONSTRUCTION

Construction of stations will require some time and hopefully there will be adequate scheduling of individual projects to prevent traffic stagnation in certain areas. Hopefully good coordination will be achieved with the District of Colum-

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bia Highway and Police Departments. An example is the cut and cover construction programed for the H Street station which may disrupt northbound evening traffic on 18th Street. Care should be exercised and arrangements made public well in advance of construction.

TRANSIT REVENUES AND EXPENSES

An estimate is forecasted showing that 48 percent of the peak-hour trips to downtown will be via rapid rail transit, and the estimate looks very conservative when compared to statistics of other cities experience. We wondered why the estimate should be less, and how the estimate was devised. It is to be noted that the experience of other cities is for public transportation facilities—surface and subway. It appears, therefore, that there is need for review as indicated above of rail-bus service. From all we could determine the 48-percent rate was not predicated on a good, solid survey and sampling of local conditions and preferences as to modes of transportation. In view of the research data referred to in the "Convenience of Rapid Rail Transit" section above, it appears that we need to evaluate the estimating procedures and to assure ourselves of the reasonableness of the projections. We cannot afford a mistake and we should provide adequate service.

DIVISION OF REVENUES

Mention is made of the division of fare revenues between bus and rail operations with bus operations getting 50 percent. Here again there appears to be a need for clarification whether this would be generally satisfactory to D.C. Transit and what arrangements would be made in Maryland.

TERM OF INDEBTEDNESS

It is to be noted that 40-year bond life and repayment period is planned, and that interest charges will amount to about $460 million. This compares to the estimate of construction cost of $431 million. Mention is also made that bonds will be paid off as rapidly as possible. In view of the borrowing cost, we believe specific requirements should be made to assure as early redemption as possible rather than to permit the possibility that funds be diverted to extensions of the system.

OPERATING LOSSES

We note mention in the report that unrecoverable losses are to be borne one-third by the District of Columbia government and two-thirds by the Federal Government. The report is not clear, however, as to exactly what "unrecoverable losses" are. They should be defined. Furthermore, with the interstate compact coming into existence for future operations we would want to be assured that any losses such as operating deficits arising from the operation and maintenance of the basic system be absorbed as proposed in this report and not be passed on to the compact members of Maryland and Virginia areas. Any losses from suburban extensions would, of course, be borne by the outlying communities. The recognition of basic responsibilities should be continued.

OPERATION UNDER A MANAGEMENT CONTRACT

We endorse the plan to have a private company operate the system for the NCTA or compact organization. The analysis prepared supporting the report appears very thorough. We would want to be assured that contract negotiation procedures will be adequate to assure that all interested parties are contacted, that deliberations regarding solicitations be open to the public if possible, that a report to the public be made and that no preference be given in any way to D.C. Transit merely because it has the present franchise.

The transportation committee has tried to be as constructive in its review as possible, and that if it can be of any help to NCTA, the Congress, the President, or anyone else we will be only too glad to render whatever assistance we can. We again encourage all persons to obtain the NCTA report and review it, for it is of great importance to all of us in this area.

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COMMENTS ON THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY COMPACT

(Maryland House bill No. 770)

(Prepared by Fletcher R. Brande, Chairman, Transportation Committee)

GENERAL

The following is a companion paper to that prepared on the NCTA report which is presented herewith. The Transportation Committee's basic analysis was of the NCTA report, and this additional paper was made necessary only because the interstate compact picks up where NCTA leaves off. There is yet another bill, Maryland H.B. 300, which establishes a bicounty Washington Suburban Transit District and a commission; however, we have not yet received it from the Maryland Governor's office for our review.

After review of House bill No. 770, we have several suggestions to make for its modification or other appropriate action. Some of our suggestions pertain to several sections of the bill, however we only cite the section in which the item first appears. We intend a broad application of our suggestions.

317–1 Definitions

(c) Mention is made of the operating zone or area to be covered by the companies operating the transit system. We feel the area to be covered should be more clearly defined, at least for purposes of initiating the system. The present lack of definition could result in countywide jurisdiction of the Washington Metropolitan Area Transit Commission. Furthermore, this organization is not adequately described in this bill.

(f) The definition of "transit facilities" is altogether too broad. The NCTA proposal which is the basis for H.R. 4822, concerns rapid rail transit facilities, whereas this bill concerns transportation by means of "* * * rail, bus, water, or air and any other *mode of travel*, including without limitation, tracks, rights-of-way, bridges, tunnels, subway rolling stock for rail, motor vehicle, *marine and air transportation*, stations, terminals, and ports * * *." [Emphasis supplied.] We do not believe that under the current proposal that this much authority is necessary or desirable, and that legislation should be adjusted accordingly.

317–2 Purpose

In addition to planning and operating the transit system, the bill authorizes the Authority to serve such other regional purposes and to perform such other functions as the jurisdictions may authorize by appropriate legislation. We think this is too broad and may well prove inconsistent with the main purpose of the Authority. We, therefore, suggest that this aspect of the bill be canceled.

317–5 Washington Metropolitan Area Transit Authority—Board membership

Directors of the Authority's Board are appointed by the Washington Suburban Transit Commission which issues the operating franchise for the transit system. It is not clear whether the directors and alternates serving in their absence are to be elected officials and therefore subject to the will of the people.

317–6 Authority—Compensation of directors and alternates

These people are to serve without compensation. It is suggested that this be reversed if we are to expect sufficient time and attention to be devoted to this responsibility. Then too, we would want this job open to all people and not just to those who can afford to serve without pay.

317–7 Authority—Organization and procedure

This section provides for that the Board may decide how often, when, and where it will hold meetings. It appears to us that regular meetings at a given place and time is more desirable. Of more significance, however, is what this section does not provide. The Board is not required to hold open meetings so that the public can attend, and there is no provision for making minutes of the meetings available for public inspection. Furthermore, this section does not require an accounting to the public. Montgomery County citizens have not been able so far to review the operations of the Air Park Authority which has a similar charter. We believe we should have someway to gain access to information.

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317–8 Authority—Quorum and actions by the Board

This section permits one jurisdiction to be overruled on a majority vote by the other jurisdictions represented. This includes action adopting or revising a plan of operation or financing. This means that Maryland could be saddled with a share of District of Columbia and Virginia debt which it did not want. This defect should be corrected. It also means that uneconomic extensions could be authorized which we rightfully oppose. This should likewise be taken care of.

317–10 Conflict of interest

The bill provides criteria regarding conflicts and for penalties in the event of violation. However, there is no provision for the customary requirement of disclosure of financial interest of directors, officers, and employees. We believe this requirement should be added to those existing in the bill.

317–16 Financing

This section provides that any costs over and above revenues shall be borne equitably among Federal, District of Columbia, and participating agencies. While we would want to pay our fair share, the section referred to above, section 317–8 could obligate Maryland for more than its fair share.

317–20 Acquisition of facilities from Federal or other agencies

Subpart b provides that the Authority can assume all liabilities and contracts as primary obligor on any outstanding indebtedness—even those issued by its predecessor. This means that we can absorb any of the guarantees now made by the Federal Government. We believe that this should be evaluated because the Federal Government has assumed basic responsibility so far and this would dissolve that. Would we want to be partners with the District of Columbia and Virginia under such a change in financing?

THE ALLIED CIVIC GROUP, INC., ITS ORGANIZATION AND ACTIVITIES

As Montgomery County became more heavily populated, many neighborhoods created local community associations which have become the very nucleus of democracy. Not only have they provided a medium for the solution of community problems, but they also have served well as an instrument for social and cultural activities.

As the county grew and expanded, particularly since World War II, its governmental structure became much more involved and complex. Although decisions were constantly being made which affected each neighborhood and, indeed, each family, the individual associations simply were inadequate, either to educate citizens about the problems of government or to speak on their collective behalf respecting the objectives and policies to be adopted by county officials.

It was 29 years ago when six community associations decided that by working together they could become more effective in studying such area problems as taxation, transportation, zoning, education, etc. Thus, the Eastern Suburban Central Committee was formed in 1935. In 1941, this cooperative organization was renamed the Allied Civic Group of Silver Spring. As its membership steadily increased, its interest expanded to include the Wheaton and Kensington areas. In confirmation of its growing service to the general public and its reputation for careful and thorough study of county problems, its present membership has increased to over 60 local associations comprised only of citizens groups. Its area of coverage, from the standpoint of membership eligibility, has also been recently broadened to include the "eastern Montgomery County area."

The year-round operations of the Allied Civic Group are not unlike those of any member association. Its bylaws provide for an organizational structure and for operating procedures which best assure maximum efficiency and stability while, at the same time, facilitating its analytical processes and ample opportunity for all delegates and alternates of the member organizations to participate actively. Its bylaws further provide that "in its activities, the group shall be strictly nonpartisan, nonsectarian and nonpolitical."

In addition to the 5 officers elected annually, there are 17 standing committees. Said officers and the chairman of the standing committees comprise the group's executive committee, authorized by the bylaws to function in an interim capacity on behalf of the membership. To best assure orderly procedure and thorough analysis, all matters presented for action are first assigned by the President to

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the appropriate committee for study and recommendation. Bylaws procedures, however, may be invoked to effectuate emergency action.

Over the years, the Allied Civic Group has worked hard to gain the respect of the community, as well as Government officials, through its careful approach to important local and countywide problems. As an effective spokesman for the citizen viewpoint, it has contributed extensively to the sound development of Montgomery County.

For example, it is well known for its perceptive review of the annual budget of the county and bicounty agencies predicated upon extensive committee study and floor debate. Its record in many other matters affecting the citizenry has also accumulated over the years, including success in obtaining remedial legislation affecting the Washington Suburban Sanitary Commission, as well as numerous actions affecting fire protection policies, highway and street planning, zoning ordinances, education and recreational facilities, financial practices, and juvenile delinquency controls, to name a few. The group has also rendered a valuable service in publishing two editions of "The Citizens Handbook for Montgomery County." In 1962, an extensive survey of county government was completed.

Thus, we find that effective citizen action has evolved from the uncoordinated efforts of individual community associations into an integrated organization capable of formulating and expressing constructive policies for the county. At the same time, however, the Allied Civic Group could not function without the participation of individual citizens and taxpayers dedicated to good government. We welcome and encourage the continued support of every resident of Montgomery County.

THE CATHOLIC UNIVERSITY OF AMERICA,
Washington, D.C., July 19, 1965.

Hon. ALAN BIBLE,
Chairman, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: The Brookland Area Coordinating Council, of which I am chairman, passed two resolutions at its regular meeting of January 18, 1965, that are pertinent to your committee's consideration of transit needs for the District of Columbia. One resolution expressed support for a rail rapid transit system to serve the Washington metropolitan area. The other expressed the opposition of the council to the proposed North Central Freeway.

The Brookland Area Coordinating Council is a member organization of the Metropolitan Citizens Council for Rapid Transit and joins in the hope that the transit system proposed in the legislation now before the Senate will be expanded to provide more adequately for the needs of the area.

Let me add that the Brookland Area Coordinating Council consists of representatives of 28 neighborhood associations, churches, educational institutions, garden clubs, and similar groups from the Brookland and Michigan Park neighborhoods of Northeast Washington. The council is in its third year of existence.

Respectfully yours,

C. JOSEPH NUESSE,
Professor of Sociology,
Chairman, Brookland Area Coordinating Council.

MONTGOMERY COUNTY CITIZENS PLANNING ASSOCIATION,
July 20, 1965.

Senator ALAN BIBLE,
Chairman, Senate District Committee,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BIBLE: The Montgomery County Citizens Planning Association strongly supports S. 1117, authorizing the construction of a rapid rail transit system for the District of Columbia. We appreciate your having scheduled early hearings on this bill. Construction of such a system is essential for the well-being of the whole metropolitan area, including Montgomery County.

We realize that many of the supporters of this bill would like to see various improvements in the transit plan which has been proposed. The planning asso-

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ciation itself, for example, would gladly support a plan for a larger downtown system. We feel, however, that the plan provides a necessary and satisfactory beginning for a transit plan to serve the whole area, and urge prompt enactment of the bill.

Sincerely yours,

MRS. JOHN G. SCHARF, *Vice President.*

BUILDING AND CONSTRUCTION TRADES DEPARTMENT,
AMERICAN FEDERATION OF LABOR—CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., July 20, 1965.

Hon. ALAN BIBLE,
Chairman, Senate District Committee,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: I am writing on behalf of the Building and Construction Trades Department, AFL–CIO, concerning S. 1117, a bill to authorize the prosecution of a transit development program for the National Capital region. The department is composed of 18 national and international unions, representing over 3½ million building and construction tradesmen throughout the United States.

The bill, S. 1117, provides for the construction of a mass transit system in the National Capital area, to take care of the increasing critical transportation problem. While we share in the interest of the need for an efficient transportation system in the Nation's Capital, I wish to call to your attention that the bill does not contain a prevailing wage provision (Davis-Bacon Act) which is provided for in all federally assisted projects and which is contained in H.R. 4822, passed by the House on Thursday, July 15, 1965.

The Davis-Bacon Act of 1931 establishes as public policy the sound principle that the tremendous purchasing power of the Federal Government in the construction industry must not be allowed to depress local prevailing wage standards. Therefore, the Davis-Bacon Act requires contractors building federally aided construction projects to pay their wages at least the prevailing wage rates for similar work in the area of the project.

The evils which the Davis-Bacon Act was designed to correct occur when contractors bring low-paid construction workers from outside the local community to build Federal projects. The low wages of these workers from outside the local area undercut wage rates and undercut living standards for building and construction workers and their families in the local community. Thus, the act is designed to prevent such undercutting of community wage standards and community living standards by requiring contractors to pay workers on federally aided projects as muc has the prevailing wage rates in the local community and place contractors on equal competitive terms.

The department feels that the elimination of this provision must be an oversight and strongly urges that it be incorporated in the bill. (Copy of the provision is attached).

With kindest personal regards, I am

Sincerely yours,

C. J. HAGGERTY, *President.*

P.S.—I will appreciate your including this letter in the official record of the hearings.

CAPITOL HILL SOUTHEAST CITIZENS ASSOCIATION,
Washington, D.C., July 17, 1965.

SENATOR BIBLE AND GENTLEMEN: The Capitol Hill Southeast Citizens Association is in favor of the rapid transit plan submitted by the National Capital Transportation Agency which is the subject matter of the present hearings. We recognize that the transit system now proposed is less than optimum so far as its appeal to suburbanites is concerned, but we also recognize that extension of the proposed lines into the suburbs are entirely feasible. We hope that such extensions will be underway even before the system now proposed is in operation.

Four subway stations are proposed for the Capitol Hill residential area. We have found some fault with two of the locations chosen and have communicated

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our findings to the National Capital Transportation Agency. We believe that the station proposed for Pennsylvania and North Carolina Avenues should be shifted to the east to provide exists adjacent to the main business section of Capitol Hill, including Eastern Market. The situation demands shift in the station along Pennsylvania Avenue and located between Sixth and Seventh Streets SE. Exits should be provided at Sixth and Seventh and Eighth Streets along the Avenue.

The station scheduled for South Carolina and Kentucky Avenues also should be shifted to the east to avoid undue traffic in a strictly residential area. We have recommended that the exits from this station be at 14th and South Carolina at 15th and Independence Avenues SE. We ask that the wording of the present bill allow for relocation of these stations.

The cash contribution to be made by the District of Columbia is of some concern to us. We certainly do not wish to recommend any changes in this legislation that will hinder its chances for quick passage; however, it may be wise in this very bill to authorize the District to borrow the amount of its contribution, over and above the present debt limit.

While the contribution expected from the District is a small one to pay for the benefit the transit system will give the District, it should be recognized that this type of public improvement will bring about a windfall for some property owners who own land near the transit stations. It may be well to consider whether an assessment ought not to be levied against properties which increase in value due to these improvements. Such an assessment can be used to repay part of the District's contribution to the transit system.

We urge that studies be made that would eliminate one of the excuses being given for urging downtown urban renewal. The rapid transit plan should remedy many of the present complaints.

ELIZABETH DRAPER, *Secretary.*

FALLS CHURCH, VA., *July 20, 1965.*

Senator ALLAN BIBLE,
Chairman, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: I am a staunch supporter of the proposed rapid transit bill for the District of Columbia bill, S. 1117, that authorizes the District of Columbia subway.

I have just been regrettably informed that Mr. O. Roy Chalk, D.C. Transit's president, has just been given 4 hours to speak on his behalf on this subway bill in the Senate today.

This is extremely unfortunate and appalling because this vital rapid transit bill could be virtually killed in the 4 hours he has to speak. Why he was given these 4 hours is beyond me, yet I know one thing; this is just enough time to do enough damage to bill S. 1117 that it would not stand a chance.

I do not usually judge people but Mr. Chalk wants the cake and eat it too. The situation, as it has and stands now, I have no other alternative but to make this suggestion.

I came from Philadelphia, Pa., where they have rapi dtransit running now. Could a bargain be struck with O. Roy Chalk in this fashion? The city of Philadelphia has two parties running its system. The city itself and the Philadelphia Transportation Co. They both, and this is the key word, share in running the system. Washington, D.C., is partly similar in that it has a private enterprise, D.C. Transit. Now, could not, like Philadelphia, Pa., D.C. Transit and the District of Columbia jointly manage and operate the proposed rapid rail system, conditions being what they are at present?

I enthusiastically think so.

Very truly yours,

W. G. STEVENS III.

METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS,
Washington, D.C., July 20, 1965.

Senator ALAN BIBLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BIBLE: I am pleased to inform you that the Board of Directors of the Metropolitan Washington Council of Governments has endorsed S. 1117,

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a bill authorizing the prosecution of a transit development program for the National Capital region, and its companion bill H.R. 4822, which has passed the House of Representatives.

The Council of Governments is an organization of the major governments in the National Capital region. Its purpose is to provide a means by which the member governments may cooperate to identify and alleviate those interjurisdictional problems which are incapable of solution by separate unilateral efforts. The District of Columbia and 11 other local governments in Virginia and Maryland belong to, participate in, and financially support the activities of the Council of Governments.

It seems hardly necessary to reiterate all the facts and arguments available to demonstrate the need to develop a rapid rail transit system for the Nation's Capital. They have been spelled out repeatedly and in detail on numerous occasions. Instead I will simply express the views of an organization whose sole role is to concern itself with alleviating or solving the many regional problems confronting the National Capital region.

From its inception in 1957, the Council of Governments has actively promoted the development of a balanced transportation system for the region. As an integral part of such a system the Council of Governments has supported efforts to develop a rapid rail transit system in the metropolitan area. To this end, the council urged the creation of the National Capital Transportation Agency. And through contributions of the participating local governments, it has provided for part of the cost of negotiating and drafting the interstate compact to create the agency which will ultimately assume the responsibility of developing and operating the proposed rapid rail transit system.

As soon as the proposed transit development program 1965 of the National Capital Transportation Agency became available, it was considered by the Executive Board of the Council of Governments, and, by resolution adopted on December 17, 1964, the executive board endorsed the proposal as a constructive first step in the development of a rapid rail transit system for the National Capital region.

Subsequent to this action, every major local government in the region has approved the current proposed transit program of the National Capital Transportation Agency. But the commitment of the local governments to assist in the development of mass transit facilities extends beyond merely endorsing the National Capital Transportation Agency's proposal. The 1965 session in the Maryland General Assembly enacted legislation establishing an interstate transportation agency. Additionally, governments in the Maryland and Virginia portions of the National Capital region have established under the authority of State enabling legislation the Washington Suburban Transportation Commission and the Northern Virginia Transportation Commision. These organizations, acting in conjunction with the proposed interstate transportation compact agency, will be able to succeed to the National Capital Transportation Agency role in developing the proposed system and expanding it into a total system for the entire metropolitan area.

In view of the interest and concerted efforts of the local governments in the Washington metropolitan area to attain rapid rail transit system for the region, we strongly urge that your committee and the full Senate enact this legislation.

Sincerely yours,

ROYE L. LOWRY, *President.*

FOREST HILLS CITIZENS ASSOCIATION, INC.,
Washington, D.C., July 19, 1965.

HON. ALAN BIBLE,
Chairman, Senate Committee on the District of Columbia,
U.S. Senate Office Building, Washington, D.C.

DEAR SENATOR BIBLE: The Forest Hills Citizens Association has a 10-year history of support of a balanced transportation system for the Washington Metropolitan area which includes rail rapid transit as well as coordinated freeways.

On March 25, 1963, our association resolved to support the general recommendations of the National Capital Transportation Agency in its 1962 plan. Further discussion on April 5, 1965, before our general membership indicated a preponderance of interest in the new subway plans. We will be well served by the subway which will stop at the entrance to our citizens association area.

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We hope that affirmative action by your committee and by the Senate as a whole will speed the construction of the subway system for the District of Columbia.

Sincerely,

BARBARA LUCHS
MRS. WALLACE LUCHS, Jr.,
President.

FAIRFAX COUNTY FEDERATION OF CITIZENS ASSOCIATIONS,
Falls Church, Va., July 20, 1965.

Re H.R. 4822.

Hon. ALAN BIBLE,
Chairman of the District of Columbia Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: On January 17, 1963, the membership of the Fairfax County Federation of Citizens Associations, representing more than 125 citizens' assocations throughout Fairfax County, adopted a resolution endorsing the enactment of legislation by the Congress to provide for the construction of a rapid rail transit system to serve the National Capital region. As a part of the 1963 resolution, the membership urged that construction of the District of Columbia portion of the system should begin not later than 1964 and should not be predicated on prior approval of lines extending into surrounding jurisdictions or the availabiilty of funds to meet the cost of construction of lines in those jurisdictions.

The views of federation were presented to the House Committee on the District of Columiba at hearings on the 1962 National Capital Transportation Agency Report before Subcommittee No. 6 in July 1963. Moreover, when Subcommittee No. 6 considered the scaled-down version of the NCTA proposal in late 1963, the federation reiterated its position in correspondence addressed to members of the committee and urged that Congress enact legislation to provide for the construction of a scaled-down version of the original 83-mile proposal as a first step in providing a much needed balanced transportation system for the Nation's Capital.

Now that the Senate District of Columbia Committee is considering H.R. 4822 the federation wishes to express for the record its continuing and vigorous support for the enactment of legislation which would bring into reality as expeditiously as possible a rapid rail transit system for the Washington Metropolitan area.

The federation appreciates the practical considerations which lie behind enacting legislation at this time which would provide a rapid rail system which does not extend significantly beyond the boundaries of the District of Columbia. Without extension into suburban areas, however, such a system would be of liimted use and benefit to the resdients of Fairfax County. For this reason the federation, in accordance with its previous endorsement, endorses H.R. 4822 as the first legislative step in providing a complete system to include lines extending into Fairfax County and other surrounding suburban areas from the center of the city, which when extended, will serve the entire National Capital Metropolitan area.

The primary factor which has made endorsement of the scaled-down versions of the original 83-mile system possible, is that each proposal, including the one now under consideration, proivdes a line crossing the Potomac River into Virginia. Future extension of the basic system, therefore, would appear to be practically feasible.

Respectfully,

REX W. LAUCK, *President.*

NATIONAL FEDERATION OF FEDERAL EMPLOYEES,
Washington, D.C., July 20, 1965.

Hon. ALAN BIBLE,
Chairman, District of Columbia Committee,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BIBLE: On behalf of the National Federation of Federal Employees, I wish to express our strong support for the pending legislation, which

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has passed the House of Representatives and is now being considered by the Senate District of Columbia Committee, providing for a new and much-needed rapid transit system for the National Capital area.

It long has been evident that the present public and private means of transportation are inadequate to meet the needs of this area. It is clear also that whereas many other metropolitan centers already have taken positive steps to cope with this problem, the National Capital has lagged in planning and action, and that action now is an urgent necessity.

The need to provide the National Capital area with an efficient system of public transportation is not merely local but is essential from the standpoint of national security. It is imperative that workers in this area especially have the means of getting to and from their places of employment speedily, surely, and without undue delays.

The 1964 national convention of the National Federation of Federal Employees recognized the immense importance of this whole problem nationally and unanimously adopted a resolution committing our organization to support the development of "reasonable programs for rapid transportation in all metropolitan areas where such programs may be proposed." No area is in more urgent need of such a system than the National Capital area.

I am enclosing herewith for the information of the committee a copy of the above-mentioned resolution. I would appreciate it if this letter and the resolution could be made a part of the record of the proceedings of the committee with respect to the proposed legislation.

Yours sincerely,

NATHAN T. WOLKOMIR,
President.

TEXT OF RESOLUTION ON RAPID TRANSPORTATION ADOPTED BY 1964 BIENNNIAL NATIONAL CONVENTION OF THE NATIONAL FEDERATION OF FEDERAL EMPLOYEES

(Resolution No. 297, introduced by Local 626, Washington, D.C.)

RAPID TRANSPORTATION

Whereas the increasing complexities of present-day living place a high premium upon the economical use of an individual's time; and

Whereas many Federal employees are employed in agencies located in large metropolitan areas, where travel to and from work through traffic presents major problems of delay; and

Whereas the homes of a majority of these employees are usually at a considerable distance from their places of employment: Therefore be it

Resolved, That the National Federation of Federal Employees give support to the promotion of reasonable programs for rapid transportation in all metropolitan areas where such programs may be proposed.

THE METROPOLITAN WASHINGTON BOARD OF TRADE,
Washington, D.C., July 19, 1965.

Hon. ALAN BIBLE,
Chairman, District of Columbia Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: We are very pleased with the action recently taken by the House of Representatives in passing H.R. 4822, a bill to provide Washington with a rapid rail transit system.

It is our earnest hope that the companion bill, S. 1117, introduced by you and for Senator Tydings, will enjoy the same approval in its journey through the Senate.

This measure has broad support from virtually every civic and business group.

The rapid rail transit system is essential to the economic well-being of Washington and to the welfare of our citizens.

Sincerely,

F. ELWOOD DAVIS.

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DISTRICT OF COLUMBIA PODIATRY SOCIETY,
Washington, D.C., July 19, 1965.

Hon. ALAN A. BIBLE,
Chairman, District of Columbia Committee,
Senate Office Building,
Washington, D.C.

DEAR SIR: This is to reiterate the District of Columbia Podiatry Society's endorsement of the pending mass transit legislation, to be brought before your committee.

We need not belabor the issues that have been positively presented before the House by many more technically qualified than we. One need not be a planner or engineer to understand the necessity for unclogged and unstagnated streets, the result of all-weather transportation benefiting both the central city and the suburbs, and the lessened air pollution. After reading the area's present population. (Washington Post, July 18), one may sensibly envision the system's tieing into the relatively unused tracks of the four railroads fanning far out into suburbia by the time it is completed—and I'm no prophet. The Port of New York Authority did just that after taking over the Hudson and Manhattan lines, extending them deeper into New Jersey.

Although disagreeing with, one readily understands the bus companies' opposition to the bill and their lobbying for "favored" position under the act. They might lose valuable proprietory interests into many dollars. We are confident that the Senate will act equitably toward them, whether it be by negotiation, agreement, condemnation, or by court action.

What is most feared are the rash and unsupported statements made by several Members of the House, ill becoming Members of such an august body. It is hoped that the following will be ignored: Representative Multer of New York, vehement in free and private enterprise. He conveniently forgets that New York City subsidized the I.R.T. (1919) in order to boast of maintaining the then "5-cent fare"—and at this very moment the city runs the public transportation and New York State just took over the Long Island Railroad. Hasn't he read the New York newspapers?

Representative O'Konski of Wisconsin was most vehement in his statement in the Evening Star, fearing that the costs would far exceed the estimates, citing the Pentagon as his premise. He conveniently forgets that most of us make a few changes in building a $20,000 house and the cost runs over estimates. As to the Pentagon, he forgets that it was built in 1941–42, on a rising market changed from contract to cost plus, due to the emergency with artisans and workmen around the clock—being paid double and triple time.

Over the years, it has been evident that the Senate has approached District of Columbia legislation with understanding, sympathy statesmanship and even generously when required. Its sensibility to our problems has seemed far more mature than the lower House. It is hoped and anticipated, now that this legislation has passed the first hurdle; your prompt affirmative action will have answered a long overdue, dire and imperative need for a great National Capital area.

To quote Queen Esther, "May we find favor in thine eyes"?

Very truly yours,

JEROME M. FISCHGRUND, D.S.C.,
Chairman, Community Affairs Committee.

WASHINGTON, D.C.

DEAR SIR: Please include the attached letter in the subway bill hearings. Thank you for your consideration.

Sincerely,

MICHAEL INGERMAN.

JULY 19, 1965.

Senator ALAN BIBLE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BIBLE: I would like to express my strong support for the National Capital Transportation Agency's authorization bill as it passed the House last week.

May I make the following suggestions which might be a part of the Senate's

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consideration of the bill, or perhaps, be made into separate legislation after the present bill has received Senate action.

(1) That the station located on the U.S. Capitol Grounds be named the "Station of the States."

(2) That no commercial stores or shops be permitted within this station as has been suggested for other stations. One exception to this might be a Government Printing Office Bookstore containing a wide selection of GPO books, pamphlets, and periodicals.

(3) That display cases (similar to windows of downtown department stores but of smaller dimensions) be constructed in the walls of this station, one for each of the 50 States.

(4) That the States be asked by the Congress to provide exhibits representative of their industry, geography, resources, history, etc., on a periodic basis to fill the above mentioned display cases.

"Capitol Hill" is now unquestionably one of Washington's major tourist attractions. The Office of the Capitol Architect informed me that about 5 million persons visit the Capitol Building yearly. The establishment of the subway station will provide an important entrance and exit to the Capitol area for the tourists (hence decreasing traffic in the area) and congressional staffs. We are faced with an opportunity to construct something having continuing functional and educational value which could be shared by millions of Americans in the years to come. The relative expense is small when divided by the total number of persons who might enjoy the exhibits and the GPO Bookstore as they pass through the "Station of the States."

Sincerely,

MICHAEL INGERMAN.

B'NAI B'RITH COMMISSION ON
COMMUNITY AND VETERANS SERVICE,
Washington, D.C., July 20, 1965.

Senator ALAN BIBLE,
Chairman, Senate District Committee, U.S. Senate,
Washington, D.C.

DEAR SENATOR BIBLE: Enclosed is the statement which I would like to submit as part of the hearing on the subway bill.

Any consideration given by your committee to this statement will be sincerely appreciated.

Yours very truly,

JACK J. JENKINS.

B'NAI B'RITH COMMISSION ON
COMMUNITY AND VETERANS SERVICE,
Washington, D.C., July 20, 1965.

Honorable Senators,
House District Committee.

GENTLEMEN: My name is Jack J. Jenkins, 6609 31st Street NW., Washington, D.C. I am a member of the District of Columbia Commissioners' Committee for the Employment of the Handicapped. On this Commission I represent the B'nai B'rith who has, as part of its Commission on Community and Veteran Service, a great interest in this particular problem.

B'nai B'rith, as a member of the President's Committee for the Employment of the Handicapped, is vitally concerned with the welfare and well-being of those to whom the conquest of the ordinary is a victory. Any effort to help our fellow handicapped Americans has our full support in every way.

We are happy to join with all those who are advocating the use of subway ramps, escalators, and/or elevators. We urge their installation in the proposed new subway, so that each man or woman, no matter what their disability might be, will have full use of the proposed rapid transit system.

Respectfully submitted.

JACK J. JENKINS.

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HOME BUILDERS ASSOCIATION,
OF METROPOLITAN WASHINGTON, INC.,
Washington, D.C., July 20, 1965.

Hon. ALAN BIBLE,
Washington, D.C.

DEAR SENATOR BIBLE: Enclosed is a resolution from the Home Builders Association of Metropolitan Washington, Inc., supporting strongly the rapid rail transit system for the Metropolitan Washington area.

At this time we would like to emphasize the importance that the homebuilders of the Metropolitan Washington area associate with the approval of this system.

Sincerely yours,

JAMES W. PEARSON,
Executive Vice President.

RESOLUTION

Whereas traffic congestion in Metropolitan Washington grows progressively worse; and

Whereas population projections for the area indicate that our already overtaxed transportation facilities will be totally inadequate to handle the anticipated requirements for the movement of people: Therefore be it

Resolved, That the Home Builders Association of Metropolitan Washington, Inc., endorses the concept that Metropolitan Washington needs a balanced transportation system which includes more and better highways, an efficient bus system, and a rapid rail transit system as proposed by the National Capital Transportation Agency in their revised transit development program, dated January 1965; and

This organization will lend its support to efforts to achieve this objective.

STEWART BAINUM,
President, Home Builders Association of Metropolitan Washington, Inc.

AMERICAN FEDERATION OF LABOR
& CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., July 20, 1965.

Hon. ALAN BIBLE,
Chairman, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am enclosing herewith a statement on behalf of the American Federation of Labor & Congress of Industrial Organizations in support of H.R. 4822, the proposed National Capital Transportation Act of 1965.

I would appreciate it if you would include our statement in the record of the hearings presently being held before the Committee on the District of Columbia on this important and necessary legislation.

Sincerely yours,

ANDREW J. BIEMILLER,
Director, Department of Legislation.

STATEMENT OF ANDREW J. BIEMILLER, DIRECTOR, DEPARTMENT OF LEGISLATION, AMERICAN FEDERATION OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS, BEFORE THE SENATE COMMITTEE ON THE DISTRICT OF COLUMBIA ON THE NATIONAL CAPITAL ACT OF 1965

My name is Andrew J. Biemiller. I am the director of the Department of Legislation of the American Federation of Labor & Congress of Industrial Organization, and I appear here on behalf of that organization in support of H.R. 4822, the proposed National Capital Transportation Act of 1965.

H.R. 4822 has for its purpose an authorization for the National Capital Transportation Agency to proceed with the detailed design and construction of a rail rapid transit system for the National Capital region. For a number of years the AFL–CIO has made clear its wholehearted support of the proposition that the establishment of a rapid transit system of the type contemplated by this bill is an essential element in meeting the transportation problems of the Nation's

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Capital. We do not contend that rapid transit will provide the whole answer to Washington's transportation problems. On the contrary we believe, and most objective students of the problem agree, that the highway program is still of vital importance. We agree, however, with those who have already made clear to this committee that without a rail rapid transit system there is no real hope of meeting the present, let alone the future, transportation needs of the community.

H.R. 4822 would authorize the construction of a system of rail rapid transit lines and related facilities, at a total cost of not more than $431 million. The work authorized by the bill would be carried out subject to the provisions of the National Capital Transportation Act, and substantially in accord with plans and schedules set forth in the Agency's report to Congress entitled "Rail Rapid Transit for the Nation's Capital, January 1965." The bill specifically provides that all construction work should be performed in accordance with schedules agreed upon between the Agency and the Board of Commissioners of the District of Columbia.

The bill further provides that the rail rapid transit lines and related facilities authorized by the bill "shall not be operated except under contract by private transit companies, private railroads, or other private persons," entered into after formal advertisement and negotiations with "all interested and qualified parties, including private mass transportation companies in the National Capital region." Such contracts may be entered into, however, "only if the Secretary of Labor certifies that terms and conditions as prescribed in section 10(c) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1609(c); 78 Stat. 302, 307), to protect the interest of employees affected by any such contract for the operation of the facilities authorized by this act, are specified in such contract."

The bill also provides assurance that the construction, alteration, or repair of transit facilities will be performed in compliance with the prevailing wage provisions of the Davis-Bacon Act, as amended.

The foregoing provisions are designed to deal with problems which may arise in connection with the prosecution and development of a program of rail rapid transit here in Washington, D.C. We believe it is essential that the legislation contain terms and conditions to protect the interests of employees as specified in the prevailing wage provisions of the Davis-Bacon Act and the labor provisions contained in the Urban Mass Transportation Act of 1964. H.R. 4822 also requires that the operation of the transit facilities authorized by the bill must be by private companies. This requirement, together with the safeguards written into the bill through incorporation of the labor protection provisions of the Davis-Bacon Act and the Urban Mass Transportation Act of 1964, makes adequate provision to accomplish this objective.

The AFL–CIO wholeheartedly supports H.R. 4822 in the form in which it passed the House of Representatives on July 15, 1965. We strongly urge that the committee favorably report H.R. 4822 without change to the Senate.

INTERFEDERATION COUNCIL,
July 20, 1965.

Hon. ALAN BIBLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: The Interfederation Council unanimously adopted the following resolution with the request that it be submitted in support of S. 1117 to provide rapid transit for the National Capital area: Be it

Resolved, That the Interfederation Council endorse the modified proposals of National Capital Transportation Agency as representing a feasible start toward the rapid rail portion of the balanced transportation system for the area, which the Interfederation Council has long advocated; and be it further

Resolved, That the Interfederation Council urges the Congress to approve this modified proposal promptly as the first step required before we can reasonably plan the other necessary part of a total balanced transportation system.

Respectfully.

HARRY ARTHUR BOSWELL, *Chairman.*

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WASHINGTON, D.C., *July 20, 1965.*

Hon. ALAN BIBLE,
Chairman, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.:

The Connecticut Avenue Citizens Association recommends passage of bill S. 1117 to implement rail rapid transit for the National Capital region.

L. P. WINNEMORE,
Chairman, Transportaion and Traffic Committee.

SILVER SPRING, MD., *July 20, 1965.*

Senator BIBLE,
Washington, D.C.:

Citizens and voters congratulate you on success transit measure. You have public interest at heart.

JOAN ASHLEY ENNIS.

WASHINGTON, D.C., *July 21, 1965.*

Hon. ALAN BIBLE,
Chairman, Senate District Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: The board of county commissioners noted with pleasure recent House action on H.R. 4822. We are hopeful that the Senate will take similar action in regards to companion bill S. 1117. We in Prince Georges County are vitally interested in the development of rapid transportation for the District and surrounding metropolitan areas. Your assistance in this matter would be much appreciated.

Sincerely,

JESSE S. BAGGETT,
Chairman, Board of County Commissioners, Prince Georges County.

STATEMENT IN SUPPORT OF H.R. 4822, THE NATIONAL CAPITAL TRANSIT ACT, OF THE DEMOCRATIC CENTRAL COMMITTEE FOR THE DISTRICT OF COLUMBIA

I am Lewis H. Ulman, chairman of the Committee on Planning and Housing of the Democratic Central Committee for the District of Columbia.

The central committee unanimously endorses the transit bill as it passed the House of Representatives on July 15, 1965. No legislative proposal in our memory has commanded such universal support. The butcher, the baker, and the candlestick maker all feel strongly that Washington must have a rail rapid transit system. Endorsement of this measure has come from both political parties, from business and labor, from the organized association of citizens, and from residents in general of the District and of nearly Maryland and Virginia.

Unfortunately, a start on a rapid transit system has been delayed for many years for many reasons. We believe that the program approved by the House can create a rail rapid transit system that will support itself over the years and materially contribute to resolving the commuting problem in the Washington metropolitan area.

The Democratic Central Committee believes that the past arguments between highway and transit advocates have been a disservice to the community. Both a modern rail transit system and a modern street and highway system are a necessary part of any proper plan for the city of Washington. Just as we should not embark on a rail transit program that is not economically sound, we should not embark on highway programs solely for the purpose of not missing 90–10 funds which might be available under the Federal highway program. This city is currently faced and will be faced for many years with a major housing shortage for low- and moderate-income families.

As pressing as the transportation problem is, we should not contribute further to the housing problem by taking the homes of thousands of residents for transportation right-of-way until procedures are available to guarantee replacement housing to these residents. The Democratic Central Committee urges, therefore, that in the construction of both the rail rapid transit system and the highway program, the maximum use be made of tunneling and other

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procedures which will cause a minimum disruption to existing homes and businesses and will preserve the land above these facilities for housing and other uses and as a part of the tax base of the District of Columbia.

WASHINGTON BOARD OF REALTORS, INC.,
Washington, D.C., July 21, 1965.

Hon. ALAN BIBLE,
Senate District Committee,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BIBLE: The Washington Board of Realtors strongly supports H.R. 4822 and S. 1117 which would authorize a much-needed rapid rail transit system for the District of Columbia.

A balanced system of transportation which would include rapid transit, freeways, and bus service is urgently needed to meet the growing needs of our rapidly expanding community and your favorable support of H.R. 4822 and S. 1117 would be appreciated.

Sincerely,

EARL W. FARR, Jr., *President.*

FEDERAL EMPLOYEES FOR ACTION ON TRANSPORTATION,
Washington, D.C., July 19, 1965.

Hon. ALAN BIBLE,
Chairman, Senate District Committee,
Washington, D.C.

DEAR MR. BIBLE: FEAT—Federal Employees for Action on Transportation—gives its full support to S. 1117.

FEAT, a concerned group of representatives of the major employee organizations—AFGE, FPA, NFFE, OPEDA, Letter Carriers, the USDA Employee Council, departmental and agency recreational associations and others—has and will continue to arrange series of lectures and meetings on public transit, parking, traffic, and building dispersal.

The dedication of Federal employees to effective public service is reflected in the determination of FEAT to work for a balanced transportation program. This program requires the immediate approval of S. 1117.

FEAT's members feel the need of a rail rapid transportation system is so apparent that we are not setting forth a lengthy statement on the advantages and benefits of such a transportation system. S. 1117 provides for a much-needed minimum rail rapid transit system. FEAT believes this is just a start in the right direction and is prepared to work diligently for its extension.

Individually and collectively the tens of thousands of Federal employees in the District of Columbia, Maryland and Virginia, represented by FEAT, urge the immediate approval of S. 1117.

Sincerely,

FRANCIS J. SPEH, *Cochairman.*
DAYTON S. WARD, *Chairman.*

CITY OF TAKOMA PARK, MD.,
July 21, 1965.

Subject: Transit development program, 1965.

Senator ALAN BIBLE,
Chairman, Senate District Committee,
U.S. Capitol, Washington, D.C.

HONORABLE SIR: The City Council of Takoma Park, Md., and I were given an advance briefing on the proposed program by staff members of the National Capital Transportation Agency in late 1964. Subsequently NCTA furnished each member of the governing body with a copy "Transit Development Program 1965" which outlined in detail the rail rapid transit proposal. We had ample time to review and consider the impact of such construction and service upon our city and its citizens.

At the meeting of the city council held on the evening of January 11, 1965, a motion was unanimously carried to endorse in principle the draft report of the National Capital Transportation Agency, "Transit Development Program, 1965."

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It is the opinion of the city council that the development of rail rapid transit serving Takoma Park is preferable to the proposed North Central Freeway which would divide our city. With an adequate rail mass transit system, the need for vehicular roadways should be greatly reduced.

It is, therefore, our recommendation that the Senate District Committee issue a favorable report on the pending legislation.

Respectfully,

GEORGE M. MILLER, *Mayor.*

FEDERATION OF CITIZENS ASSOCIATIONS
OF THE DISTRICT OF COLUMBIA,
July 21, 1965.

Re District of Columbia rapid transit legislation.

Chairman ALAN BIBLE,
District of Columbia Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: Our federation has followed closely the development of legislation relating to the proposed rapid transit system for the Nation's Capital. We support completely the legislation as passed by the House of Representatives and urge the acceptance by the Senate of this bill without any changes.

This bill as it now stands is the result of careful development and will provide a workable system which will be equitable to all parties concerned.

Various changes have been proposed by those having specific personal financial objectives rather than any desire for the most effective transportation system for the area. We hope that your committee will recognize these for what they are and not allow them to destroy the effectiveness of our transport.

Sincerely yours,

JOHN R. IMMER, *President.*

LEAGUE OF WOMEN VOTERS,
METROPOLITAN WASHINGTON COUNCIL,
Arlington, Va., July 20, 1965.

Hon. ALAN BIBLE,
Chairman, Senate District of Columbia Committee,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BIBLE: The Metropolitan Council of the League of Women Voters urges your favorable action on the bill to establish a rapid rail transit system for the District of Columbia (S. 1117).

No responsible citizen or official denies the need for relief of the pressing commuting problems of the Metropolitan Washington area through a rapid transit system. The Metropolitan Council of the League of Women Voters strongly supports the proposal for a rapid rail system embodied in S. 1117; although we think that the system falls short of what is ultimately needed, it is the necessary start to which the suburban communities can add radial routes.

Financing provisions of S. 1117 are consistent with those of the Urban Mass Transportation Act of 1964. The District of Columbia is therefore being offered something which also has been made available to other sections of the country. The States of Maryland and Virginia have been moving rapidly to adopt legislation that will lead to the establishment of a regional agency capable of financing and administering an expanded system for the metropolitan region as a whole, of which the system contemplated in S. 1117 will be the core.

We confidently urge your swift approval of S. 1117 which has the support of so many responsible sections of the Metropolitan Washington area.

Sincerely,

ELLEN M. BOZMAN, *Chairman.*

STATEMENT OF THE LEAGUE OF WOMEN VOTERS OF THE DISTRICT OF COLUMBIA TO THE SENATE DISTRICT COMMITTEE, JULY 21, 1965

We, of the League of Women Voters of the District of Columbia, enthusiastically support H.R. 4822 and S. 1117. We have studied and supported the three transit proposals presented to Congress. The system that would be built under

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the terms of this bill seems to us to be adequate in terms of cost, control, and financing.

We would like to point out the need for inclusion of terms which would expressly guarantee retention of public control over such questions affecting public interest as fares, schedules, and maintenance policies. While the terms of the contract perhaps cannot be specified at this time, we feel that it should be made clear that a management contract is anticipated.

The league particularly commends the provisions for relocation of displaced individuals, businesses, and organizations. Concern for the welfare of all people has been affirmed repeatedly by our membership in support of a balanced transportation system.

Washington is a beautiful city, but a difficult one in which to get around. Twenty-five miles of rapid rail transportation will go far, literally, toward relieving traffic congestion and keeping our city beautiful.

AMERICAN UNIVERSITY PARK CITIZENS' ASSOCIATION,
Washington, D.C.,

Hon. ALAN BIBLE,
Chairman, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SIR: Our association enthusiastically supports the bill for a transit development program in the form passed by the House, and urges that similar action be taken by the Senate. Of course, there should be no franchise on a system built at public expense.

Respectfully,

ALFRED S. TRASK,
Cochairman, Transportation Committee.

LAMOND-RIGGS CITIZENS ASSOCIATION,
Washington, D.C., July 20, 1965.

Hon. ALAN BIBLE,
Chairman, Senate District Committee,
Senate Office Building, Washington, D.C.

DEAR SIR: The membership of the Lamond-Riggs Citizens Association support and urge passage of the bill now before your committee which would give a vitally needed rapid rail system to the District of Columbia.

We regard the cost estimates given by the NCTA as sound and reliable. The engineering research and experience of reliable consultants prove that the construction of rapid rail in the Washington area would not encounter any major problems. There is in the District of Columbia a large level area, no bed rock outcroppings and the already existing B. & O. Railroad right-of-way to facilitate the construction of the rail and subway system.

Serious-minded and responsible citizens of our city support the rapid transit bill as one of the important proposals affecting the present and future good of the Washington area.

Sincerely yours,

RENE J. BOZZI, *Second Vice President.*

STATEMENT OF EDWARD-SEMPLE MOALE

Mr. Chairman, and members of the committee, my name is Edward-Semple Moale and my status is that of a retired naval engineer officer (commander). In addition to being a legal voting resident and property owner of the District of Columbia, I am an active member of the Citizens Transit Improvement Association and a volunteer technical adviser for the Northern Virginia Transportation Commission. Having in previous years been connected with both the Brooklyn Rapid Transit and Interborough Rapid Transit Cos. in engineering capacities, I am thoroughly cognizant of how rail rapid transit, particularly subways offer the only panacea for the choked streets caused by the automobile population explosion presently existing in the District of Columbia. I therefore respectfully submit to your honorable committee a description of the thoroughly efficient

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and ultramodern rail rapid transit system of the Toronto Transit Commission which I had the pleasure of inspecting during the past week for the purpose of showing what can be accomplished toward eliminating this unhealthy condition by those with proper spirit and determination.

The principal item of interest was the subway, the trains of which are rightfully claimed to be the cleanest, quietest, and most comfortable in the world. Excellent maintenance of car equipment and track attested to this fact. Tight couplers and buffer plates between cars in addition to rubber tie plates and welded rail joints were also prime factors in noise elimination. Smooth acceleration and deceleration of trains at stations indicated thorough and systematic training of operating personnel. One hundred seventy cars of very superior design are owned by the commission.

As presently constituted, the Toronto subway is 6.7 miles in length, with an additional 8 miles rapidly nearing completion. Portions within the business areas were constructed by the cut-and-cover method directly under the street whereas those portions without these areas occupy private rights-of-way in open cuts attractively landscaped. Air rights over these cuts are rapidly being leased for the erection of office and apartment buildings, all of which adds to the convenience and comfort particularly in inclement weather of subway riding tenants of these buildings. Furthermore money received from these air right leases are of great assistance in the financing of new construction. A splendid example of consideration for the comfort of apartment dwellers immediately adjacent to a bridge spanning a ravine, is the enclosing of tracks within a concrete tube to deaden the noise of trains passing over. The ultimate goal by 1980 of 39 miles of rail rapid transit is projected with a large amount of the later trackage laid in the median strips of freeways.

The number of revenue subway passengers on a typical midweek day was reported as 131,100. Absence of an excessive number of private automobiles clogging the streets in the business sections of Toronto was readily apparent at all times, whereas the streets of Ottawa which is utterly devoid of all urban rail transportation were congested to a disgraceful degree similar to our Washington streets.

In addition to the subway, there are 16 routes totaling 72.57 miles on which 754 streetcars of the PCC-type are operated. Large sections of several of these routes occupy median strips on multilane highways in suburban areas not served by the subway and give excellent light volume rapid transit service. Highly trained operating personnel with excellently maintained car equipment and track preclude all possibility of complaints by the riding public and indicate that a street railway system properly run can be immune from the prevaricative propaganda of automotive manufacturers.

A high state of morale seems to exist amongst the officials and employees and the fact that all subway trainmen and streetcar operators are proud of their neat uniforms and wear them well, is the sign of a smooth running organization.

Close association with various key officials of our own National Capital Transportation Agency convince me that this splendid organization is thoroughly willing and capable of carrying out a magnificent job such as that of Toronto, if given the opportunity.

It was through the kind advice of Mr. Robert Abrams of our NCTA that I was able to contact Mr. H. E. Pettett, general secretary of the Toronto Transit Commission who showed me every kindness and consideration.

RESOLUTION OF NORTHERN VIRGINIA BOARD OF REALTORS, FALLS CHURCH, VA.

Whereas the realtors of northern Virginia have become increasingly aware of the importance of transportation in relation to the economic welfare of every community; and

Whereas the welfare and prosperity of the realtor parallels the welfare and prosperity of his community; and

Whereas the problem of mass transportation in the Washington metropolitan area is critical and an improved transportation system for the area is essential for the continued prosperity and orderly growth and development of northern Virginia and the National Capital region: Now, therefore, be it

Resolved, That the Northern Virginia Board of Realtors, Inc., go on record as supporting the principles and aims of H.R. 4822 providing a District of Columbia transit plan and that copies of this resolution be sent to the Northern Virginia Transportation Commission, the National Capital Transportation,

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Agency, the Joint Committee on Transportation for Metropolitan Washington and our 10th District Representative in Congress, the Honorable Joel T. Broyhill.

EDWIN W. HERRON,
Executive Vice President.

THE FOGGY BOTTOM ASSOCIATION,
July 20, 1966.

Hon. ALAN BIBLE,
Chairman, Senate District Committee,
New Senate Office Building, Washington, D.C.

DEAR SENATOR BIBLE: The subway bill now before your committee is of overwhelming importance to the city of Washington. It is an absolute essential if Washington is to be the kind of city that residents and visitors can live in, work in, and visit with convenience and enjoyment.

It has become only too clear that highways alone cannot possibly provide a solution to the present and future problems of transportation for the community. The question is not whether additional highways will be built. The parking and traffic situation is already reaching critical proportions. More highways will only bring more cars onto the downtown streets, increasing the parking and traffic problems still further. It is already apparent that work on a subway should have begun years ago.

To those critics who claim that a subway could not be self-supporting, we would answer that the future growth and health of the city demands an effective, efficient system of rapid mass transportation. A subway will serve the common good. It will be a benefit to all. And hence, if the use of public funds should prove necessary, the expenditure would be totally justified. Washington is a city for all the people.

For these reasons, the Foggy Bottom Association (a citizens' group of this city) most strongly urges that the Senate District Committee report out the subway bill.

Sincerely,

WILLIAM L. SIMON
(For the Foggy Bottom Association).

CITY OF ROCKVILLE, MD., *July 20, 1965.*

Hon. ALAN BIBLE,
Chairman, District of Columbia Committee,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BIBLE: The mayor and Council of the City of Rockville, Md., notes with pleasure the action of the House of Representatives in endorsing H.R. 4822, a bill to authorize a rapid rail transit system for the National Capital region. We urge favorable action by the Senate on S. 1117, a companion bill similarly providing for such rail system.

We strongly support the establishment of a regional rail transit system to complement existing transportation facilities. This will promote the orderly development of the metropolitan regional area, roll back the increasing traffic strangulation of the central core city as well as surrounding communities and further the well-being of all residents of the regional metropolitan area.

Very truly yours,

FRANK A. ECKER, *Mayor.*

THE NATIONAL PARAPLEGIA FOUNDATION,
NATIONAL CAPITAL AREA CHAPTER,
Washington, D.C., July 20, 1965.

Hon. ALAN BIBLE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BIBLE: The National Capital area chapter of the National Paraplegia Foundation strongly urges the passage of the rapid transit system bill now pending for consideration.

We would also appreciate this rapid transit system being made accessible to all people, those in wheelchairs, those on crutches, those on canes, or requiring the

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usage of other aids in getting around, our elderly citizens, our mothers with baby carriages, and our entire citizen population.

Senator Bible, whatever you can do to influence the passage of this legislation will be greatly appreciated by our organization.

Very truly yours,

(S) Abbie V. Moore,
Miss ABBIE V. MOORE,
President.

UNITED STATES COUNCIL OF THE
WORLD VETERANS FEDERATION,
Washington, D.C., July 22, 1965.

Hon. ALAN BIBLE,
Chairman, District of Columbia Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: The United States Council of the World Veterans Federation fully supports a rapid transit system for the Metropolitan Washington area that will be accessible to and usable by all citizens desirous of using it.

A directive from the Senate to the National Capital Transportation Agency that it design and construct the rapid transit system so that it will be usable by wounded veterans and civilian disabled persons would insure accessibility. We urge you to support such a directive.

Increasing numbers of our citizens are suffering permanently disabling injuries on the battlefield and from automobile accidents. It is important for their personal welfare and for the economy of our Nation that they be able to use public transportation.

Sincerely yours,

STANLEY ALLEN, *Executive Secretary.*

AMERICAN VETERANS COMMITTEE,
DISTRICT OF COLUMBIA CHAPTER NO. 1,
Washington, D.C., July 22, 1965.

Hon. ALAN BIBLE,
Chairman, Senate Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: This letter is being written in the hope that you will include it in the record of the hearings on S. 1117 and H.R. 4822, the rapid transit bill.

I have had an opportunity to read the statement made before your committee by Mrs. Alice B. Fay, chairman, architectural barriers project, and wish to associate myself with it.

As veterans of World War I, World War II, and the Korean conflict, the members of the American Veterans Committee are particularly sensitive to the problems of the physically handicapped, be they handicapped by military service, or for other reasons.

I hope that your committee will so amend the bill as to include directions that the facilities to be created pursuant to the legislation will be made accessible to the handicapped. The legislation need not, of course, spell out in detail the width of the doors, the height of the token stands, and other matters, since the staff of the National Capital Transportation Agency have been in touch with the architectural barriers project, and are willing to implement the requirements, if only the authorizing legislation contains a general directive for them to do so.

Yours very truly,

FRANK E. G. WEIL, *Chairman.*

GOVERNMENT OF THE DISTRICT OF COLUMBIA,
COMMISSIONERS' PLANNING AND
URBAN RENEWAL ADVISORY COUNCIL,
Washington, D.C., July 27, 1965.

Senator ALAN BIBLE,
Chairman, District of Columbia Committee,
New Senate Office Building, Washington, D.C.

DEAR SENATOR BIBLE: The Commissioners' Planning and Urban Renewal Advisory Council for the District of Columbia wishes to have inserted in the record

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of the hearings on S. 1117—a rapid transit subway system for the District the following statement:

The Commissioners' Planning and Urban Renewal Advisory Council wishes to go on record as strongly advocating the passage by Congress of the present planned rapid rail system passed by the House of Representatives with no changes or amendments. The council wishes to further state that a minimal freeway system should be completed as soon as possible to augment the present rapid rail subway system now before Congress. We advocate the completion of a North-Central Freeway, the building of an additional river crossing in the vicinity of Three Sister Island and the completion of the inner loop freeway system.

At the same time parking must be provided for the cars which will come to the District through the various freeways and the council vigorously supports the creation of a parking authority for the District of Columbia similar to the parking authorities which are now in existence in most major cities in the United States.

We believe that the present proposed legislation advocating a rapid rail subway system, as passed by the House, be adopted by the Senate in its present form. We believe that this much needed public works should not be throttled by sentimental outburst of well meaning but unscientific judgments or by well meaning comments of financially interested corporations or parties which may be affected unilaterally by the construction of a subway. The good of the entire community must come first, not the possible loss of some revenue to surface transportation companies. Most of the companies in the area are well managed and are intelligent and aggressive. They will know how to cope with any new situation.

We recommend prompt passage of this bill as now passed by the House.

Very truly yours,

FRANK WOLFSHEIMER, *Chairman.*

STATEMENT OF WALDO L. SCHMITT, TAKOMA PARK, MD., JULY 23, 1965

I am resident in nearby Maryland, and have been an advocate of rail borne commuter service for nearly 40 years, more years than many of the NCTA staff have been out of high school, or even elementary grade schools.

I am opposed to this current subway bill because it is a costly snare and delusion based on incomplete studies of the transportation situation as it exists in the Washington metropolitan area. In the form proposed it will not bring to the downtown city the traffic relief its supporters claim for it. This is a prediction.

The problem is created by the suburban dwelling automobile commuter driving in town to work, not by the intown auto-owning residents.

A downtown subway system in its presently proposed form is definitely not the answer.

Though the designers of this intown rapid transit subway claim that there is a difference, a tenable distinction cannot be drawn between frequent, speedy passenger and/or commuter service over already, largely inplace railroad tracks maintained in serviceable condition, and the service to be rendered by the tracks of the subway system proposed by the NCTA.

There is an awful lot of wishful thinking involved in the service to be rendered by the tracks yet to be laid at the cost of some hundreds of millions of dollars.

Tracks are tracks, and modern transit vehicles can run as fast and comfortably, individually, or as coupled cars on well built, properly maintained trackage whatever name you apply to it railroad, or rapid transit—ask the Budd Co.

President Johnson is urging economy and moneysaving in Government circles. Right here and now, you are presented with an opportuity of saving half the cost of this $431 million proposal, a saving perhaps of $200 million or more by making use of tracks already in place and available for use. At the s ame time, you will take more commuter automobiles off the streets of the city than by this latest plan of the NCTA.

At the opening session of the House District Committee hearings, it was emphasized by Mr. Lee C. White of the White House, that "There will be a subway in the Nation's Capital," and that this was "a matter no longer open for discussion."

Did that mean that with the like finality the placement and extent of a subway had been irrevocably determined administratively? This I cannot believe. Otherwise, why then are we having the present Senate hearing on the plans

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drafted (December 3, 1964) by the NCTA for "Rail Rapid Transit for the Nation's Capital."

The bill before us seeking to implement those plans endeavors persuasively to promote the most recent of the offerings of the NCTA, an outgrowth of some 5 years of labor and $6 million.

Regrettably NCTA offers you no alternative of any kind. This Agency's several reports to the President, seem consistently to have ignored another possible and perhaps more practical solution. Insofar as studies by competent engineers are concerned, the NCTA fails to include mention of that alternative in any of its printed or otherwise publicly distributed material, even though an exposition of it was included in more than one earlier congressional hearing report on Washington transportation and traffic problems.

I find it incomprehensive that the engineering consultants called in by NCTA were not asked to evaluate the alternative referred to. This lamentable circumstance is discussed in an extension of these remarks dealing with Washington transit and traffic problems, which is an integral part of this statement of mine.

However, the NCTA's hired engineering consultants insofar as they were asked to examine them did turn in a very, very favorable report on the use of several local railroad facilities for rapid, rail-borne commuter service in the engineering supplement of the NCTA recommendations of November 1, 1962, which they summarized as follows:

"The existing railroads have unused capacity which could be used for moving people in the metropolitan area. * * * We believe an attractive service can be established on the metropolitan branch of the B. & O., on the mainline of the Pennsylvania Railroad, and the mainline of the R.F. & P. This service could be inaugurated very quickly and would require a lower capital investment than any other means of relieving traffic congestion."

Ponder very carefully these words, if you will.

The commuting suburbanites took to their automobiles to avoid the inconvenience of transferring from train to streetcar, or to bus. And more federally employed suburbanites come in town to work each day than do District residents. In this connection you may be interested to know that more than 250,000 Federal employees are at work each workday in the city of Washington, and that 66 percent of them drive their cars to work. According to 1960 census figures some 103,000 Marylanders and some 66,000 Virginians drive to work each day in private automobiles. These census figures are borne out by a survey I made of one of the largest parking lots in the heart of town—the great area about the Strauss Memorial fronting the U.S. Department of Commerce on 14th Street. It holds 1,200 or more cars, too closely "stacked" to permit checking all license plates. Of 458 cars, 39 percent bore Maryland tags, 37 to 38 percent Virginia tags, 9 to 20 percent District of Columbia tags, and 4 percent tags of other States.

If NCTA thinks it can break a habit long ingrained in the vast majority of auto-riding commuters by offering them transfers to intown subways, it has a long think coming. Also one is moved to ask, can the auto-borne suburbanite commuters be expected to transfer to intown subway lines which by virtue of being in town would be crowded with intowners? Would he forgo the comfort and convenience of his automobile for such so crowded subways? Do not ask me, or yourself; ask him. I have.

I cite briefly but two examples which I believe will reflect the reception that the proposed into subway will receive at the hands of those thousands of suburban commuters. One acquaintance of mine lives about 23 miles out in Viriginia. On a recently solicited timing of his trip, I learned that after turning Rosslyn Circle about 7:51 a.m., he passed the rear of the State Department about 5 minutes later, 10th and Constitution Avenue at 8:02 and reached the South Capitol parking lot by 8:06. Had he paid the fee he could have parked immediately. Taking 8 minutes more for looking about, he was able to park curbside at 8:14, a few blocks away. Walking to work got him to his place of employment about 20 minutes before the official day started.

He said he would never consider parking his car in Rosslyn and paying subway fare downtown, as the proposed G Street subway was too far from the Mall area where he worked, and besides necessitated leaving the comfort and convenience of his car to pay subway fare, and a parking fee.

Now a question or two, the answers to which I may have overlooked in the NCTA report upon which the bill before you is based; if they are in it: How much will it cost to park all day in the fringe lots indicated by red rectangles

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adjacent to a number of the proposed subway stations? Will the charges be uniform for all the parking facilities available at, or about those stations, or will they be "for free?" And, what is the estimated duration of station halts of the contemplated rapid transit trains or cars?

Another friend comes in from Germantown, Md., makes it in good time too. He was quite positive that the proposed rail rapid transit could not tempt him to change his habit of commuting by auto. "Why transfer to pay bus or subway fare, and a parking fee besides?"

I will confess this is a very inadequate sampling of commuter reaction to this latest of subways plans. Has NCTA canvassed the suburban commuters on the subject with a layout of their subway plan in hand?

Also I would like to call attention to the fact that over 100,000 Government employees work south of Pennsylvania Avenue. The alternative plan of which I speak would make use of existing railroad tracks linked by a subway connecting the tracks in Georgetown with those south of the U.S. Department of Agriculture by means of a 2½-mile subway via 12th Street, Constitution, and Virginia Avenues, with one of its stations at 12th and Pennsylvania Avenue. Would not this better serve those more than 100,000 Federal office employees in the great area south of the Pennsylvania Avenue stretching from Capitol Hill to the State Department than any subway with a crosstown link on G Street Northwest?

It has been my feeling after talking with several of the NCTA people, and with the earlier mass transit group, that they all try harder to come up with reasons why not to use the existing rail lines for commuter transportation than to reflect upon ways in which these available, oft idle facilities could be adapted to, and employed for modernized commuter service.

We have excellently maintained tracks in daily use for high-speed passenger trains, and/or heavily laden freights, at hours not incompatible with their intensive use during Washington's rush hours to speedily carry thousands of suburban commuters to and from their places of employment in Washington, especially those working below Pennsylvania Avenue. One of the arguments against the use of railroad trackage was high labor costs, and overstaffed train crews. Another stressed the fact that the Government Federal and/or District of Columbia would own the railborne commuter layout.

Is there no way in which the Government Federal and/or District could take title to, or some way take over the railroad tracks in question, and in turn lease or rent the use of them back to the railroads for their trains, and to other private operators for rapid transit cars and service at mutually agreeable and compatible times?

The 2½-mile subway of that alternative plan could be built for about $25 million. Compare this with the more than $180 million that the proposed 13 miles of NCTA subways would cost. The entire alternative system could probably be put into operation at half the cost of the $431 million system proposed by NCTA, and certainly in half the time.

Has anyone ever asked Mr. Staats, or General Duke, both of whom have given testimony in behalf of this NCTA transit and subway plan if they had ever carefully looked into the possible use of our area railroad facilities as a practical and comparative means of alleviating Washington's automotive traffic congestion?

From what information I have been able to gather about the current and earlier hearings at which they gave testimony they never even mentioned railroads to you, and this, gentlemen, in the face of the engineering consultant's comments regarding the existing railroads unused capacity for moving people.

In the face of that very favorable recommendation it would seem incumbent upon the members of this committee to inquire upon what published or otherwise available to the general public, of whom I am one, these two important men, and the NCTA base their decision not to bring the matter of making use of the railroads to your attention.

Not having had the available railroad trackage brought to your attention, and without weighing its potential, how can you be expected to pass discerning judgment upon the bill here under consideration, having had only an incomplete survey of the Washington area's rail facilities made available to you?

The foregoing, and other pertinent and highly relevant matters concerned with Washington's transit and traffic problems, are more fully discussed in the pages which follow:

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WHY THIS DISCUSSION

There has been so much talk and controversy, so many investigations and surveys, large and small, which have tried to work out some sort of a solution of Washington's transit and traffic problems that a few more gratuitous words on the subject can work no harm. They might even do a bit of good.

In these pages are discussed the beltline commuter railroad plan first proposed, and published in the Washington Daily News of February 28, 1938, and some of the offerings of the Washington Metropolitan Area Transit Commission (MATC), the 1959 Mass Transit Survey (MTS), and the National Capital Transportation Agency (NCTA) plan.

THE SITUATION AND ITS SOLUTION

There is no city in the United States that has railroad facilities better laid out, and less used by commuters than Washington, D.C.

The reason is obvious. The few commuter trains surviving, end or orginate in the Union Station. This terminal is an inconvenient distance from the major centers of employment, Federal and private, and the principal shopping districts. As a result, those trains are not very profitably patronized. This unhappy situation has been much belabored by various Washington area surveys, agencies, and "experts."

Thus we read in the report of 1959 Mass Transportation Survey which downgraded the use of the railroads that:

"* * * None of the present railroad facilities, however, connect heavily populated urban and suburban areas with focal points in the central core. The light use made of presently available to commuters service indicates that few people find the routing convenient."

Without gainsaying the truth of these remarks, and without further reflection, the NCTA 1962 report, with attachments, gives voice to the same refrain:

"* * * unfortunately, these Washington area railroads do not serve the center of the business area, so that service will be attractive to only a small percentage of commuters served by these railroads."

It is a little hard to believe that the experts and planners "hired" by the Government at a cost of some millions of dollars, so casually disposed of existing railroad lines without seeking some means of making more use of them as a less expensive, more practical, more readily implemented way out of the traffic and transit difficulties confronting the city.

Pending subway-rapid transit construction, or in lieu of it, Delmar Ison, executive director of WMATC, a little while back stressed the advantages of the WMATC "fishhook" suggestion over the "bobtailed" version of the NCTA plan. He proposed a one-fare coordinated bus and railroad commuter service to and from the Union Station which might be more satisfactory than the present transit facilities. The only apparent advantage would be full fare paid in advance, and buses on hand for train arrivals and departures. Here again the trains will be ending up in the station, forcing the commuters to change to buses in order to reach their ultimate destinations.

The WMATC "fishbook" was offered as a "first-stage rapid transit system," alternative to the longer and more expensive curtailed NCTA plan. WMATC proposed brining into town, on a trial basis, commuter trains from Rockville over the tracks of the Baltimore & Ohio Railroad and running them through a mile and a half subway from the Union Station to 17th and Pennsylvania Avenue via G Street. In a measure it overcomes the difficulty occasioned by the ending of commuter train runs in the station, but this plan also has its shortcomings.

Why a G Street subway? A subway along G Street would serve primarily only the shopping district, and relatively few major office buildings, and so would attract relatively few commuters.

It is not the G Street shoppers, and the 17th and Pennsylvania Avenue office-workers' automobiles that we need to get off the city's streets, but the thousands of cars that the suburban autoborne commuters drive in each day. Most of them are Federal Government personnel. As of February, this year, there were 253,611 Federal employees at work in the District of Columbia, a greater number than in any one State in the Union.

Sixty-six percent of these Government employees drive their cars to work. The autos bringing them to work, according to one or another survey, transport only 1.7 to 1.9 persons, an average of 1.8, per car. GSA came up quite recently

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with a figure of 2.4 persons per car. Stanley D. Forsythe, for a time with the NCTA, in a talk in Toronto, Canada (1962), mentioned that the "present" standard of automobile occupancy in Chicago was 1.5 persons per car. A count made personally some years ago along several of the major highways entering the District of Columbia revealed that some 60 percent of the cars had only the driver aboard, but the cars were not all just those of Government workers. On the other hand, GSA found that only about half as many, 38 percent of the Federal employees' cars carried the driver alone. Car-pool riding is probably more common among Government employees working in the same building than it is in private office buildings and rented offices.

Surely the Commission, as well as the NCTA are not unaware that some 100,000 or more Federal Government personnel work in buildings south of Pennsylvania Avenue, from the new State Department eastward to Capitol Hill. In this considerable stretch of territory is included the host of buildings grouped about the Interior Department, Federal works, and others, munitions, and Navy, various buildings about the White House, and the Federal triangle comprising several great Federal departments, and other offices, Bureau of Engraving and Printing, Agriculture and its annexes, Federal Supply, Health, Education, and Welfare, and no end of not quite so large offices and buildings, and not a few temporaries yet remaining.

In the office buildings connected with the legislative branch of the Government, at work each day, are more thousands of Federal employees not included in the foregoing 100,000 count. There must be at least 10,000 of them up on the Hill, if not more.

Most of this great area has running through it excellently maintained railroad tracks. These come down from the Union Station through a tunnel under Capitol Hill and run over to the Department of Agriculture between 12th and 14th Streets, and the likewise populous Bureau of Engraving and Printing Building, and annex, before turning south to cross the river over the railroad bridge.

The subway that should be built, even if, at this stage of the game it is to be an experimental one, is one that would best serve that much built-up south of Pennsylvania Avenue territory. This, if it had to be, could be a very short, less than three-fourths of a mile long, subway carrying the railroad tracks south of Agriculture, 12th and Maryland Avenue, to a subway station that should be built in the circular plaza at 12th and Pennsylvania Avenue. From this station, the subway of necessity should be extended westward along Constitution and Virginia Avenues at least as far as the State Department. On its way it would serve the many Federal buildings built and building along Constitution Avenue, and both sides of Virginia Avenue, Interior, Federal works, and what not. This State Department extension of the here recommended subway would add scarcely more than a mile to the total subway length. Moreover, when this subway is built, it should be extended along Virginia Avenue aonther three-fourths of a mile to Rock Creek for an exentual connecting up with Georgetown B. & O. branch line to Woodside. The entire length of the recommended subway including a three-fourths-mile extension to Rock Creek would not exceed two and one-half miles.

The railway lines extended to serve a station at 12th and Pennsylvania Avenue would superlatively serve the Government Triangle, where vastly more people are employed than ever will work along G Street. These thousands of Government employees would sooner use the railborne commuter service that delivered them directly to the triangle than if they were dropped along G Street and had to walk south to the triangle in good, to say nothing of bad weather.

Moreover part of the G street subway system envisioned by WMATC and NCTA would, on Capitol Hill, pass dangerously close to the U.S. Capitol Building. Objections to subway construction in that area were raised by Mr. J. George Stewart, the Capitol Architect. He pointed out that subway tubes and any station under the east front plaza, to avoid interference with the existing House and Senate subways, would have to be placed far underground as to make it necessary to spend a lot of money underpinning the Capitol Building.

There is already a double track railroad tunnel under Capitol Hill. Why duplicate that facility with paralleling subway tracks, and a station that could pose a serious threat to the safety of our historic Capitol Building? A station at, or near the south portal of the existing Capitol Hill railroad tunnel would not endanger the Capitol, and would indeed, serve the area as well, or better,

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if connected by underground walkways, so common in New York, with the several House Office Buildings located along the south side of Independence Avenue.

A BELT-LINE RAILROAD VERSUS A BELT-LINE HIGHWAY

A belt-line highway is constantly being touted as a prime means of expediting automobile traffic, and for keeping cars and trucks not headed for the heart of town off city streets. But how many commuting autos would such a highway or its several "legs" divert from those same streets? Open or easy access to, or egress from that highway's lower reaches might even encourage more commuting autos to use it on their way to the many large Government office buildings south of the Avenue.

Have we not yet learned that more and better streets and highways bring ever more automotive traffic into town, and do little or nothing to relieve the ever-growing problem of traffic congestion?

In 1938, Alfred Branch, C.E., who made exhaustive studies of urban transportation in New York, Chicago, San Francisco, and St. Louis wrote what is emphatically true today, as it was then, 26 years ago:

"Traffic lights, parking ordinances, one-way streets, isolated grade separations, and other palliatives reduce the traffic congestion in city streets, but they do not remedy it. These improvements in facilities for surface traffic to ease congestion invariably attract proportionately more traffic, resulting in still greater congestion in city streets."

What could we expect of a belt-line railroad which the extension of the Virginia Avenue subway past the State Department to Georgetown would complete?

The tracks of a belt-line railway in their circuit would cross, intersect, or intercept, if you will, every traffic artery, major or minor, converging on downtown Washington. Fringe parking lots or multistory garages at or in the vicinity of those intersections would unquestionably, and persuasively, siphon off a very considerable part of the inbound autoborne suburban commuter traffic.

Commuter trains running over a belt-line railroad would do away with the difficulties the "experts" try to conjure up in their efforts to discount the railroads' potential for expeditiously and satisfactorily moving commuter traffic. With that subway link, the railroads could deliver their commuting public, predominantly Government employees, in town minus parking troubles. Moreover, those commuters would be traveling more comfortably, faster, and cheaper than by any nonrail means of travel including private automobiles.

With belt-line commuter trains thousands of Federal Government workers and others, in a surprising number of cases could be delivered directly to their places of employment. In town transit buses coming downtown loaded in the morning and returning uptown these days with "Not in Service" signs would be able to pick up payloads of commuters at the subway stations for the midtown office districts, or shoppers whose objectives were farther from the station than they cared to walk. These subway stations could well deliver to the D.C. Transit buses a lot of passengers they would never see if those commuters continued to come to town by auto.

If the present, convenient jitney bus service (even at twice the fare) were extended to serve a subway station at 12th and Pennsylvania Avenue a few blocks below their announced F and G Streets routing, there would be no need for that proposed subway along G Street, or its extensions northwest or northeast beyond that street.

In view of all the office buildings going up some blocks above Pennsylvania Avenue, it would be even better to operate a second, and perhaps a third jitney busline in addition to the one we now have; the first of these might be run along K Street, east and west, or on a parallel one, H, I, L, or M, turning southwest of the White House group of buildings to the belt-line subway station proposed for Virginia Avenue near the State Department; the second, a similar east-west line, also to run south, but on the east of the White House complex, Treasury, et al., to the subway station planned for the circular plaza area by the Post Office Department. Where these jitney lines would cross, transfer from one to the other would easily be effected by the payment of another jitney. In fact, the D.C. Transit Chevy Chase buses are serving the H and I Streets area and do run down to 13th and Pennsylvania Avenue, just one block from the Post Office Plaza at 12th Street. Given the subway station there, with augmented bus

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service, the uptown office building commuters could thus be well served by commuter trains. Subways difinitely are not needed uptown above Pennsylvania Avenue.

Granted the belt-line commuter trains which we here urge, the existing District of Columbia buslines (with improved service) together with the Minibuses, could very well take care of all intown, midtown transit needs—there would be so many fewer commuters' autos to contend with. And better yet, subways other than one, of only 2½ miles, urged in this statement would not be needed; a saving of millions of dollars in costs.

Though this particular subway was suggested and published in the Washington Daily News something like 25 years ago, February 28, 1938, and brought out again at several congressional hearings, it seems to have been avoided like a pestilence by the mass transit survey of 1959 and the more recent National Capital Transportation Agency. The consultant engineers employed by the latter who turned in such excellent and exhaustive reports on the railroad facilities of the area, other than the Georgetown branch of the B. & O. were not asked to report on that Georgetown branch line. Can you believe it?

It is an incomprehensible circumstance in the light of the directive handed the NCTA by the joint congressional committee which urged, among other things, the expanded use and development of existing railroad lines. Of these, the Georgetown branch line is an important, significant, and essential part, if railroads are to solve the District's traffic problems. The Agency was asked also to pay special attention to the early development of a subway from the Union Station capable of the rapid dispersal of passengers from the railhead to the principal employment centers in the District of Columbia, and its immediate environs.

No G Street subway can fulfill these criteria, because the principal employment centers are some distance removed from G Street, where NCTA wants to dig a subway. The majors centers are located south of Pennsylvania Avenue from the State Department eastward to Capitol Hill. The present railroad tracks south of the avenue are, in effect, an open and above-ground subway. There are no grade crossings within the District of Columbia east of Rock Creek. The only subway capable of rapidly dispersing passengers brought into the city by the railroad is one that could connect the tracks south of Agriculture with the B. & O. Georgetown branch line.

The G Street subway advocated by NCTA, which they wish to extend within the city to 19th and Florida Avenue, 17th and Columbia Road, Van Ness Street and Connecticut Avenue, as well as to Taylor Street and New Hampshire Avenue, would certainly put D.C. Transit Co. out of business. These extensions invade the transit company's most lucrative territory. Moreover the NCTA Woodside surface line would not be using B. & O. tracks, just that railroad's right-of-way for putting down duplicating trackage. This would be a far more expensive undertaking than using the tracks already in place in that right of way. In this direction WMATC would make use of the existing railroad tracks, and thereby save millions of dollars over the NCTA proposals.

WHY A BELT-LINE RAILROAD FOR COMMUTERS

What are the "pros" and some of the "cons" of linking the B. & O. Georgetown branch line with the railroad tracks running through the city proper?

Do not the arguments herewith presented for railroad for commuter service deserve a printed, published evaluation, and survey report so that it may be critically judged on its merits by all parties interested in District of Columbia traffic and transit problems? Such consideration has never been accorded it in the published reports of any commission, survey or agency charged by Congress with the task of resolving Washington's traffic ills.

Outstandingly in favor of a railroad subway link is the fact that it will displace few, if any people, and remove very few, if any properties from the District's tax rolls.

It is admitted that for adequate speedy commuter service the B. & O. Georgetown line would need to be provided with new trackage, and double tracked. Most of the necessary overpasses and underpasses are in place, and the elevations along the line are such that the remaining few that are needed can be installed without much ado. The difficulties connecting the Georgetown end with the proposed Virginia Avenue subway are not insurmountable and for competent engineers, "all in a day's work."

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By word of mouth, and by letter, but never in a factually supported printed document, I have received a number of what I would call sketchy objections to the use of that Georgetown branch line for commuter trains. True enough, it needs improvement. From various sources, I hear that making use of that line involves engineering problems, but which proposal by what agency for subway rapid transit in Washington poses no engineering problems?

I have been told that the right-of-way is too narrow and that it has too many curves. Have those who say this ever walked along it? In some places three or four sidings take off from it. At another the single track rides on a more than 40-foot fill. The fill has a very broad base and here should be lowered so that the track will pass in this case, under the Jones Mill Road instead of crossing it at grade level. And then, for instance, when the highwaymen want to widen an important throughway from two to four or six, or more lanes, is there every any question where the needed land is coming from? Why can't land similarly be acquired for double tracking a commuter railroad line if there be need for it?

Something has been said about commuter trains interfering in rush hours with regular passenger and freight train services. The MTS mentioned this in print in its 1959 report. But was the statement backed up with a printed train schedule? I have done a little checking on my own. Passenger train schedules can be had for the asking at the Union Station, or at any railroad ticket office. The B. & O. freight train schedule was kindly given me on request, but I was refused like information by a highly placed Pennsylvania Railroad Official after the local Pennsylvania freight office in Southwest Washington said they were not permitted to give out such information unless authorized from higher up. What the Pennsylvania Railroad seemed to forget is that a man can sit down by the railroad tracks during rush hours and check the trains, if any, going by.

In 1959 the B. & O. and Pennsylvania representatives said that their companies were willing to undertake commuter service under contract, and at cost of operation. These offers carried with them the implication that commuter service could be provided without interrupting their lines' regular train service.

One adverse comment was to the effect that the Georgetown Branch Line did not serve a very populous area. What about Bethesda? If that is not a high-density area, why then did the NCTA recommend running one of its radial subway and transit lines out there from the heart of town? Even in the NCTA curtailed plan there is the first portion of a subway headed in that direction. It would presumably end up there if the NCTA bobtailed system ever showed signs of paying off. I sometimes wonder if the NCTA staff has done much traveling around in the Washington area. Have any of them checked over the "frightening" jungle of great apartment houses that has grown up in the Wisconsin Avenue-East-West Highway-16th extended area? It is a sight, once seen, that will never be forgotten. The B. & O. mainline tracks pass through much of that area, and it would also be well served by the B. & O. Georgetown Branch if ever put into shape for commuter service.

Completing the belt line railroad in behalf of which this dissertation is being written, by means of a short linking subway and a commuter-adequate Georgetown branch line, points up the most significant benefits inherent in these improvements. This would be the expedition of the service on the railroad tracks running to and through the Union Station by lightening the commuter train load those tracks would otherwise be called upon to carry, if the belt line did not include the branch line.

Also, we were told, that the railroad tunnel under Capitol Hill is a bottleneck, negating to some extent, at least, its use for commuter trains headed for Southwest Washington. The Georgetown branch line in operating condition for passenger service would take care of that objection.

Commuter trains coming in over the B. & O. line from Chicago, Brunswick, Germantown, where AEC is located, and Rockville, could get to the State Department and the great south-of-the-avenue complex of buildings perhaps as far east as 12th and Pennsylvania Avenue, as fast, or faster by way of the Georgetown branch line than if they were routed from Rockville through the Union Station and its railroad tunnel. Should not this possibility have been considered and dealt with in the NCTA report and annexes?

The 1959 MTS report omitted the railroad lines and tracks from most, if not all of its published maps and charts.

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This also is largely true of the little NCTA blue and white report to the President. Only the Pennsylvania Bowie line is featured. No other railroads are indicated except on map H, and on it rather dimly at the Union Station and in Southwest Washington. Thus, perhaps the railroads' significance and potential for commuter service was inadvertently glossed over. As light blue as the tracks are printed on this map, one can readily see that they could serve commuters headed for Southwest Washington as conveniently, and maybe better than the two subway stations that NCTA shows in its plans for this area.

In view of the directive given NCTA to look into the expanded use and development of existing railroad lines, you would think that those lines would have been heavily imprinted on all maps, diagrams, and figures in that blue and white report, so that the reader, evaluator, and/or critic might form his own opinion as to the presence, availability, and possible use of the railroad lines and their direct relation to the routes of the NCTA-recommended subways, in its bobtailed and most recently curtailed version of them.

Much of the B. & O. Georgetown branch line runs through heavily wooded sections, through park land, and along the C. & O. Canal and the Potomac River, a considerable part through a largely industrial area with numerous sidings, in and about its Bethesda environs, from Wisconsin toward Massachusetts Avenue, and in lower Georgetown.

Except for a residential section of a mile or two in the Kenwood-Somerset area, residential and apartment developments are some distance removed from that line. In this section, crossing Dorset Avenue, the track is at street or grade level. Here the situation can be easily and readily remedied by lowering the track below street level in an open cut. Any Kenwood-Somerset residents who ever visited the French Riviera have seen just that sort of accommodation for trains behind expensive homes and palaces, such as that of the Aga Khan, in the stretch from Cannes to Nice, and in the Principality of Monaco, and probably felt no qualms at seeing those rail lines from the highway, or from the commuter trains if they ever traveled in them. It is to be hoped, for the sake of the suburban commuters, and a practical solution of Washington's major traffic problem that they will be as receptive and complacent about the prospect of having commuter trains running along the B. & O. branch line to Georgetown in an open cut in back of their homes.

Those who have not been consistent, longtime railroad commuters may fail to appreciate the joys, and the comfort of rail commuting voiced by Dr. Georgian Adams on her retirement from the U.S. Department of Agriculture in Washington at a party given by the Pennsylvania Railroad, on whose trains she had commuted each day from her home in Baltimore to Washington for 34 years. The railroad presented her with a golden railroad spike as a parting gift and remembrance. In accepting it, she said among other complimentary things about commuting by train, "You can't beat going 38 miles in 35 minutes," and that commuting by train gave her "time to read, nap, or just collect my thoughts." Try doing any of these things on a crowded bus on which, likely as not, you may have to stand, or while driving a car through rush hour traffic in Washington.

All questionnaires so far seem to indicate a considerable preferance for rail-borne rapid transit as opposed to commuter trains. I feel that, given modern equipment—rolling stock, cars, and motive power—very little difference needs to exist, between the two modes of travel. On railroad tracks several cars or coaches can be coupled together, likewise many transit lines run two- and three-car trains, or whatever two or three rapid transit cars hooked together are called collectively. On the railroad tracks you can run single cars, and the railroads often do in sparsely settled areas.

When you read in the NCTA report that cars which they propose to run through their subways are to be of a rather superlative type, the latest word in passenger comfort, why can't railroad commuter cars, if we put commuter trains in operation, be equally modern, and as plush, with their soft seats and air conditioning. The NCTA certainly goes all out in trying to sell the public on their rapid transit ideas with promises of fancy rolling stock.

Quite certainly the local commuters in expressing their preference, questionnairewise, for rapid transit as pictured by NCTA, compared that Agency's promises with commuter experiences in the past for the most part, with old style commuter coaches. Indeed, some of the chair cars offered us today in our travels from place to place certainly tend to incline you to vote against commuter trains if that is all the railroads have to offer. None of us want to

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ride the old-fashioned commuter trains of yesteryear. We all want, and expect, and shall have for today's and tomorrow's commuter trains, granted our belt line railroad, equipment as plush as anything NCTA proposes to have in the way of rolling stock for their subway system.

On inquiry, as to the NCTA distinction between (rail-borne) rapid transit and commuter trains used in the national analyst's study for NCTA, I was informed that rapid transit is commonly thought of as a very high volume service operated with close headways (not requiring published schedules) on its own tracks and exclusive rights-of-way, and that further general observations presumably could be made, referring to such items as individually motored cars (normally electric), rates of acceleration, platform heights, and work rules.

Commuter trains, I was told, commonly refer to commuter services provided by railroads on the same tracks, and in addition to their freight and through passenger service. It is characterized by longer headways (requiring published schedules) due to the requirement of integrated operations, and by railroad work rules.

All this is fine, and quite general. I wish in its answers that NCTA had been more particular and less general because it is Washington we are concerned with, and it is this very city which we are trying to provide with rail-borne commuter service. Freight and passenger train schedules in this area do not preclude and will not interfere with rush hour commuter service, headways would be optional, and could be very frequent if necessary, and justified on otherwise unoccupied tracks. In many localities the railroads run single, motorized cars. Rapid transit services in some other cities do post and provide schedules as well as the railroads, and those local transit schedules are a great convenience. NCTA has yet to demonstrate, and to prove that the railroad trackage and facilities, if improved and connected up to form a belt line railroad as we have suggested, would render any less speedy, comfortable, or less efficient service than anything NCTA has recommended, or may yet offer Congress, the public, or the city of Washington.

A WORD FROM B. & O. AND ABOUT RAILS IN GENERAL

Because of their potential for commuter service, it would seem more logical, and assuredly more economical, to step up the use of existing rails, rather than to duplicate their trackage or to infringe on their rights-of-way in order to compete with them.

"Obviously," said Mr. C. B. Bertrand, general superintendent of transportation, B. & O. Railroad, testifying at the 1959 MTS hearings, "the use of existing rail facilities to the extent they are usable should mean a lower overall cost than construction of an entirely new plant. In other words, from the point of view of the public it would seem prudent to make greatest possible use of existing facilities."

He remarked, too, that "* * * existing railroad facilities should be able to provide the most efficient and economical means of handling this mass passenger transportation, despite the peculiarities and difficulties. When I say 'most efficient' and 'economical' I would of course include all cost factors entering into the picture, including the investment costs for new highways, city streets, and parking facilities."

On the score of making use of the existing rail lines, favorable comment also appears in the engineering supplement to the NCTA "Report to the President":

"The existing railroads have unused capacity which could be used for moving people in the metropolitan area * * *. We believe an attractive service can be established on the metropolitan branch of the B. & O., on the mainline of the Pennsylvania Railroad, and the mainline of the R.F. & P. This service could be inaugurated very quickly and would require a lower capital investment than any other means of relieving traffic congestion."

In the light of the foregoing remarks by competent engineers, whence comes the urge to start from scratch to build a new rail transit system involving subways through densely built-up sections of the city, costing many more millions of dollars than it would take to put the presently available railroad trackage to commuter use.

One thing to which no one seems to have given thought is the matter of reciprocity, the wholehearted cooperation among the Washington area railroads in permitting commuter trains of one line to operate over the tracks of another.

Is it because of this that there has not been more interest displayed by our planners in the use of the existing railroad tracks for commuter service? The

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matter must be resolved, if we are to avail ourselves of these tracks. For the far greater part, they are in excellent condition as they are being used each day by high-speed passenger and freight trains, and, fortunately, at hours not incompatible with commuter train services.

The Pennsylvania Railroad, as I learned in the course of personal conversation with one of its vice presidents, is not enthusiastic about the idea of a belt line railroad commuter service, because the Baltimore & Ohio trains traveling between its Georgetown branch line and the Union Station via the here-proposed linking subway would have to run part way over the Pennsylvania tracks.

The simplest way perhaps to overcome such actual, or latent opposition to belt line tracks used in common would be for the Federal Government to acquire ownership or control of all railroad trackage within the District of Columbia, or needed for Washington area commuter service.

When and if this is done, the tracks could be impartially rented, leased or assigned to the operators of commuter trains be they B. & O., Pennsylvania, R.F. & P., or Southern. Maintenance of these rails could be contracted out to the railroads which originally built them, or otherwise arranged for.

There have been objections raised to the use of the railroad tracks in the adjacent States because the Interstate Commerce Commission would take over control or regulation. Would that be good or bad? Some of the objecters think that it would not be so good. However, Congress has within its power also to place the control and operation in the hands of a commission or authority, if not a private concern. Moreover, without action by Congress, we won't have any more railborne commuter service than we "enjoy" at present.

AN INCENTIVE FOR USING RAILBORNE COMMUTER SERVICE, WITH SOME WORDS ABOUT PARKING, SIGNS, AND METERS

Back in 1961, Douglas S. Brinkley, District Highway Department planner said, "You can build all the transit facilities you want to. Educating people to use them is another matter." Clifton G. Stoneburner, director of highways for Arlington County in 1954, put it more bluntly, "You can't tell a man he's got to ride mass transit."

You do not have to educate your auto drivers, or to order them. They can learn for themselves. If you can't encourage them with speedy, comfortable railborne transit at a fair price, a compelling incentive to use mass transit is not too hard to set up. But we should be prepared to have the act of its creation, however laudable, be hailed as drastic, inhuman, and impossible.

If the powers that be, were really determined to do something about expediting traffic, and relieving traffic congestion, this incentive could be set up overnight, as it were. Required is but the will and the drive to get the enabling legislation, and the intestinal fortitude to make it "stick." It is a strict overall ban on on-street parking—an effective all-day enforced ban, at least, throughout the more heavily traveled and traffic congested areas.

Banning of on-street parking would also do away with the need of parking meters, unsightly things at best. These are now being replaced by more expensive burglar-proof ones. Why go to that expense when you can do away with the need for them altogether?

Business will cry out at once, "What about our lucrative tourist traffic?" Parking, free or private, could be provided especially for tourists. This should not be an insurmountable problem. A K Street elevator-type of parking facility could probably be inserted in most every block if needed, even where there is no parking lot at present.

Did not "Park and Shop" originate in Allentown, Pa.? At least, it proved very successful there. Expand that service here to include service to tourists patronizing "eateries," shops, or other business establishments. If need be, tourists could be handed gratis, or for a reasonable fee, a courtesy parking card at the information booths on the main highways entering Washington.

Except for the necessary direction, turn, speed, and traffic-flow signs, a parking ban would enable the city authorities to do something about the literally thousands of now and then contradictory parking, no parking, no standing, tow-away, or what have you, signs along our streets. They are anything but ornamental. Look down any major thoroughfare or some stretches of even a show street like Constitution Avenue. What do you see, a seeming picket line of placards as far as the eye can reach. It is for all the world a protest march of a kind minus the marchers. Across from the Statler in a single block on 16th Street there is a line of seven or eight such placard-bearing "pickets," two being lampposts.

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Assuredly the appearance of all streets would be vastly improved if these non-ornaments could be done away with. Doing away with parking meters, and unnecessary signs and the posts carrying them, would save the city, and the taxpayer real money.

What seems to have been forgotten in Washington and by the Washingtonians, is that streets are for the movement of traffic, not its stagnation; that streets are for moving people along, not for the storage of idle vehicles, most of which transport only one person and then occupy some 240 square feet of valuable space each, on altogether too many streets.

It is probably all one's life is worth to advocate banning on-street parking in this fair city of ours, or in its suburbs. Can't you hear cries of anguish, and of mounting wrath coming from the families of car owners, especially those with two or three cars? But how great would be the hardship? Most of the Washington and suburban blocks of houses are traversed or intersected by alleys giving access to back-yards where the householder could park his car if he had to. Indeed, in a very great many of those yards there is already a private garage. Many of these are seldom occupied because the owner finds it easier to leave his car in the street in front of the house than to take it around in back. Where there are no "back alleys," the houses farther out are usually detached with space enough beside or between for a private, or common driveway.

Where there is neither an alley or yard behind a house, nor space for a driveway between houses, the auto owner should rent himself the necessary storage, or garage space. It should be a part of the cost of owning a car, and is the practice in some communities.

How was it in the horse-and-buggy days? Could you stable your horse and carriage on the public highway. And before the days of oil and gas heat—remember the ton of coal that was dumped at curb-side for you or a hired man to move? The police were on your neck in short order if it was not promptly moved. If delivered late and allowed to remain overnight, you had to put a lighted lantern on it. Today no lights, and no moving of the parked car from the street in front of your own or your neighbor's house unless it sits there more than 18 hours, and then only if the police discover the transgression. If the street is thereby narrowed, impeding traffic, the next thing you know the city comes along and at the cost of a few million dollars, my dollars as well as yours, cuts down the tree before your house and widens the street to restore the traffic flow. More often, it works out merely to provide car storage space before your house.

Automatically, with a parking ban almost every street and thoroughfare in the Washington area would be widened from two lanes to four, some from four lanes to five, a number from one scarcely navigable lane to three. Think of the millions of dollars such a ban would have saved the taxpayers in the years past, and save them in the years to come. Some hundreds, could it be thousands, of the beautiful, full grown trees would have been spared. Much, if not most of the expensive street widening in Washington yielded no more street for vehicular traffic than a parking ban would have provided at no cost to the city. Costly widening for the most part has just provided space for the continuing storage or idle cars.

Given reasonable advance notice of such a ban, improved offstreet parking facilities would come promptly into being to meet the demand. Unsightly bombed-out appearing parking lots, in large measure would be replaced by multi-story garages. The street fronts of these facilities by suitable building regulations could be made to conform more or less, in appearance with the other buildings in the same block. Parking "elevators" for automobiles, such as the one on the south side of K Street, could unobtrusively be incorporated in all new buildings, or installed one or more in the present parking lots.

A wonderful, and most laudable forward step toward providing offstreet parking in new buildings can be seen in operation in the building on the northwest corner of 12th and E Streets, housing certain units of the Internal Revenue Service. There the mezzanine floor is an auto-parking level. It makes little difference to the visitor if he rides one floor or two after boarding a modern, swiftly moving elevator. The day when the business district along F and G Streets is redeveloped, it would be wonderful if the second or the mezzanine floor throughout each block were designed for auto parking. The returns from such a block-long, block-wide parking area could be prorated among the site, or building owners, each according to the space contributed. Better yet, having it a parking area "Park and Shop" style for shoppers and tourists making purchases or stopping to eat.

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Confronted with an impartially enforced parking ban, and concomitantly provided rail-borne commuter service. The suburban commuting public will either pay train fare, or else an all day parking fee in a commercial parking lot or garage, whichever he may deem the cheaper in terms of cost and time saved.

The free parking spaces provided by the Government for its employees are dwindling by the year, and in time may be charged for, if one is not a VIP or Congressman.

Back in November 1962, the General Services Administration did propose a parking plan, which would require Federal and District of Columbia employees to pay from $2 to $5 a month for the privilege of parking on Government lots, now free. This plan may still be on the "books."

It may not be long before all employers charge employees for the privilege of parking in space provided by the employer. In the San Diego Union of December 14, 1963, appeared the statement that when the city moves to its new administration building, 1,500 employees will be charged a $12-a-month parking fee in a concourse garage which the city has built. The employees claim that the fee amounts to a 5 percent cut in the salary for those making the move. If this trend of the times strikes Washington and the use of Federal (or municipal) Government parking facilities are charged for, interest in rail-borne commuting will certainly mount.

A reduction in the number of suburban cars coming into town if rail-borne commuter trains are put into service on the proposed belt-line railroad, might leave available enough parking facilities for all who will insist on driving in.

How many suburban autos do we have to contend with on Washington's streets; how many people do they transport? A few inferences may be drawn from some recently published (1960) census figures.

These reveal that some 103,000 Marylanders come to work in Washington in private automobiles; also some 66,000 Virginians.

The number of riders per auto varies according to the survey making the count. The average of two surveys was 1.8 persons. A GSA questionnaire developed that among Government employees, with whom group riding is not uncommon, that each car carried 2.4 persons. My own count some years previous indicated that about 60 percent of the autos entering town carried the driver alone; the GSA says 38 percent, based on inquiry made of Government employees only.

Dividing the number of suburbanites coming to work in the District by the average number of persons per car, we come up with in round numbers from 43,000 (GSA) to 57,000 Maryland cars traversing our streets each working day. Of these 20,000 to over 39,000 transport only 1 man, the driver. The corresponding figures for Virginia cars entering the city are 27,000 to 36,000 cars, of which 13,000 to 20,000 carry only the driver. Is it necessary to add that each car requires merely for its accommodation upward of 240 square feet of parking space?

A median figure between high and low estimates for automobiles (not buses) bringing Marylanders to work in the District is just about 50,000. If our belt-line commuter trains siphoned off the commuters driving just half that number of cars, what a relief it would be. If just half the total number of drivers were enticed by adequate service to ride the commuter trains, there would be some 25,000 fewer Maryland autos crowding our city's streets.

Not so long ago, was not the claim made by NCTA that their revised plans might remove 6,000 commuter autos from the streets? It would seem that the railroads could do a better job.

We shall not go into the Virginia figures at this time except to note that approximately half the total of cars bringing people to work in Washington would number more than 30,000. (More than half of these are one-man cars.)

Granted the 2½-mile subway link completing the belt-line railroad with the improvements and facilities deemed necessary for high-speed commuter service, then tying in the Virginia railroad tracks would be the next obvious and logical step toward solving our traffic problems. The accomplishment of this may well be expedited if the bills proposed by State Senator Charles R. Fenwick, Democrat, of Arlington, that the counties and cities adjacent to Washington share in the underwriting the cost of subway construction in the Washington metropolitan area are enacted by the Virginia Legislature.

Meanwhile, every bridge that's built should be a two-decker, or otherwise have provision for carrying commuter-railroad tracks across the river, be it the Three Sisters Bridge, or the one that may elsewhere take its place. In this

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way it would be possible to connect up the Old Dominion Railroad with the Baltimore & Ohio Georgetown branch, and perhaps also the Pentagon freight line, rebuilt for commuter service if that isn't brought to the city over the present railroad bridge.

Agitation for a ban on downtown parking is nothing new. The city was urged to adopt one more than 20 years ago by former Congressman William T. Schulte, Democrat, of Indiana, in 1941 hearings concerned with municipal parking lots. Washington, declared Mr. Schulte, was the only large city that permits downtown parking, and that in most cities where it had been abolished business had profited greatly. He said that, "Chicago, New York—all first-class cities banned downtown parking despite the opposition of merchants, and in those cities the merchants who complained are now the happiest fellows in the world because the no-parking rule has been good for their business." He continued, "I have been here 10 years and I heard these same arguments (against a parking ban) 10 years ago. There is no reason why within the next 60 or 90 days, we cannot provide offstreet parking facilities." Also, so far as I am aware in Kansas City, Toledo, Allentown, Pa., and elsewhere where a ban on onstreet parking has been enforced, it has helped, as Mr. Schulte claimed, not hindered business.

In the light of the ever-increasing traffic congestion and slowing down of vehicular progress in our American cities, Col. Sidney H. Bingham, sometime chairman of New York City's Board of Transportation, predicted that the day will come, perhaps in the not altogether distant future, when barriers will block off the side streets leading into the downtown areas. Only on the main traffic arteries would essential mass transportation vehicles, commercial trucks, and physicians' cars be permitted, and these would have to pass check points manned by traffic supervisors. Any vehicle without a conspicuous, probably bright yellow, "Essential" sticker would be turned back.

Those with legitimate reasons for regular downtown trips, business calls, sales people, transporting infirm relatives would receive 3 months or longer passes and windshield stickers, the color of which would indicate to the traffic control officers the days for which they would be valid. For emergencies, of course, such as a race to a maternity hospital, the restrictions would be waived.

He did emphasize that such a program would depend upon the sympathetic understanding and cooperation of the public, and that to put it over and make it work an intensive educational program might have to be set up.

To quote the colonel directly:

"You can state the problem in one sentence. The average private car carries 1 7/10 occupants and hogs some 240 square feet of space which isn't there. As a result, traffic congestion already is terrifically expensive, and there's more to come unless we do something drastic.

"Whether he realizes it or not, the private citizen pays every penny of this waste. He pays in lost time, higher expenses in doing business, high taxes for highways, and in the decentralization of business, with destruction of urban values."

It is an old saying, "When in Rome do as the Romans do." And so when we read (Time, May 15) how successfully the Romans overcame crippling traffic congestion in their hometown, why can't we at least try the same remedy—banning onstreet parking as the Romans have done. The Holy City's traffic commissioner seems to have realized that, for Rome at least, the time predicted by Colonel Bingham had come and so put into effect the colonel's drastic recommendations. He licked his problem and even went Colonel Bingham one better in doing so. On the main streets of a "3 square mile central area, all parking, even stopping, was banned." At the same time, a fleet of midget buses, like our Minibuses, I would say, were put to work carrying people parked outside the restricted area to their desired destinations. Everything has worked out so well so far, that it seems too good to be true, for long. No?

Lewis Mumford, author of "The City in History" lends support to Colonel Bingham's view in somewhat different but just as positive words:

"The assumed rights of private cars to go anyplace in the city and park anywhere is nothing less than a license to destroy the city."

Other advocates of parking restrictions in town and downtown included Gerald J. Glassman, of the David A. Kosh Associates, utilities consultants, in 1954 in the Public Utilities Fortnightly in which he said: "As many of us believe, and can see demonstrated, that provision of more streets, bridges, and parking facilities for private automobiles is ultimately self-defeating, abolish all-day

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street parking and cease expansion of or cut back all-day off-street parking downtown." He also suggested the reservation of a grid of downtown streets during rush hours for the use of buses only, phasing traffic signals to allow rapid movement on those streets. Mr. John T. O'Rourke, editor of the Washington Daily News, long had the same idea, and published it in his paper on December 11, 1963.

Nathan Lubar, for the Keystone Automobile Club in 1959, was a bit more specific. He recommended that parking be taken off such major traffic arteries as Connecticut Avenue, 16th Street, Rhode Island Avenue, and Massachusetts Avenue.

Leslie Williams, director of traffic in Philadelphia in 1953, in a public address advised Washington to ban all street parking in an effort to provide smoother traffic flow.

Going back a few years, in 1946, the then president of the American Automobile Association, Conrad Diehl, in commenting upon the New York City traffic congestion of that day, recommended among other things that, during specified rush hours private cars should be prohibited from entering designated areas, and that the number of buses be increased in those areas, and that trucks should be stopped from loading or even entering congested areas at specified periods.

What we are urging here today, you can see, is an old story oft repeated by many people of experience. Why is it that we cannot get the city fathers, or the Congress to take effective action?

Can it be, in part, the change of heart that the influential AAA has undergone since Conrad Diehl's time? Just 5 years later in the July 1961 "American Motorist," the following policy was enunciated:

"We intend to continue and to intensify our opposition to any schemes having as their purpose artificial restrictions on passenger-car use in downtown areas so as to force or coerce motorists to use public transportation. Other forms of transportation should seek patronage on the basis of merit and commuters should be given full freedom of choice in selection of mode of travel.

"We also will vigorously oppose any plan to use motorists' funds to subsidize other forms of transportation. Special taxes on passenger-car ownership and use can be justified only when the revenues are applied to the provision of improved streets and highways. Any diversion to nonhighway purposes reduces the ability to provide desperately needed expressways and is thoroughly unsound and unjust."

Strong language, but shame on you, AAA. Doesn't the local taxpayer pay something beyond automobile taxes and gas taxes toward extension, widening and upkeep of streets and highways and get his taxes raised for related purposes?

And applied to Washington, what choice has the commuter for public transportation here other than Mr. Chalk's buses, unless it be another automobile—a taxi? Has the AAA no interest in the beauty and the welfare of the city beyond introducing more cars into it each year, adding to already serious downtown congestion with every street widening, thruway, expressway, or cloverleaf, "put over on," and through the District, and the city.

How can John Q. Public in Washington choose to use nonexistent railborne commuter service? When the AAA speaks of its opposition to restrictions on passenger-car use in downtown areas so as to force or coerce motorists to use public transportation, it gives evidence of having a closed mind, and having eyes and ears closed to what is going on in Washington, and some other large cities. The association has been neglecting its reading as well as its seeing, and listening. Its attention is respectfully called to the various statements made in public and in print by Colonel Bingham, Louis Mumford, and others here reproduced in small part.

Prohibiting on-street parking might well reduce the number of automobile thefts with which this city is plagued. It undoubtedly would save the lives of many little children killed darting out into the street from between parked cars. A record 6,095 automobiles were stolen in the Washington area last year.

Except for rush-hour time-limited parking on certain streets, Washington is still without an all-out ban on downtown curbside parking.

Double parking by trucks was a serious problem in Congressman Schulte's time. It still is. Regulations compelling early morning and evening deliveries, before and after rush hours, could be the solution. On streets crowded with passenger cars on the move practically all day long, there is little room to spare for the delivery of goods in daylight hours, say between 6 or 7 a.m. and 6 p.m. To permit it, seriously slows down the flow of traffic, especially when trucks double park on streets used also by transit buses.

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Double-parked delivery trucks, with police or city fathers' sanction are a common sight all over downtown. It doesn't expedite traffic. Too bad that all deliveries of goods in the business district are not restricted to the hours before the morning rush, and to those after the evening rush. It probably would be a hardship on the delivery people. But who is to be first served, the hundreds of commuters using that street, or the few dozen or so drivers making deliveries there? Some cities, notably abroad, do not permit truck deliveries during the day, except before morning rush and after the homeward bound one.

In a recent "Walter Winchell's America" (San Diego Union, Nov. 27, 1963) was a note along these lines addressed to the New York City authorities:

"* * * Does the mayor or his traffic people know that Chicago solved the problem of congested sectors such as the Loop? They simply ban all trucks in the daytime * * *. That reminds me: This is how bad the parking situation is here; driving tutors now even instruct learners on the best way to double park."

Back in November 1959, Mr. Joseph S. Thompson, president of the Associated Cab Drivers Association, advocated the same thing for Washington; that, "Trucks should load and unload at night or from alleys. No double parking should be allowed." If enforced these bans would do much to speed up traffic on the city's streets.

Perhaps as much as staggering Federal employee hours, the staggering of truck delivery hours might be equally or more effective in expediting the flow of vehicles in the congested downtown business district. Certainly the transit buses would be enabled to make better time. They should not be forced to weave in and out of traffic in order to make their stops. Too often the buses just angle in to drop or to pick up passengers, a practice that impedes all traffic behind them. They should have an all-day exclusive right to the curb lans, morning rush through evening rush, which a ban on on-street parking would make possible.

The buses also could make much better time if, as in New York, passengers were picked up on the far side of an intersection, and those dismounting dropped either side, the near side only if the red light happened to be on. Everyone who has ever had to sit through a long red light halting a bus at the near side of a busy interesction where there is no bus stop, has no doubt often fervently wished that, instead of waiting it out, he might be allowed to get off, and be on his way. Such holdups happen all too often to southbound buses on the north side of at least, two wide intersection, 13th and H Streets and 9th and Massachusetts Avenue. Quite a number of passengers would happily depart those buses when caught by the red light, but this is not now possible. It would be, if the discharge of passengers at the near side of these and other intersections were permitted when lights are red. But before such a rule could be promulgated the buses probably would have to be granted the full use of the curb lanes and this, perhaps only a ban on on-street parking could make possible.

Another convenient arrangement would be a stop for northbound 13th Street buses just across Pennsylvania Avenue. Westbound avenue passengers who wish to board Chevy Chase or Takoma Park buses now are dropped midway of the block between 12th and 13th. They then have to buck the crosing walk-lights in two installments with a wait between. Those suburban buses seldom seem to give one time to cross the intersection before taking off. They could just as well pick up passengers north of the avenue. A bus stop there would be a godsend for those who have to transfer here. Should the District traffic experts think 13th too narrow to permit this, they will find that the sidewalk at this point is about wide enough for carrying out a bus lane without interfering with the present northbound lanes.

NEEDED, MORE INFORMATION QUESTIONNAIRES

There was a lot of talk about the door-to-door service in the original NCTA rapid transit and subway plans, and about the commuter's reputed insistance on having it, if he was expected to forgo driving to town. But no Washington area survey so far as I am aware seems ever to have ascertained the distance the average private auto commuter, or for that matter any commuter—rail, bus, or auto—walks from the place he parks his car or leaves the bus, or train, to the place where he works.

Even the rather elaborate, and surely not inexpensive NCTA questionnaire with which some 2,500 people were interviewed, failed to ask such simple, and very pertinent questions. Answers to them are very urgently needed if we are

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to learn something useful about each commuter's workday comings and goings. In addition to the customary questions: (1) Where do you live? (Street and block at nearest intersection will do). (2) Where do you work? (Street, block and, if well-known building, name of official designation desired). (3) How do you get there? (Mode of transportation), the commuter should be asked. (4) How long does it take you door to door? (5) What part of that time do you put in walking? In riding? (6) Where do you park your car? (Street: by parking meter; in parking lot; public garage; privately owned or rented slot, or office or Government-provided place?) (7) What does the parking privilege, or opportunity cost you by day, week or month—however you may pay for it, or is it free?

A sheet carrying these questions should be slipped under the windshield wiper of every street, garage, or lot-parked car in all downtown Washington, all on the same day if possible, and before the very next congressional hearing on any phase of the Washington traffic and transit situation. Each of these questionnaries should furthermore carry a solicitation for personal attention and prompt return in an attached envelope, and for expedition carry imprinted prepaid postage.

Shall we not be better informed about our commuter's habits if we ask those simple questions?

A study made in Providence, R.I., some years back discovered that "Drivers walk more than twice as far from their parked cars than traffic experts had estimated" and that "the average parker walks 1,690 feet." Some of those interviewed were found to walk nearly half a mile. Experts had said "that 700 feet was the longest distance a parker would walk."

Personal observation indicates that the actual distance walked may be considerable. Many auto commuters park way uptown, others down along the riverfront or around the Tidal Basin where not prohibited. Those who are fortunate enough to reserve space in the cheaper uptown parking lots may indulge in even more footwork. The distance that many a Washington autoist walked to and from his parked car might surprise us if we knew.

The relatively few commuters still coming to work by train likewise should be questioned regarding distance walked and the time it takes to reach their place of business or employment on foot, or otherwise from the Union Station, or any other at which they leave the train. This particular questionnaire should be passed out to every commuter aboard each train by the conductor who over the years has probably learned to know them.

In addition to the questions about time and distance walked, all commuters, train, bus, and auto, should be asked if they would, or might use commuter trains especially if these trains could deliver them speedily to one of several named, and more or less definitely located stations in the below Pennsylvania-Virginia Avenue area. The stations listed in this questionnaire from the belt-line railroad's point of view might be limited to six: First, the Union Station, then perhaps five more spaced along the tracks and belt-line subway south of Pennsylvania Avenue, as far as, and including the State Department.

Most of the information sought by these suggested questions seems not to have been developed in the NCTA reports available to me in the main District of Columbia Public Library.

On the basis of its questionnaire, the NCTA hopefully predicted payload patronage that would make their recommended rapid transit plan self-liquidating. If answers to the additional questions here urged, offering a choice of destinations had been sought, a much more meaningful acceptance of rail-borne transportation might have been recorded.

This past November I took time to check over the passenger cars parked east of 14th Street between the Department of Commerce and the Post Office Building. It was impossible to see the license plates of all the cars, 1,200 or more, as they were too closely "stacked" in the great parking area about the Strauss Memorial. Of the 458 seen, 39 percent bore Maryland tags, between 37 and 38 percent Virginia tags and between 19 and 20 percent District of Columbia tags; 4 percent bore tags of other States.

How many of these suburbanites could be expected to leave their cars at home or at railside parking lots if speedy belt-like commuter train service were made available and that great plaza where they now park was, as originally intended, turned into an attractively landscaped park instead of the unsightly, quite hideous parking area that it now is? More specific and informative questionnaires might well provide the answer.

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Has a questionnaire been circulated among taxi drivers to ascertain the number of hours each one drives per day, week, or month; whether the driver has other employment or sources of income; if they want higher fares (some at least do not); fewer cabs licensed; straight (one person) fares from all riders in a cab except in the case of parents with children (family rates)? If each passenger paid straight fare, there would be no need to raise fares, and more than likely you would be picked up on a rainy day by cabs transporting just a single passenger.

There should be no objection to putting up more or less general destination signs downtown under which prospective taxi riders could gather. Would save time, trouble, and much waiting, or chasing after cabs, for those who are not driving their own cars about town.

There would be no objection except from friend Chalk to putting up such destination signs even in blocks with bus stops. To the individual citizens would be left the free choice as to the mode of transportation for which they are willing to pay.

This could easily result in an effort by each of these means of transportation to adjust fares and improve service to the advantage of all parties concerned, especially the riding public.

BUSES AND PENNSYLVANIA AVENUE REDEVELOPMENT

Have the redevelopers of the city given any thought to the future disposition of the turnabout space used by the D.C. Transit buses at 13th and Pennsylvania Avenue? Within the walls of the building which eventually will be built across 13th Street on the south side of the avenue two motor-driven turntables could be installed, enabling the buses to be turned about in minimum space. One would not suffice because of the number of buses reversing direction at this terminal. Nothing need show of the facility outside the confines of that building. The entrances to the turntable space could be pillared arches similar to those giving access to the courtyards of the Department of Commerce, and of Justice.

Like provision should be made for the buses which terminate their runs at 11th Street, east side of the old Post Office Building within the walls of the Internal Revenue Building, which also will eventually bridge 11th Street below the avenue.

That new portion of the IRS Building together with the one that will replace the now old Post Office Building will complete the eastern half of the large arcaded circular plaza lying between those buildings and the present Post Office Department Building, the central portion of which forms the western half of the plaza bisected by 12th Street.

Also, what a wonderful turnaround terminal this plaza-like area with its semicircular driveways would be for the Virginia buslines and other interstate buses. This drive could be widened to two or possibly three lanes with loading platforms or ramps between. The arcades around this plaza would shelter bus passengers in inclement weather. These passengers would not disturb the occupants of the ground floor offices of those arcaded buildings because, providentially, these offices are separated from the arcade wall by a wide corridor. In truth, these ground floor offices, excepting perhaps the Ben Franklin substation, should be converted into waiting rooms and related facilities for bus passengers. The belt-line railroad plans include a 12th and Pennsylvania Avenue subway station under this plaza, since there is no longer room for one at 12th and Constitution Avenue.

Washington has dire need of a transportation building comparable to New York's 8th Avenue terminal. Fortunately, there still remains the opportunity for erecting such a necessary and utilitarian building in the heart of town to replace the old Post Office Building and round out that still incomplete 12th Street plaza. Do not let the planners or anyone else deprive the city of this, a much-needed facility. In design it will conform, we hope, with the present buildings enclosing the plaza.

In the upper floors of this proposed building, the Federal Post Office could find space, compensating it for the loss of ground floor offices that might be made available in the present Post Office Building for the convenience of transit riders, bus, rail borne, or subway train.

Whatever became of the beautiful plans and models prepared in 1901–02 for what was to be future Washington? These plans envisioned and portrayed the architectural beautification of East Capitol Street. Why can we not revive

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those fine plans? Why do we always have to have something radically different just because some new planners have come lately onto the scene? Let Pennsylvania Avenue alone, the Washington and Willard Hotels in particular. Where will visitors and tourists who want to view parades of national import be able to rent, for the day, window space? Our recently arrived planners probably never heard that Constitution Avenue was at one time intended to be the great parade street, as it was a more beautiful and impressive thoroughfare than Pennsylvania Avenue. But pressures from Washington's business fraternity and the returns from window rentals kept the parades on the avenue. There can be no great objections to a bit of avenue face lifting, but private business should be permitted to retain the north side of the avenue, if only for the convenience of the Government employees. They have hard enough time shopping downtown. Why add to traffic congestion elsewhere, or farther uptown? Why drive those relatively small businesses out of business? They could well be accommodated in the arcaded ground floors of any building contemplated by GSA, or private interests for the north side of Pennsylvania Avenue. There are all manner of concessions now operating in Federal office buildings, from papers and books, to food. Therefore, why cannot the present businesses along the north side of the avenue remain in their present locations, no matter what may be built above them?

If you wish to see what the planners have wrought so far, look to the south and east and west across, and along the Mall, and indeed at all the newly developed areas south of Pennsylvania Avenue. It has become a conglomeration, no less, of Government office buildings. In the past generations, the not unpleasing Greek motif held sway. But in this generation, as weeds invade the cultivated places, so the Washington Federal office building areas have been invaded by penitentiary, cell-block type of edifices, ugly mausoleums in which the cultural hopes of future America and the former beauty of our Capital City are rapidly being immolated.

Architects from abroad and others at home are continually commenting adversely on what is happening to this formerly fair, if somewhat old-fashioned, city of ours. As recently as September 1963, Francis D. Lethbridge, a well-known and respected local architect, spoke of the "chronic elephantiasis" that has crept into some of the new Government office buildings near the Mall. "In them," he said, "can be seen a grossness that goes hand in hand with monotony. Many of the recent commercial buildings erected in Washington," he went on to say, "appeared to lack any serious purpose other than individual economic gain."

GSA—GOD SAVE THE AVENUE

Second floor or mezzanine level, block-long parking areas have already been referred to. Let's have them along the avenue, and divert the future expansion of Government offices to East Capitol Street.

Let the north side of the avenue retain somewhat of the old atmosphere, shops and all. Who wants great Government buildings on both side of the street, turning it into a marble, limestone, steel, and glass canyon?

If justice needs more space, instead of crossing over to the north side of the avenue, "she" should take over the IRS Building. IRS also wants more space, but for Washington City's sake, not on the north side of the avenue. If IRS doesn't want to move, let it take over the present Justice Building, and let Justice go elsewhere, perhaps over on East Capitol Street. Anything would be preferable to a second Government triangle across Pennsylvania Avenue from the first. Traffic congestion in this part of town is bad enough as it is without compounding it. If the present generation of avenue developers have their way and ignore East Capitol Street, in time there will be only "the devil to pay."

Full use of the existing rail lines would seems to offer a far simpler, a far more economical solution of Washington's traffic problem than any so far proposed. This belt line, and the stations that naturally would be a part of it, would displace few, if any people, and take no property to speak of, off the District of Columbia tax rolls. In prospect, at least, it holds promise of being as effective in delivering people to the greatest concentration of employment downtown—the various Government offices about Capitol Hill, and south of Pennsylvania Avenue—as any other plan, and for far less capital outlay. Also, this belt line could be put into operation in far less time in this area than any other rail-borne commuter service involving extensive subways. This belt line alternative, proposed over a quarter of a century ago this past February, was published by the Washington Daily News at that time, and later reprinted in

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the "Hearings before the Joint Committee on Washington Metropolitan Problems, 80th Congress, 1st session, on the report of the Washington Mass Transportation Survey, November 9–14, 1959" (1960).

Surely the NCTA staff and its advisory board read the fine print in the published hearings. If they did read the fine print on pages 967–978 of those hearings, why was the suggestion there discussed not seriously considered? Why were the engineering consultants not asked to look into the matter so that it could be properly evaluated, disposed of, or adopted on the basis of hard, cold, realistic data?

In a 1959 editorial captioned, "The Plan Has Merit," Mr. John T. O'Rourke, editor of the Washington Daily News, advanced what may be the correct answer to these questions—an explanation of the lack of consideration accorded the belt line railroad idea—"too simple, too cheap."

We ask you all, from Honorable Congressman and Senator to humble citizen, transit expert, and city planner, doesn't this belt line railroad proposal hold more promise of being more economical, more practical, and more serviceable to city and the commuting public than any alternative so far studied, "boiled down," or brought to your attention by any million-dollar survey that has struggled, or is still struggling with the problem?

Let's get at first things first. Get the belt line working. See what it can do. If it lives up to its potential, and expectations, it will not be too difficult to tie in the Virginia railroads, and rights-of-way.

The solution here envisioned is not being put forward as a cure-all. But surely it is a step in the right direction. It holds great promise of removing thousands of commuter automobiles from the city streets, thus definitely relieving traffic congestion, and at the same time giving the local transit company and residents freer use of them.

In his message to Congress, January 21, 1963, now 2½ years ago, with reference to local transit President Kennedy stated, "* * * I trust that an acceptable program can be formulated at this session of Congress."

We are still all expectation and anticipation. We are still hoping for decisive action on the part of the Federal Government—the lord mayor and council of our Capital City.

IN CONCLUSION

In reviewing the foregoing statement and discussion, one reaches the inescapable conclusion that the bill before you embodying the latest of the NCTA plans should be rejected.

It should be rejected: (1) Because it will not serve the primary purpose for which it should have been designed—the relief of Washington's downtown traffic congestion, by removing commuter automobiles from the streets; (2) because it is a far more costly and inadequate solution requiring far more time for completion, and being ready for service, than by making use to the fullest extent of the existing railroad tracks which this bill wholly ignores, and which tracks are better located to serve more office workers, their places of employment, and of residence with a minimum of subway construction.

I move that this bill be rejected—neither approved nor passed.

Respectfully submitted.

WALDO L. SCHMITT.

NATIONAL CAPITAL PLANNING COMMISSION,
Washington, D.C., July 27, 1965.

HON. ALAN BIBLE,
Chairman, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: Reference is made to Mr. Smith's request for the views of the National Capital Planning Commission on S. 1117, a bill to authorize the prosecution of a transit development program for the National Capital region, and to further the objectives of the act of July 14, 1960.

The principal responsibilities of the Commission include the preparation, adoption and amendment of a comprehensive plan for the National Capital, the making of related recommendations to agencies of the Federal and District of Columbia governments, and the review of development programs of such agencies

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for consistency with the comprehensive plan. As elements of the comprehensive plan, the National Capital Planning Act of 1952 provides for the preparation of major thoroughfare and mass transportation plans. To provide an appropriate basis for such plans and with the support of the Congress, the Commission and the National Capital Regional Planning Council in 1955 undertook a transportation study for the region which, when completed in 1959, contained recommendations for a rail rapid transit system and the creation of a Federal agency to develop such a system. Subsequently, the Commission and the Regional Planning Council prepared a policies plan for the year 2000 for the National Capital region which contains proposals for urban development along radial corridors strongly oriented toward high-capacity transportation facilities. The continued growth of the center of the region will require a rapid transit system since highways alone cannot handle the eventual volumes of rush hour traffic in and out of the center.

It is in accord with these plans and policies that the Planning Commission has endorsed previous legislation to authorize transit development and now strongly endorses this legislation. The Commission has been unswerving in its conviction that rapid transit is essential not only to the orderly development of the region, but to the city of Washington itself. Comprehensive planning for the city anticipates its contained growth as an employment center as well as increases in residential density. Good mass transportation will be essential to such increased employment and residential population.

S. 1117, if enacted, would not only play a major role in the economic growth of the community but would play a decisive role in determining the character of our Nation's Capital for many years to come. For a comprehensive rapid transit system will make it possible to maintain the beauty of the city, preserve its neighborhoods and parks and still provide the necessary mobility for the rapidly expanding population of the area.

The Commission has always felt that the entire transit system should be authorized as an integrated undertaking and built as expeditiously as possible. As the President has pointed out, the legislation authorizes a system which will furnish the city with "greatly improved transportation and which can later be expanded to the total system eventually needed."

The Commission has endorsed the transit system which the legislation before you authorizes as an appropriate beginning toward providing for the region's overall transportation needs. The Commission believes that this system, with further extensions into the neighboring jurisdictions, will make a major contribution to the solution of our transportation needs and can be relied upon to provide a necessary service and still preserve the beauty and character of the city with a minimum of disruption of the homes and businesses of the people who live here.

We are advised that, from the standpoint of the administration's program, the Bureau of the Budget has no objection to the submission of this report to your committee.

Sincerely yours,

W. C. DUTTON, Jr.,
Director.

WASHINGTON, D.C., *July 23, 1965.*

Senator ALAN BIBLE,
Senate Office Building,
Washington, D.C.:

We urge Senate District Committee favorably report Washington subway bill, H.R. 4822, as already passed by the House and without crippling amendments or alterations to favor an individual at the taxpayers expense. Washington cannot continue as a great Capital City without adequate rail rapid transit. Further delays will be disastrous. Request this telegram be placed in the record.

NEILL PHILLIPS,
Chairman, Committee of 100 on the Federal City.

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THE NORTHWEST COMMITTEE FOR TRANSPORTATION PLANNING,
Washington, D.C., August 2, 1965.

Re H.R. 4822.

Hon. ALAN BIBLE,
Chairman, Senate District Committee,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BIBLE: The Northwest Committee for Transportation Planning, representing 14 civic groups in Northwest Washington plus numerous other individual Washington residents, respectfully urges the prompt approval and favorable recommendation of H.R. 4822, without amendment.

The bill is already too long delayed by the dilatory tactics of a few individuals and vested interest groups that place their own personal profit above the welfare of the Nation's Capital. While we are disappointed in the bill, believing that it authorizes only one-half the system that should be authorized now and that it places a heavier than equitable burden on the District's general fund, while relieving the highway user of any contribution to the transit system's costs, we feel the necessity for prompt start of a subway system, even a limited one, outweighs these other considerations at the present time.

In addition to the extensive evidence and testimony submitted to the House District Committee in its hearings of 1962, 1963, and 1965, we wish to add the following two observations for the record.

1. *No warrant exists to underwrite Mr. Chalk's own interests.*—Under various banners from "private enterprise" to "unfair competition," Mr. Chalk, current owner of D.C. Transit Co., has been seeking various amendments to H.R. 4822 designed to feather his own nest at the public's expense. We trust that your committee will reject these entreaties as did the House of Representatives.

That Mr. Chalk may lose passengers to rapid transit is no more relevant than the fact that his company already has lost over 60 percent of its revenue passengers during the past 20 years of "competition" from new highways and downtown parking and because of the transit company's own policy of placing its private interest first and public service second.

Attached is a table summarizing, by years, the decline in transit ridership, not only on D.C. Transit and its predecessor, but also on the various suburban lines. This table has adjusted reported figures downward in some of the earlier years in order to present the data on a comparable basis. It will be observed that from 1943 to 1964, the annual revenue passengers within the District of Columbia on D.C. Transit and its predecessor (Capital Transit) declined from 320 to 123 million. Between 1946 and 1964 the revenue passengers on the suburban lines (including those taht have since merged with surviving companies) declined from about 76 to 46 million.

Mr. Chalk's present lamentations emphasize the present anomaly that public transportation is considered a private enterprise domain while private transportation is publicly subsidized. During the past two decades, about $400 million of Government funds has been obligated for major new highway projects (benefiting only private motor vehicles) and not a single dollar of public funds has been spent on new public transit systems.

The highway builder and the private transit operator may have profited from this paradox, but the Nation's Capital has suffered grievously. It is time we got on the track and begin a rapid transit system that already is 25 years overdue getting started.

This is not to suggest that bus service is not, or will not continue to be, vital as an element in the city's transportation system. The NCTA's studies show that bus service will be a necessary partner and, indeed, should be more efficient and profitable if downtown route mileage, averaging speeds slower than a pedestrian, can be reduced as a result of high-speed underground service.

If Mr. Chalk does not wish to join in this venture, we feel certain that no tears will be shed if he seeks to abandon his operation. The superior record of publicly owned bus companies in other metropolitan areas attests that Washington would have nothing to lose if it also followed this course.

2. *The District Engineer Commissioner has grossly misinformed this committee with respect to the District's highway program.*—While not relevant to the pending bill, the Engineer Commissioner of the District of Columbia gratuitously included in his remarks various claims with respect to the District's expanded highway program that require correction and further underline the

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necessity for early investigation by your committee on the current highway planning mess in Washington.

In his testimony, the Engineer Commissioner seeks to convey the impression that the currently planned highway system—which we interpret to mean the highways proposed by the District of Columbia Highway Department—is predicated on construction of the full rapid transit system proposed by NCTA in its report of November 1962.

This is not the fact. Repeatedly asked to produce the underlying traffic forecasts that would verify this claim, the Engineer Commissioner and the District of Columbia Highway Department have generally refused. In the one instance where such forecast was disclosed—for Potomac River crossings—it was discovered not only that the forecast itself was padded by arbitrary and unsupportable assumptions but also that even current traffic was exaggerated to obscure the unreasonableness of the future traffic estimates.

The facts are as follows:

1. Prior to 1959, highway planning in the District of Columbia had been predicated on the assumption that all increased travel would be by private automobile and that Washington would have an all-highway transportation system. Decisions had been made to eliminate streetcar service. As a consequence using fiscal 1940 as a base year (as is true throughout this letter), the District of Columbia Highway Department's total highway building program had grown from $50 million in April 1941 to $575 million by October 1959.

2. The National Capital Planning Commission and Regional Planning Council issued, in July 1959, a Mass Transportation Survey recommending, for the first time, a balanced transportation system that included, in addition to highways and bus service, construtcion of a rapid transit system. Correctly assuming that a rapid transit system could not become operational until after 1965, the MTS sought to predict the highways that would be needed by 1965 under a continued all-highway transportation system pending the start of rapid transit, as well as the highways that would subsequently be needed from 1965–80. It recommended expansion of the District of Columbia highway program to $1,046 million, including that all but $260 million of this would need to be built by 1965. The following table compares the MTS recommended plan (for District of Columbia only) with the contemporary District of Columbia Highway Department program:

[Millions of dollars]

	Highways	Rapid transit
District of Columbia Highway Department (October 1959)	575	0
Mass Transportation survey (July 1959)	[1] 1,040	345
Financed, fiscal year 1940–60	257	0
Proposed, fiscal year 1961–65	523	90
Proposed fiscal year 1966–80	260	255

[1] Not strictly comparable; MTS estimates included parkways built by Park Service, which are not included in District of Columbia Highway Department program.

3. Without seriously questioning the validity of the MTS traffic forecasts, the public and Congress found its recommendations unacceptable. In particular, proposals for new freeways into and within the District of Columbia were rejected. The congressional hearings disclosed that even the District of Columbia Highway Department's lesser plans lacked public support. In order to develop a more acceptable plan, Congress, in the National Capital Transportation Act of 1960, created a new agency (NCTA) with directions to revise the transportation plan. Among the judgments of Congress in this legislation, as explained by the committee reports, was that new arterial freeways that would parallel or compete with projected rapid transit routes should be dropped from the highway program. Contrary to the MTS conclusions, it was determined that temporary highway congestion pending construction of a rapid transit line was preferable to the destruction of the city to meet forecast traffic growth prior to rapid transit.

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4. By 1962, it had become apparent that the MTS had grossly exaggerated the increase in traffic that would occur prior to an operational rapid transit system. Despite this fact, the District of Columbia Highway Department program had continued to expand—from $575 million at the time the NCTA was created to $827 million by early 1962. Repeatedly, in public pronouncements, the then Engineer Commissioner (Clarke) defended this expansion and acceleration of the District's highway program on the basis of the 1959 MTS (despite the rejection of the MTS by Congress), asserting that the added freeways would be needed even with rapid transit.

5. A thorough investigation of highway planning by the Whitener subcommittee of the House District Committee in the summer of 1962 verified that the Engineer Commissioner had been publicly lying and attempting to mislead both the public and Congress. Contrary to his claims, it was found that the expansion of the District's highway program had been based on the assumption (rejected by Congress 2 years before) that Washington would continue to have an all-highway transportation system, with 100 percent of increased travel accommodated by automobiles. It was further found that the District of Columbia Highway Department itself had recognized the gross exaggeration of the MTS traffic forecasting techniques. In a sharply worded report, the Whitener subcommittee rebuked the District Commissioners for their actions and directed that they abide by the mandates of the National Capital Transportation Act of 1960.

6. This 1962 rebuke was ignored, whereupon President Kennedy, on June 1, 1963, again, directed the Commissioners to reappraise their highway program in the light of plans for a balanced transportation system. This direction has also been ignored. By 1965, the District's highway program had grown to $960,573,000; including proposals by the District of Columbia Highway Department for construction by the Park Service, the program is equal in cost to the highway program proposed in 1959 by the MTS that was overwhelmingly rejected by Congress. Although the identity, location and width of individual projects differ substantially from the MTS, the present District of Columbia highway program equals in new highway capacity the proposal of the rejected MTS.

7. Current evidence confirms that the 1959 MTS grossly miscalculated the alleged growth in traffic. Set forth below is the MTS forecast of 1965 traffic levels on an average weekday between Washington and adjoining jurisdictions compared with the District of Columbia Highway Department's ascertainment of 1963 traffic and our estimate of current 1965 traffic levels:

Between District of Columbia and—	MTS 1965 forecast	1963	1965
Virginia	395,000	285,000	295,000
Montgomery County	494,000	253,000	240,000
Prince Georges County	626,000	441,000	465,000
Total	1,515,000	979,000	1,000,000

Except for Potomac River bridge traffic, the District of Columbia Highway Department has refused to disclose its current counts of traffic entering and leaving Washington since 1963, asserting that such data is being withheld from the public because it is being "misinterpreted." The reasons are clear: since 1963, there has been a steady reduction in traffic between Washington and Montgomery County. Currently, there is also a decline between Washington and Virginia and on the major arterials between central Washington and Prince Georges County.

8. The difference between actual 1965 traffic and the volume forecast for 1965 by the MTS—over 500,000 vehicles per day—is equal to 40 lanes of freeways. Notwithstanding this fact, the District of Columbia Highway Department is currently proposing by 1972 the equivalent of 16 more lanes of freeways than

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the MTS itself had recommended for 1965 and 4 more lanes than the MTS recommended for 1970:

	Mass Transportation Survey		District of Columbia Highway Department
	1965	1970	1972
Palisades Parkway	----------	4	6
Northwest Freeway	6	6	0
North Central Freeway	8	8	[1] 12
Northeast Freeway	8	8	8
North Leg—East Section	----------	----------	4
Baltimore-Washington Parkway Extension	4	4	----------
Suitland Parkway widening	----------	2	----------
Anacostia Freeway widening	----------	----------	2
3d 14th Street Bridge	----------	----------	4
3 Sisters Bridge	----------	6	6
Total	26	38	42

[1] 10 lanes with center 2 lanes reversible (6 lanes each direction).

9. In carrying out its mandate from Congress, the NCTA in its November 1962 report found (1) increased travel requirements would be substantially less than the MTS had predicted in 1959 and (2) less new highway capacity would be required. Within the District of Columbia, it recommended a $688 million highway program (over $100 million larger than that proposed by the highway department when NCTA was created in 1960), and $412.5 million for rapid transit. The Engineer Commissioner and the District of Columbia Highway Department sharply criticized this proposal for allegedly underestimating highway needs.

10. In fact, even the NCTA's forecasts have proved too high. Its 1962 report found that peak-hour vehicular traffic from Virginia to Washington (then 17,000) would increase to 33,600 in 1977 without rapid transit or 21,600 with one transit line to Virginia, annual increases of 1,100 and 300 peak-hour vehicles, respectively. On the basis of the latter finding, it concluded that no additional Virginia-Washington bridges would be necessary. By this projection, the average peak-hour vehicles entering Washington on the Virginia bridges should have been 19,200 in 1964. In fact, the average was 17,600.

11. To hide the fact that even the NCTA's traffic projections were too high, the District of Columbia Highway Department has been withholding current data on traffic from the public or, when representations are made, has issued erroneous figures. Thus, in attempting to justify a new six-lane bridge near Three Sister Islands (found not necessary by the NCTA), the District of Columbia Highway Department claimed in November 1964 that peak-hour traffic in 1964 on the bridges from Virginia to Washington averaged 19,300—a padding of the actual counts by about 10 percent.

12. Although President Kennedy, on June 1, 1963, directed that henceforward the District of Columbia Highway Department should rely upon the NCTA forecast data, rather than its own, such directions have also been ignored. In general, the District of Columbia Highway Department and Engineer Commissioner have refused to disclose the forecasts on which they base their claim that the highways currently being planned are being predicated on a full rapid transit system. In the one instance where this secrecy has been lifted—across the Potomac River—the facts show that the District of Columbia Highway Department has simply expanded the NCTA's forecast (itself too high) as necessary to assert a need for a highway program far larger than recommended by NCTA.

13. In this instance, the District of Columbia Highway Department expanded the NCTA forecast of peak-hour person trips from Virginia to Washington by 50 percent, assumed no corresponding additions to the NCTA-recommended rapid transit system, and further assumed the total elimination of all bus service across the Potomac River. On these arbitrary assumptions, it asserts a need for two more central area bridges not recommended by NCTA to accommodate surplus commuters by private automobiles. The total absurdity of the Highway

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Department forecast was thoroughly aired at the Commissioners' hearings on the proposed Three Sisters Bridge in November 1964. The (Commissioners, however, did not even bother to attend these hearings, and the principal analysis of the phony traffic forecast, submitted by the Committee of One Hundred on the Federal City, was subsequently omitted from the hearing record by the Engineer Commissioner's office.)

Despite the above facts, the Engineer Commissioner in his testimony invokes the names of the President, the National Capital Transportation Agency, and all official agencies responsible for transportation planning in the area as having concurred in the necessity for the District's present billion dollar highway program.

Again, the Engineer Commissioner misrepresents the facts. Inquiry with the White House discloses that it is without any planning data that would verify the necessity for the current program. The same is true at the National Capital Planning Commission. When, in June 1965, the Planning Commission's transportation committe decided it should take at least 2 months to review the District's controversial center leg freeway proposal, the District Engineer Commissioner (himself an ex officio member of the NCPC) moved for immediate approval, thereby foreclosing any such review. (The only votes for the project were by ex officio members, such as the representative of the Bureau of Public Roads; the Engineer Commissioner himself cast the deciding vote in this 5-to-4 action.)

Inquiry with the NCTA further confirms that it has had no occasion to revise or amend its earlier forecasts. The Agency has declined to endorse the District of Columbia Highway Department's much higher forecasts, even when asked to do so. The Planning Commission and the NCTA are the only two official agencies responsible for transportation planning for the District of Columbia.

The Engineer Commissioner further testified to your committee: "* * * having seen only highway construction up to the present time, many people have apparently concluded that a rail transit system will never be implemented unless they block the highway program."

Having made such a derogatory remark, we would expect that the Engineer Commissioner would have been specific in his accusations, rather than leave the innuendo that any group opposing his highway program is doing so for the purpose of implementing rapid transit.

We know of no individual or group that has taken such a position. It is a fact that most, if not all, of the civic groups in Washington or its suburbs that have expressed an opinion or judgment on the District's highway program are strongly opposed to that program. We know of no civic group that supports it. Such opposition predates plans for a rapid transit system in Washington and has continuously grown as the District of Columbia Highway Department's program has been expanded and accelerated. Such opinion is founded on the same sentiments expressed by the Engineer Commissioner in his testimony:

"I am in agreement with the statement made recently by a Member of Congress that in an urban community such as ours, there is a limit beyond which highway construction should not proceed because of its impact on District residents generally."

The Engineer Commissioner added:

"At the moment, we are of the opinion that we have now reached that point in the currently planned highway system, and we can see no increase in highway construction regardless of the outcome of this proposed legislation."

Most District civic groups would also applaud this statement if the words "currently planned highway system" were amended to read the "current highway system and projects now under actual construction." The difficulty they have with the Engineer Commissioner's statement is that the "currently planned highway system" keeps growing all of the time.

Five and one-half years ago, the District Commissioners rejected the mass transportation survey plan because of its proposed new radial freeways. Engineer Commissioner Welling then testified:

"* * * the Board of Commissioners, in weighing the advantages and disadvantages of the plan, must consider to what extent, if any, the plan assists in the solution of one of the most critical problems in the District of Columbia; namely, the conditions and welfare of the popluation living in the deteriorated

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sections of the city with their ever-increasing requirements for services and facilities other than transportation. That problem is related to the continuous loss by the District to the suburbs of the middle- and high-income families, a situation that would be intensified by the provision of freeways on which people can travel quickly, even when traffic is the heaviest" (hearings before the Joint Committee on Washington Metropolitan Problems, "Transportation Plan for the National Capital Region," p. 833, November 1959).

Since this testimony by Engineer Commissioner Welling, his successors have expanded the District's highway program by $400 million so that today it is comparable in scope, cost, and destructiveness to the one rejected in 1959–60. The proposed interstate freeway system has more than doubled, in lane-miles, in cost, in destruction of taxable property for rights-of-way. (By 1965, the District had already obligated more funds per capita for interstate freeways than are proposed for the remainder of the Nation through 1972.) Faster than former freeway plans have been completed, new ones have been added. Interstate Route 66, four lanes as it enters the metropolitan area, is now proposed as 12 lanes entering the District. Route 70–S, which in 1959 was to terminate at the Capital Beltway, is now proposed as a 10-lane freeway entering Washington.

Of the Engineer Commissioner's "currently planned highway system" now costing $1 billion, approximately $400 million has already been completed. Future projects would destroy another 700 acres of land in Washington, displace another 15,000 residents, raze the places of employment for many thousands more, deprive the District's general fund of $6 million taxes annually, and require unknown thousands of additional parking spaces that would further aggravate such losses. Even if such highways were free, the city does not want them.

The overwhelming civic support for rapid transit is a tribute to the constructive approach of Washington area residents. While wishing to conserve and promote urban values, rather than see them destroyed by the bulldozer, they recognize that costly new transportation facilities must be provided for a growing metropolitan area. They have become convinced, as Congress is convinced, that this requires rapid transit between the central city and suburban areas.

It may be assumed, as the Engineer Commissioner testified, that the Washington area's population of motor vehicles will double in the foreseeable future. It may further be assumed that in the areas where such increase in motor vehicles occur—in the suburbs—very substantial new highway construction will be required to provide access to schools, shopping centers, and places of suburban employment. But, it does not follow that such added vehicles should be invited into the central city, wasting precious and valuable central city land.

Washington presently devotes 30 percent of its land area to highways. Its present highway capacity is sufficient to accommodate at least twice current travel volumes if only the city had the rapid transit system so long overdue. More and more citizens are of the opinion that further appeasement of the insatiable appetite of the bulldozer is unnecessary. The wisdom of this opinion is perhaps no more clearly confirmed than by the fact that the few persons or groups who claim otherwise, including regrettably the Engineer Commissioner, have been unwilling or unable to demonstrate factually why an expanded highway program is even theoretically justified.

Respectfully submitted.

PETER S. CRAIG,
Chairman, Northwest Committee for Transportation Planning.

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Revenue passengers, public transit

	District of Columbia [1]	Virginia [2]	Maryland [3]	Total
1941	184, 583, 142	20, 780, 435		
1942	271, 776, 494	35, 576, 408		
1943	320, 039, 731	47, 895, 690		
1944	315, 484, 211	51, 700, 749		
1945	312, 653, 129	51, 912, 516		
1946	313, 724, 547	49, 407, 018	[4] 28, 000, 000	391, 131, 565
1947	293, 217, 894	[4] 45, 500, 000	[4] 28, 000, 000	365, 717, 894
1948	267, 209, 970	44, 061, 561	[4] 25, 400, 000	336, 671, 531
1949	239, 826, 346	36, 745, 261	[4] 22, 600, 000	299, 171, 607
1950	215, 216, 933	33, 726, 106	19, 911, 861	268, 854, 900
1951	205, 507, 612	33, 812, 673	17, 901, 588	257, 221, 873
1952	202, 527, 529	32, 635, 318	14, 985, 945	250, 148, 792
1953	181, 511, 054	28, 904, 512	13, 943, 496	224, 359, 062
1954	156, 866, 194	27, 124, 698	[4] 12, 009, 058	196, 099, 950
1955	[5] 122, 291, 992	26, 123, 810	12, 240, 074	[5] 160, 645, 876
1956	127, 983, 635	26, 675, 709	[4] 12, 363, 249	167, 022, 593
1957	127, 999, 588	26, 703, 535	12, 558, 619	167, 261, 742
1958	127, 609, 170	26, 014, 959	12, 633, 129	166, 257, 258
1959	127, 397, 516	27, 099, 439	13, 443, 999	167, 940, 954
1960	124, 624, 040	27, 972, 795	13, 303, 613	165, 900, 448
1961	122, 275, 745	29, 513, 968	13, 723, 973	165, 513, 686
1962	121, 829, 946	30, 190, 667	13, 950, 827	165, 971, 440
1963	119, 772, 633	30, 432, 548	15, 069, 016	165, 274, 187
1964	122, 635, 259	30, 413, 220	15, 589, 879	168, 638, 358

[1] D.C. Transit Co. and predecessor, Capital Transit Co. (includes all District of Columbia and interline connecting passengers).
[2] A.B. & W., W.V. & M., and A. & F. (acquired by W.V. & M. in 1947).
[3] WMA, D.C. Transit Co. (Maryland express and local passengers) and Suburban Transit Co. (acquired by D.C. Transit in 1960).
[4] Estimated for A. & F. 1947, WMA 1946-49, and Suburban Transit 1954-56.
[5] District of Columbia transit system shut down by 52-day strike in 1955.

NOTE.—D.C. Transit figures for weekly pass riders in Washington, 1941-51, and local Maryland riders, 1946-52, have been adjusted downward in above table to conform with reporting methods used in later years.

Source: Carriers' reports filed with Interstate Commerce Commission, District of Columbia Public Utilities Commission, and Washington Metropolitan Area Transit Commission.

CITIZENS TRANSIT IMPROVEMENT ASSOCIATION,
Washington, D.C., July 29, 1965.

Subject: Rebuttal to testimony of Mr. O. Roy Chalk on S. 1117.

Senator ALAN BIBLE,
Chairman, Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: On Friday, July 23, 1965, Mr. O. Roy Chalk, president and chairman of D.C. Transit System, Inc., a Delaware corporation, and of D.C. Transit System, Inc., a District of Columbia corporation (as well as other corporations), testified on S. 1117 before your committee. We do not propose to take the time to challenge all of his testimony. However, we cannot resist challenging his statement about atomic-powered buses.

In response to your remark about obnoxious diesel fumes, Mr. Chalk promised that, 1 year from now, D.C. Transit's customers would be riding on an "atomic source powered, battery-operated bus." In order to test whether this promise had a solid basis or was merely an idle boast, we strongly urge you to ask the following questions of the Atomic Energy Commission (and to publicly announce the Commission's answers):

1. Has any battery manufacturer asked the Atomic Energy Commission for permission to build a battery powered by an atomic source?

2. Has any bus manufacturer asked the Atomic Energy Commission for permission to use a battery powered by an atomic source?

3. Has D.C. Transit System of either Delaware or the District of Columbia asked the Atomic Energy Commission for permission to operate a bus incorporating a battery of the type envisaged by Mr. O. Roy Chalk?

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We consider it important to test Mr. Chalk's statement, because, on many occasions he has held out the hope of various innovations that captured the imagination of the public. Here are just a few of the many innovations he has proposed, apparently, without diligent follow-up action:

1. Bus shelters for the District of Columbia (we are unaware of his having submitted a second design after the Fine Arts Commission rejected the first one).
2. Helicopter service from Washington to Dulles and Friendship International Airports.
3. Ground-effects machine service along the Potomac River.

We will greatly appreciate it if you will make this rebuttal a part of the printed record of the hearings on S. 1117.

Sincerely yours,

HILLIARD H. GOODMAN,
Executive Vice President.

WASHINGTON PLANNING & HOUSING ASSOCIATION, INC.,
Washington, D.C., July 29, 1965.

Re S. 1117.

Senator ALAN BIBLE,
Chairman, Senate Committee on the District of Columbia,
Senate Office Building,
Washington, D.C.

DEAR SENATOR BIBLE: The Washington Planning & Housing Assocation strongly supports a rail rapid transit bill in the form approved by the House of Representatives. The citizens of this region and the Congress have been considering this vital legislation for almost 3 years, and throughout this period, each successive board of our association has reaffirmed this support by an overwhelming majority.

In the meantime other communities throughout the world have moved ahead in the solution of their transportation problems, but very few of these other cities are growing at as rapid a rate as the Washington metropolitan area. In the U.S. Capital, therefore, we are losing ground at an alarming rate on two counts: (a) rapid growth, and (b) complete inaction.

We cannot overstress the grievous urgency associated with the need for rapid transit. Each year earlier predictions of choked traffic, foul air, and destruction of beauty unfortunately come closer to realization. It would indeed be a poor commentary on the democratic system if the U.S. Capital should become nearly paralyzed by inaction. It would be even more serious, if people for one moment believed that fundamental legislation was perverted to satisfy the financial interests of one man.

Knowing your personal devotion to the Capital City, we therefore urge you to press your committee members to expedite this bill, without change, to the floor of the Senate for early passage.

Respectfully yours,

GROSVENOR CHAPMAN,
Chairman, Transportation Committee,
Washington Planning & Housing Association.

COUNCIL OF CHURCHES OF GREATER WASHINGTON,
Washington, D.C., July 30, 1965.

Hon. ALAN BIBLE,
Chairman, Senate District Committee, Senate Office Building, Washington, D.C.

DEAR SENATOR BIBLE: I wish to express my personal hope that in any rapid transit system which may be constructed in the District of Columbia provision may be made for accommodations for handicapped persons through ramps or elevators or some other suitable means. Our council of churches has assisted the architectural barriers project in trying to secure provision for the handicapped in buildings constructed in the Washington area. We believe such a provision could be made without great expense and that it would be of tremendous help to the many handicapped persons in our population.

Yours sincerely,

VIRGIL E. LOWDER, *Executive Director.*

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ARLINGTONIANS FOR PRESERVATION OF THE POTOMAC PALISADES,
Arlington, Va., July 30, 1965.

Hon. ALAN BIBLE,
Chairman, Committee on the District of Columbia, U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: Our organization endorses S. 1117 as a vital step in the solution of the transportation problems of the metropolitan area. We respectfully urge the approval of this bill without amendment as passed by the House of Representatives.

Sincerely,

LESLIE LOGAN, *President.*

ARLINGTON COUNTY CIVIC FEDERATION,
Arlington, Va., August 1, 1965.

Hon. ALAN BIBLE,
Chairman, Senate District Committee, Senate Office Building, Washington, D.C.

DEAR SENATOR BIBLE: Provisions for an adequate and balanced transportation system for the Washington metropolitan area are of special concern to the residents of Arlington, both by reason of the large number of daily commuters to Washington and the even greater number from nearby Virginia communities who regularly use Arlington as a throughway. For this reason the Arlington County Civic Federation has followed with deep interest congressional proposals to create such a balanced system.

On November 10, 1964, the federation adopted a resolution affirming its emphatic support for legislation establishing a balanced transportation system for the area, and urging that the highest regional priority be placed on the development and programing for a mass transit system.

In conformity with the spirit and purpose of the aforesaid resolution I wish respectfully to suggest that your committee approve Senate bill 1117 in substantially its present form.

Respectfully yours,

CLARENCE A. SALISBURY, *President.*

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APPENDIX

NATIONAL CAPITAL TRANSPORTATION AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington, July 20, 1965.

Hon. ALAN BIBLE,
Chairman, Committee on District of Columbia,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: During the hearings this morning on H.R. 4822 and S. 1117 the question was raised as to why the administration and the Agency favor contract operation of the proposed rail rapid transit system as opposed to granting a franchise to a private owner.

I want to be sure the record is clear with respect to my position on this matter. The term "franchise" ordinarily implies turning over virtually all elements of control of the system to a private operator. I am opposed to doing so for the reason that this system is to be financed by the public through a combination of Federal and District of Columbia grants, and through the sale of bonds which would be underwritten by the Federal and District Governments, and repaid by the transit riding public.

The proposed facilities will represent a major public investment. The risks involved will be public risks. I feel it would be contrary to the public interest to turn over all elements of control of the system to a private operator.

The contract device, on the other hand, would permit the exercise of private initiative while at the same time insuring that the responsible Federal agency would retain control over such matters as fares and service standards in which the public, which is paying for the system, has a vital interest.

Enclosed is a statement which explains in more detail the Agency's reasons for recommending that Washington's system be operated by private enterprise under contract as provided for in S. 1117 and H.R. 4822.

I will be obliged if this material can be made a part of the record.

Sincerely yours,

WALTER J. MCCARTER,
Administrator.

PRIVATE OPERATION

Section 3(b)(3) of S. 1117 and H.R. 4822 provides, and the Agency has recommended, that the proposed rail rapid transit system be operated under contract by private transit companies, private railroads, or other private persons. Under the bill, and the Agency's recommendations, such contracts would be entered into only after formal advertisement and negotiations with all interested and qualified parties, including the private mass transportation companies in the National Capital region.

In recommending this approach to the operation of the system, the Agency has been mindful first, that under the transit development program the transit system will be a publicly financed publicly owned facility, and secondly, that section 102(5) of the National Capital Transportation Act of 1960 declares it to be the continuing policy of the Federal Government to make full use of private enterprise whenever appropriate in the implementation of a transit improvement program for the region. The task has been to provide for private enterprise participation and, at the same time, to assure that the means selected will be adequate for protection of the public interest. The proposed rail rapid transit system will involve a public investment of an estimated $431 million. It will be public property, and any plan for operation of the system must recognize the overriding public interest in the facilities.

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In the Agency's judgment, the primary objectives of any arrangement must be:

(1) Protection of the public investment in the system. This will require continuing public control over the fares and revenues of the system to assure that debt service requirements will be met.

(2) Efficient, economical operation of the facilities. Here, experienced private management can make a major contribution to the success of the operation, but protection of the public investment will require public supervision of expenditures, and public control over standards of maintenance and service.

(3) Fast, safe, reliable and attractive service to the public at reasonable fares. Here, again, the benefits of experienced private management would be invaluable, but public control over schedules and standards of safety will be necessary.

Necessarily, the terms of any arrangements for operation of a publicly financed, publicly owned transit system must differ considerably from those that are appropriate for privately financed, privately owned systems. The latter involve substantial private investments in privately owned property devoted to the public service. There, private investors put their capital to work and assume the risks of the business. Subject to appropriate regulation as to fares and service, such investors are entitled to a reasonable return on their investment, and, consistent with their obligation of public service, may apply their resources as they see fit to achieve this.

A publicly financed, publicly owned transit system presents an entirely different situation. It involves no private investment and no private risk. The risks of the business are assumed by the public. No basis exists for operations designed to produce dividend income for private investors.

In providing for contract operation of the proposed system, section 3(b) (3) of S. 1117 and H.R. 4822 provides the means for achieving the two major objectives. Private operation of the facilities is assured. At the same time, in contracting out the operation, the public agency involved will be in a position to require the inclusion in any such contract of the provisions necessary for protection of the public investment and interest. In addition, under this approach the operating contractor rather than the Government would employ all operating and maintenance personnel required for the transit system. It will not be necessary, therefore, to disturb the established pattern of labor-management relations in the local transit industry, or the existing rights and benefits of transit workers. Also, by contracting out operations, the Federal Government's involvement in the details of day-to-day transit management can be held to a minimum.

The present bill does not undertake to specify the form or the terms of any arrangement for operation of the system. In the Agency's judgment, it should not. It will take approximately 7 years to construct and equip the proposed facilities. Assuming no delays, first operations on a portion of the system will not occur until some time in 1970. It would be premature at this time to commit the Agency, or any successor, to a particular contractual approach. The Agency responsible for operations should be afforded the discretionary authority it will need to fashion an appropriate arrangement which will take account of conditions as they exist at the time the negotiation of a contract becomes necessary. S. 1117 and H.R. 4822 wisely provide this necessary flexibility.

OPERATIONS CONTRACTS GENERALLY

Under S. 1117 and H.R. 4822, a variety of contractual devices would be available for obtaining private enterprise operation of the transit system. These include management services contracts, lease arrangements, or arrangements such as the so-called facilities contracts under which the Departments of the Army, Navy, and Air Force provide for contractor operation of Government owned production facilities in connection with defense procurements. The Air Force contracts out the operation of the Atlantic Missile Range at Cape Kennedy, and the Atomic Energy Commission contracts out the operation of its Los Alamos, N. Mex., installation, as well as its production facilities at Oak Ridge, Tenn., and at other locations. In addition to providing ample precedent for private enterprise operation of publicly owned facilities, these activities constitute a reservoir of experience which will be useful in developing an appropriate arrangement for the transit system. Regardless, however, of the form of the arrangement—be it a management contract, lease, a combination of these, or some other contractual device, the basic requirements of any such undertaking are clear. It will be essential that jurisdiction and control be retained over fares,

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revenues, operating schedules, and standards of maintenance and service. Such control will be necessary for the protection of the public investment in the system and should be exercised by an agency that will be responsible to both the Congress and the public on a continuing basis.

Aside from establishing the foregoing as the basic requirement of any arrangement for private operation of the transit system, the Agency has made no final judgments as to the form such arrangements should take. In this connection, however, a survey has been conducted of the experience in a number of cities where publicly owned transit facilities are, or have been, operated by private corporations under leases or management services contracts.

LEASES

The city of Philadelphia has a long history of leasing municipally owned transit facilities to a private company for operation. There, most of the subway rail rapid transit system was constructed and equipped by the city, and is publicly owned. Some portions were constructed on a cost-sharing basis with the private company. All of the facilities have for many years been operated by the Philadelphia Transportation Co. under leases from the city. The lease periods have ranged from 15 to 35 years. Rents have been established on a number of bases including a fixed amount, an annual payment based on a percentage of the original cost of the leased property, and at a sum equivalent to the interest and principal payments on the city's construction bonds.

The Agency's survey indicates that Philadelphia's leasing experience is unsatisfactory. The rental for the Broad Street Subway has not been sufficient to repay the interest and amortization requirements on the city's construction debt, and deficits have had to be made up out of property taxes. Also, under the present arrangements maintenance appears to be a continuous problem, with the city demanding higher standards and getting what it regards as an inadequate response from the company. The Agency's survey indicates a growing disenchantment with the existing public-private arrangements. The city's problems are summarized in a report prepared for the mayor of Philadelphia entitled "The Public Transit Authority—A Study of Five Cities." In addition to the usual problems of increasing traffic congestion and declining transit patronage the report notes (1) the reluctance of the lessee-company to adopt an aggressive policy of service extensions and improvements, (2) a loss of public confidence due to the company's failure to provide improved service, and its repeated demands for fare increases. (3) that the company has instituted service improvements only under the prodding of the city government, (4) that in view of the city's heavy investment in the system, the public does not look kindly on the use of tax funds for transit improvement while stockholder dividends continue, and (5) an apparent unwillingness on the part of the company to continue operations except on its own terms.

The Pennsylvania Legislature recently created a Southeastern Pennsylvania Transportation Authority, and present indications are that that agency will acquire and operate all of Philadelphia's mass transportation system. Such a move has been advocated by the city.

Philadelphia's difficulties are not attributable solely to its leases, although it does appear that the city has had problems obtaining what it regards as proper maintenance under their provisions. More important to the result, is the fact that the arrangements do not include municipal authority over fares and service. Regulatory control over the leasee is vested not in the city, but, as is the case with other carriers, in the State's public utilities commission. This separation of ownership and control is the principal weakness in the arrangement.

Concerning lease arrangements themselves, aside from Philadelphia's experience, they do present a number of special problems. In legal contemplation, a lease is a contract for the exclusive possession of property for a determinable period at a determinable rental. It is, itself, a species of property and carries with it not only a right to exclusive possession, but a right to quiet enjoyment of the property so long as the lessee's use is not inconsistent with the terms of the contract. Also, as is the case with any contract, while a lease is amendable during its term, this is possible only by mutual agreement of the parties.

These features of leases suggest difficult problems when it comes to contracting out the operation of publicly owned transit facilities. Would exclusive possession of the system by a lessee be compatible with the requirement for continuing public control over fares, revenues, expenditures, schedules, and stand-

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ards of safety, maintenance, and service? Under a lease the rights and obligations of the parties become fixed at the beginning of the leasehold. Modifications to accommodate changes in conditions not anticipated when the lease was negotiated can be accomplished only by agreement. In the absence of agreement, the provisions of the lease would have to be adhered to. Changes required in the public interest would have to await the expiration of the lease period.

The agency recognizes that many of the possible difficulties attending leasing arrangements can be guarded against by limiting the term of any agreement, by providing for a periodic reopening of the lease for renegotiation, and in other ways. Consequently, while this approach to private operation of the proposed system has not been ruled out, leases are viewed as involving certain inherent problems that will require careful attention if that path is followed:

MANAGEMENT SERVICES CONTRACTS

Another type of contractual undertaking that will be available for use in Washington is best illustrated by that now being used in St. Louis, Mo. and Memphis, Tenn. The arrangements in both cities are very similar, and it may be helpful to review briefly that in effect in St. Louis.

There, the Bi-State Development Agency, a public agency of the States of Missouri and Illinois, established by interstate compact, owns the bus transportation system serving the St. Louis metropolitan area. The agency regulates fares, determines routes, and generally establishes policy for the operation of the system. It does not, however, operate its facilities nor does it employ any operating or maintenance personnel. The system is operated by a private corporation, the Transit Services Corp. of Metropolitan St. Louis (TSC) under a management-services contract with the agency.

Bi-State's present agreement became effective in the Spring of 1963 and is for an initial term of 5 years. Thereafter, the contract continues for like periods with the right in either party to request changes or termination 180 days prior to the end of any such period. As consideration for its services, TSC receives a fixed fee of $230,000 annually. The fee does not include any of the costs and expenses of operating the facilities owned by Bi-State. It is designed to cover the salaries and payroll taxes of TSC's officers and staff, and the firm's corporate expenses. Under the contract the actual cost of operating the publicly owned facilities are paid by the agency to the contractor by way of reimbursement. TSC is engaged to provide full and complete management-services. It is responsible for the active direction of the system including—

1. Transportation.
2. Maintenance.
3. Labor relations.
4. Employee selection and training.
5. Management and supervision of Bi-State's insurance program.
6. Preparation of plans for consolidation of the agency's facilities, including integration of routes, reassignment of equipment, centralization of maintenance and office functions, coordination of labor contracts, development of a public information program, and recommendations as to fare structure.
7. The agreement provides that all revenues from the operation of the facilities shall, from their initial receipt, be and remain the absolute property of the agency, and that the corporation shall handle and account for them as directed by Bi-State.
8. TSC collects and deposits all revenues for the account of the agency. It keeps and maintains books and records in conformance with the requirements of, and at the direction of, the agency, and renders certified annual, monthly or other operating and financial reports requested by the agency.
9. Regarding expenditures, the contractor, on behalf of Bi-State, pays all amounts due and payable in connection with the operation of the agency's facilities. Vouchers and checks are drawn on the account of Bi-State by persons authorized by the agency to do so.
10. The contractor prepares and submits annual operating budgets for the agency's consideration and approval.

Bi-State's obligations under the contract, in addition to payment of the fixed fee, include the establishment of fares, routes, and standards of service, and, upon presentation of the contractor's certified statements, prompt reimbursement of TSC for all expenses and liabilities incurred for and on account of the

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operation of the agency's facilities, including the wages and salaries, social security, unemployment, and other applicable payroll taxes, of operating and maintenance employees, and other employee costs such as pensions, and the cost of medical and hospitalization programs. The agency provides for TSC's use a cash working fund sufficient to cover normal cash requirements, including the equivalent of the aggregate of reimbursable expenses for one payroll period. Upon advice from the contractor as to the type and amounts of materials, supplies, services and equipment required for operations and maintenance, the agency determines the method of procurement. Bi-State may purchase directly, or may deputize TSC personnel to act for it. All property procured becomes the property of the agency.

Finally, Bi-State furnished the contractor with such office space, furniture, equipment, supplies, utilities, telephone service, secretarial and clerical help, automobile transportation, and other items and services as are reasonably required by TSC for the appropriate and efficient performance of its duties.

The executive director of the Bi-State Agency recently advised NCTA that operations under the existing contract have been very successful. The president of the Memphis Transit Authority has also indicated their success with the management contract. In the agency's judgment, such a device offers firm prospects, not only for the protection of the public interest, but also for obtaining the advantages of expert management by private persons experienced in the day-to-day conduct of urban mass transportation operations.

Finally, during the course of the hearing in the House it was questioned whether operation of the system wil be contracted out on a sealed bid or negotiated basis. As indicated in the agency's testimony, it is proposed that the contract be let by negotiation following formal advertisement. In this connection it is important to note that any contract for the operation of the system will be, in effect, a contract for professional services. The objective will be to obtain the most qualified operator at the lowest possible cost. In the agency's opinion, the procurement of this type of service—where the qualifications and experience of the contractor are a paramount consideration—does not lend itself to a sealed bid approach. The agency anticipates that well in advance of the commencement of operations, contract specifications will be prepared, that the availability of the contract will be advertised, and that proposals will be solicited from all interested parties.

NATIONAL CAPITAL TRANSPORTATION AGENCY,
Washington, D.C., August 2, 1965.

Hon. ALAN BIBLE,
Chairman, Committee on Distirct of Columbia,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Following this Agency's testimony on S. 1117 and H.R. 4822 before the Senate District Committee, three amendments to these bills were proposed by Representative Multer. In addition, the testimony offered by D.C. Transit System, Inc., questioned certain features of the pending legislation.

This letter is designed to explain why the Agency opposes the amendments offered by Mr. Multer and to answer some of the questions raised by D.C. Transit's testimony.

THE FINANCING AMENDMENT

One of the proposed amendments, entitled "Financing," would alter the administration's plan for financing the proposed rail system. It would require that the cost of the system be financed entirely through direct loans from the U.S. Treasury. The amendment would eliminate all revenue financing as well as the financial participation of the District of Columbia. The amendment was rejected by the House District Committee and thereafter by the full House on a voice vote with no demand for a division of the House.

The amendment is in direct conflict with the National Capital Transportation Act of 1960, section 204(g) of which provides that—

"* * * any recommendations submitted by the Agency shall provide as far as possible for the payment of all costs by persons using or benefiting from regional transportation facilities and services, *and shall provide for the equitable sharing of any remaining costs among the Federal, State, and local governments.*" [Emphasis supplied.]

That section in very plain language directed the Agency to rely as little as possible on Federal financial support and as heavily as possible on revenue financing.

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Consistent with that requirement, NCTA, with the explicit agreement of the administration as evidenced by Mr. Elmer Staats' testimony before your committee, has proposed a financing formula whereby two-thirds of the cost of the proposed system—close to $300 million, exclusive of interest—would be raised through revenue bonds to be liquidated from fares paid by the riders of the system, with only one-third to be derived from Federal and District tax revenues.

The proposed amendment, by eliminating any requirement for local government financial participation would be contrary not only to the policy of the 1960 act, but to that established in the Urban Mass Transportation Act of 1964, which requires local financial contributions as a condition of Federal assistance. Mr. Multer's amendment would place the entire financial obligation on the Federal Government.

THE DAMAGES AMENDMENT

Another of the proposed amendments, entitled "Obligation of Agency to Third Parties," provides for satisfaction by the National Capital Transportation Agency of claims for damages arising from construction or operation of the system. As explained by Mr. Multer, under the proposed amendment if any person or entity against whom such a judgment is entered does not satisfy the judgment within 30 days after it becomes final, NCTA would be obligated to pay the judgment, and would then be subrogated to the rights of the party in whose favor the judgment was entered.

This amendment too was overwhelmingly rejected by the House. It is unnecessary and would serve only to breed confusion.

As a Federal agency, NCTA is subject to the same laws relating to claims and damages that apply to other agencies of the United States engaged in construction or operation of facilities. The laws concerning claims against the Government are well established, and there has been no showing that any greater or lesser requirements should be imposed on NCTA. The proposed amendment would expose the Federal Government to an unknown amount of pecuniary liability arising out of actions to which it is not a party and which it would not be allowed to defend. The amendment would make the Government a collection agency for other people's judgments.

THE OPERATIONS CONTRACT AMENDMENT

The third of the proposed amendments would require NCTA to submit to the Congress for its approval the contract for the operation of the rail facilities contemplated in section 3(b)(3) of S. 1117. As was the case with respect to the other two amendments, this also was rejected by the House; the vote was 93 to 11.

As written, S. 1117 requires that any contract for operation of the transit system shall be entered into only following formal advertisement and negotiations with all interested and qualified parties, including the private transportation companies in the National Capital region. In addition, in obtaining the services of an operating contractor, NCTA would be subject to the Federal statutes, regulations, and policies governing Government contracts and procurement.

The proposed amendment is thus unnecessary. In addition it would constitute an exception to the usual and ordinary practice of the Congress which is to vest the executive branch with the authority to contract for services needed by the Government. Finally, the amendment would not cover the Agency's design and construction contracts and there would appear to be no greater reason for the Congress revising the operations contract than these other contracts which will involve far greater expenditures.

QUESTION RAISED BY D.C. TRANSIT

In its testimony, D.C. Transit raised three issues that require comment by NCTA:

First, the company argues that the rail system should be operated under a franchise, not under a contract.

Second, failing that it suggests that there should be unified ownership of the region's bus and rail facilities.

Third, the company urges that it be protected against uneconomic competition with the rail system by a so-called equalization factor which would be tantamount to a guarantee of D.C. Transit's revenues.

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Our position on these issues is explained below:

Operation of the system.—As now written, section 3(b)(3) of S. 1117 and H.R. 4822 provides that the rail system shall be operated "under contract by private transit companies, private railroads, or other private persons."

In its statement before the committee, D.C. Transit urged that the legislation be amended to provide that the Congress shall retain the right to determine (1) who shall be the eventual operator of the proposed subway system, and (2) the terms and conditions of any arrangement for operation of the system.

The company expressed its view that the language of section 3(b)(3) requires or intends that the proposed subway be operated by a private entity under a "management-employment" or management services agreement. The company expressed doubt that it would be interested in competing for such a contract, and urged that the system be operated only under a franchise granted by the Congress. The company suggested that such a franchise could include a requirement that the grantee supply by purchase or lease the rolling stock required for operation of the system.

The Agency's reasons for preferring a contract to a franchise are spelled out in my letter to the chairman dated July 20, 1965, which has been incorporated in the record. Those reasons may bear repeating.

The proposed subway will require a public investment of some $431 million. All of the risks are to be borne by the public, and any plan for operation of the system must recognize that fact.

In its testimony, D.C. Transit expressed its doubt that an operating contract would be financially worthwhile, notwithstanding the fact that it submitted proposals for such operations both in St. Louis, Mo., and Dade County, Fla. (Miami). The company made it clear that its proposed franchise approach would be substantially more attractive financially.

Obviously, the franchise envisaged by the company would add to the cost of the system. Under the present financial program any revenues of the system beyond those needed to meet operating costs must be dedicated to the retirement of the revenue bonds. Any revenue beyond that should be used to repay the original investors—the Federal and District Governments which are to contribute $150 million of grants to aid in construction of the system. As the House District Committee observed in its report on H.R. 4822, "It is your committee's intent that following the retirement of the bonds issued to finance the construction of the transit system, provision should be made to repay pro rata those contributions of capital by the Federal and District of Columbia Governments out of the revenues of the system." Any repayment of the grants would occur only after retirement of the revenue bonds some 40 years hence. Under the company's approach the profit requirements of the franchise holder would reduce revenues available for repayment of the bonds, and repayment of the Federal and District of Columbia grants would be subordinated to such profit requirements.

The company claims, however, that these added profits would be justified by its assuming the obligation to supply all of the rolling stock required for the system in a manner similar to the way D.C. Transit now provides buses for its existing operations in Washington. The company claims that this approach to the problem would mean a saving to the Federal Government of the $26 million it is estimated the rollong stock will cost.

The company's contention is unsound. In so-called franchise-investment approach to operations would produce no such saving. Indeed, such an approach would be more costly than envisaged by S. 1117 and H.R. 4822. D.C. Transit concluded as much when it expressed doubt as to whether it would find a contractual approach to operation financially attractive.

The administration's financial plan contemplates no outlay of Federal funds for the purchase of rolling stock. Under the recommended program, the equipment for the system would be purchased with the proceeds from the sale of bonds, which would be repaid out of the revenues of the transit system. In other words, funds for equipment would be borrowed from private investors and repaid through the farebox by the transit riders.

The Agency submits that the situation would be no different if a franchise holder were required to provide the rolling stock. The investment in the equipment would be the same. The franchise holder would borrow the funds needed to buy the rolling stock, and would look to the farebox to make repayment.

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In either event, the transit riding public would—through the farebox—be expected to repay the capital investment in equipment.

Whether the proposed rail system is operated by transit experts under a contractual arrangement, or by transit experts under a franchise, the total capital outlay will be the same. System revenues will be the same, and operating expenses will be the same. The principal difference will be in the financial consideration paid the operator for running the system. Under S. 1117 and H.R. 4822 the contractor would be compensated in accordance with the fair market value of the services required by the operating agreement with the Government. According to its statement, D.C. Transit would probably regard this as inadequate, and, under a franchise, would require a greater return.

UNIFICATION OF RAIL AND BUS OPERATIONS

D.C. Transit has suggested that ownership of bus and rail facilities should be "unified," presumably through Government acquisition of the private bus companies in the National Capital region. The National Capital Transportation Act of 1960 contains a provision, added at the specific request of the bus companies, forbidding such acquisition. The Agency sees no need for the kind of "unification" envisaged by the company.

The Agency does see a very great need for coordination of bus and rail services but believes that the legal framework for such coordination exists right now in the processes of the Washington Metropolitan Area Transit Commission (WMATC) which is the regulatory agency having jurisdiction over the fares and services of the existing transit companies. The present bill provides that the powers of that Commission are to remain unchanged.

From the very outset, NCTA recognized that, even with a rail system, bus service must continue to play a major role in the region's public transportation system and that the recommended rail system cannot operate in isolation from the bus systems. Extensive areawide bus service is and will be essential. The growth prospects for the National Capital region are such that more, not less, bus service will be required in the years ahead. The bus companies will continue to provide downtown service in those traffic corridors not served by the rail system. Local and crosstown bus services will continue to be essential.

The proposed rail system has been carefully planned to integrate with the existing bus routes. The system would include convenient bus transfer facilities at its outlying stations, and at points where bus routes intersect the rail lines at station locations. The Agency's studies show that by combining rail and bus operations—through the coordination of operating schedules, the use of joint-fare arrangements and universal transfers—sharp reductions in travel times can be achieved, and large numbers of new passengers will be attracted to public transportation—bus as well as rail.

By coordinating their service with the rail system, the bus companies will be able to eliminate or minimize much of their very high cost operations in the congrested downtown area—particularly during rush hours.

For example, a bus passenger originating on Connecticut Avenue at the District line today pays 25 cents for a bus ride to the heart of downtown. Because of street congestion, the bus moves at an exceedingly slow rate of speed as it approaches the downtown area. A disproportionate part of the cost of the trip is incurred in downtown traffic, and in the transit business time is money. Slow trips increase costs.

With the rail system, the bus could discharge its passengers at the rail station at Van Ness Street NW., far out Connecticut Avenue, and the bus would not have to undertake the high-cost part of the total trip. The distance from the District line to Van Ness Street is approximately one-third as long as that from the District line to downtown. In terms of speed, however, the trip to Van Ness Street represents substantially less than one-third of the total bus travel time to downtown from the District line. Under NCTA's forecasts, the fare for such a trip would be split evenly between the bus company and the rail system. Thus, the bus operator would receive one-half the present far for lss than one-third of the present trip.

The legal processes of WMATC referred to earlier assure that the private companies will not be at the mercy of NCTA's view as to what is an appropriate division of transit-rail fares. The commission is a compact agency created by the States of Maryland and Virginia and the District of Columbia. Under article II of the Washington metropolitan area transit regulation compact, the commission

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has jurisdiction over the regulation and improvement of transit and the alleviation of traffic congestion within the region on a coordinated basis. The commission's authority covers the operations of the bus companies, and under article XII, section 7(a) of the compact where the public convenience and necessity requires it, the commission may direct the establishment of coordinated service.

The commission's role is an important one not only from the point of view of the transit riding public, but from the companies' viewpoint as well. Under the compact, WMATC's obligation is twofold: to promote efficient, coordinated service, and at the same time, to establish bus transit fares designed to cover what it costs to render necessary service, and to provide the bus companies a fair and reasonable return. The commission would have jurisdiction over the bus portion of any joint fare arrangement between the rapid transit agency and each of the bus companies.

In this connection, article XII section 6(a)(3) of the compact provides that in establishing fares:

"The commission shall give due consideration, among other factors, to the inherent advantages of transportation by such carriers; to the effect of rates upon the movement of traffic by the carrier or carriers for which the rates are prescribed; to the need, in the public interest, of adequate and efficient transportation service by such carriers at the lowest cost consistent with the furnishing of such service; *and to the need of revenue sufficient to enable such carriers, under honest, economical, and efficient management, to provide such service.* [Emphasis supplied.]

As made clear by Judge McGowan in *D.C. Transit System, Inc.*, v. *Washington Metropolitan Area Transit Commission*, et al. _____ U.S. App. D.C. _____, No. 17,953 decided April 8, 1965, WMATC is required to set fares to insure D.C. Transit that revenues will meet operating costs, interest, and provide a reasonable profit. Those same statutory requirements will apply to the company's portion of any fares covering combined rail-bus trips.

In its statement before the committee, D.C. Transit also urged that since S. 1117 and H.R. 4822 would provide public assistance for the development of a rail rapid transit system, the bills should also include provisions for the same kind of assistance for the private bus companies in the region. According to the company, the present legislation should be amended to include what D.C. Transit terms "equalization" factors. The company offered no legislative language designed to implement its suggestions, and it is unclear as to just what is intended.

From D.C. Transit's statement, it appears that in addition to the subsidy features of the company's present franchise what is being asked for is some form of financial aid to assist the company not only with such capital improvement programs as it may undertake in the future, but to assist it as well in meeting its cost of operations. The proposal envisages a program of public grants to the private companies for these purposes, one practical effect of which would be to guarantee the company a fixed gross regardless of the amount of business actually done by the company.

That any such guarantee is unnecessary is demonstrated by the company's own exhibit submitted during the hearings which shows that D.C. Transit's net income will experience little change as a result of the proposed rail system. The company's exhibit shows actual 1964 operating revenues of $31.7 million. In 1980, with the subway in operation D.C. Transit projects operating revenues of $30.6 million. Thus, according to the company's figures between 1964 and 1980 its operating revenues will decrease by only $1 million. (A further analysis of the company's exhibit appears in app. "A" to this letter.)

While D.C. Transit's exhibit claims a loss of 5 million revenue passengers between 1964 and 1980, it fails to show that there will be corresponding reduction in the company's operating expenses. As a result of the claimed loss of 5 million riders by 1980, and the minimization of bus operations in the congested downtown area, the company's operating costs will be decreased by $1 million. This operating savings will offset the loss of gross revenue, leaving the company's net income position unchanged. This is consistent with the Agency's conclusion. Even if such cost savings were not realized, it would require a fare increase of only 1 cent to offset the claimed loss of revenues.

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More importantly, as noted earlier, the processes of WMATC assure the company that fares will be set so as to produce a reasonable return. This fact, coupled with the company's own forecast of a continued bus market producing some $30 million in annual bus revenues, makes it clear that the protections the company requests are wholly unnecessary.

Apart from these considerations, the National Capital Transportation Act of 1960 and the present bill provide extensive further legal safeguards for the bus companies.

1. As noted earlier, the National Capital Transportation Act of 1960 contains a provision, added at the behest of the bus companies, forbidding NCTA to acquire their facilities or to operate bus services in competition with the bus companies. Section 3(d) of the present bill provides that the protections afforded by the 1960 act remain in effect.

2. Section 3(c) of the present bill provides that nothing in the bill shall affect any right to damages which any bus company might have under the 1960 act or the D.C. Transit Franchise Act of 1956.

3. Section 2(e) of H.R. 4822 was amended by the House of Representatives to strike out the words "that unnecessary duplicating service be eliminated." The report of the Committee on the District of Columbia of the House explained this amendment as follows, at page 22 of the report:

"There is no intent that privately owned companies would be forced to discontinue a service merely because it was paralleled by or competitive with rapid rail service. This is in harmony with the remaining requirements of section (e), which stated that the proposed facilities are to be operated 'with the least possible adverse effect on private companies transporting persons in the National Capital region.'"

Thus, the present bill and earlier legislation (1) assure private operation of a publicly financed and publicly owned rail system under contract by the best professional transit executive team that is available; (2) preserve existing rights of existing bus companies; (3) prevent NCTA from acquiring any private bus company in whole or in part; and (4) prevent NCTA from operating or making agreements for the operation of bus service competitive with private transit companies.

I hope that the foregoing will be of assistance to your committee.

Sincerely yours,

WALTER J. MCCARTER, *Administrator.*

APPENDIX A

While D.C. Transit's exhibit projecting gross revenues with and without a rapid transit system demonstrates that the company itself forecasts no significant loss of income accompanying the advent of rail operations, in other respects, D.C. Transit's exhibit is neither consistent with the NCTA's findings nor with the material presented by the company in connection with its testimony before the House subcommittee on H.R. 4822.

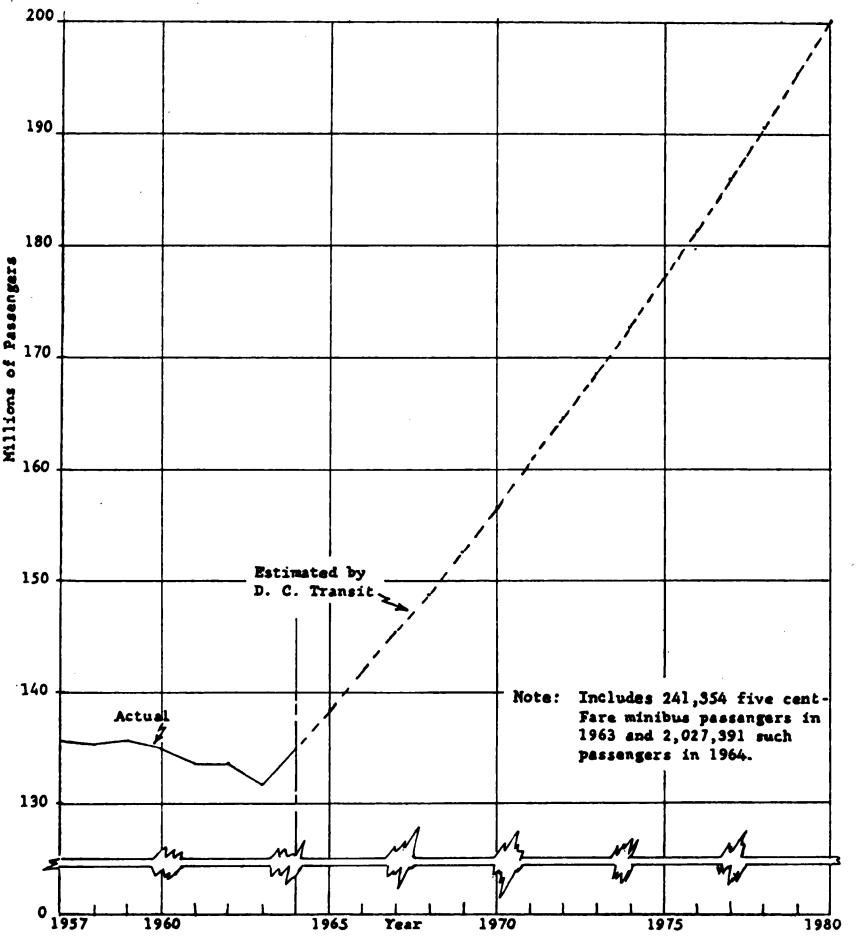
For example, D.C. Transit's passenger projections (without a subway system) as contained in the present exhibit show an annual rate of passenger increase of 2.5 percent. By contrast, in its testimony before the House subcommittee the company stated that it anticipates a 1-percent increase per annum in the total number of passengers it will carry. (House hearings, p. 206.)

D.C. Transit also submitted to the House subcommittee a detailed table of revenues projected by the company through 1970. (House hearings, p. 207). The 1970 operating revenue figure contained in the recent exhibit differs by almost 20 percent from the figure presented to the House.

The most significant differences between the Agency's studies and the present exhibit relate to the anticipated ridership on D.C. Transit if there is no rail system. According to its exhibit, the company estimates that its passengers will increase by 35 million or by about 50 percent between 1964 and 1980 despite the fact that D.C. Transit actually carried fewer passengers in 1964 than it did in its first full year of operations in 1957. D.C. Transit's passenger projection is contrary not only to the company's past experience, but to the experience of the bus operations everywhere. The attached chart depicts D.C. Transit's actual experience since the inception of its operations and the projections for the future contained in the company's present exhibit. This chart demonstrates that the company's projections of the revenues it would realize if there were no rail system are greatly overstated.

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D. C. Transit Ridership
Actual and Projected by D. C. Transit
1957 - 1980



APPENDIX B

RE STATEMENT OF WALTER J. M'CARTER BEFORE SUBCOMMITTEE NO. 3, HOUSE COMMITTEE ON BANKING AND CURRENCY, 87TH CONG., 2D SESS., ON H.R. 11158

During its statement before the committee on July 23, 1965, D.C. Transit made a number of references to and quoted rather extensively from certain testimony given by Mr. Walter J. McCarter, the recently appointed Administrator of the NCTA, before the House Banking and Currency Committee in May 1962. At that time, Mr. McCarter was president of the Institute for Rapid Transit and general manager of the Chicago Transit Authority. His statement was made in connection with then-pending legislation to establish a national program of assistance for the development of improved urban mass transportation systems. Those hearings constitute part of the legislative background of the Mass Transportation Act of 1964 of the 88th Congress.

The record of the 1962 hearings speaks for itself. In referring to it, however, D.C. Transit's purpose appears to be to demonstrate inconsistencies between those earlier remarks and the present NCTA program. There is no such in-

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consistency. The 1962 statement is entirely compatible with the proposed Washington program.

D.C. Transit quoted Mr. McCarter's 1962 statement that rapid transit systems are costly to construct, and costly to maintain and operate, that major improvements and extensions cannot possibly be financed out of the fare box alone, that rapid transit is not self-supporting, and that in all the cites of the United States that now have it, rapid transit is supported by a public subsidy of one kind or another.

NCTA's position is in no way inconsistent with this. The present program calls for $150 million in direct Federal and District of Columbia grants, and also calls upon the Federal and District of Columbia Governments to make their credit available to support transit bonds.

There has never been any question that the Washington system needs this kind of direct public support. The 1962 statement referred to the fact that rapid transit systems cannot support all of their capital requirements.

Also, the 1962 statement referred primarily to older existing rapid transit systems—not entirely new systems. The new system proposed for Washington will be a much more economical operation, and as stated by the Administrator before this committee, it can reasonably be expected to repay two-thirds of its capital cost.

EXHIBIT B

Unlike cities such as New York and Boston where transit fares are kept low as a matter of deliberate policy and are not expected to meet capital requirements, the Washington system will charge what it costs to provide the service and to recover two-thirds of the investment. This has been transit fare policy in the National Capital region for years, and it will continue.

Modern rapid transit equipment is much more economical than that in use on the older systems. For instance:

(1) Its greater speed reduces the number of trains needed to do the job and results in less power costs, less operators' wages, and fewer cars to service and maintain.

(2) Modern technology entails less labor expense.

(3) New train control and other car equipment requires considerably less maintenance, and reduces operating costs.

(4) Operations on Washington's system will shut down from 1 a.m. to 5 a.m. Because of long-established practices, older systems operate 24 hours. Operations from 1 a.m. to 5 a.m. produce little revenue but add to operating costs.

(5) Automatic car coupling, and adequate car storage facilities at strategic points on Washington's system will permit the size of trains to be reduced when the volume of traffic declines. Much costly deadhead mileage will be eliminated. For lack of adequate storage, older systems keep empty equipment moving.

(6) Central control of all switching areas in main tracks and modern power supply devices reduce manpower requirements and operating costs.

(7) Improved materials available for stations require less cleaning costs.

(8) Improvements in car engineering permit a less frequent regular car inspection cycle.

(9) Mezzanine-type stations with center platforms permit the use of only one cashier at all but the busiest downtown stations. Side-type platforms on the older systems require two or more cashiers.

(10) Elimination of sharp curves will permit larger cars with greater passenger capacity and greater economy of operation.

Second. D.C. Transit pointed out that the 1962 statement noted that elsewhere rapid transit has been supported by profitable bus operations.

The point of the 1962 statement was that in a number of cities—notably Chicago and Toronto—wartime surpluses from bus operations were used to meet a part of the capital cost of establishing or improving rail transit facilities.

There is no question that rail rapid transit is more economical than buses, especially where new, modern rapid transit technology is involved. For example, the average per passenger cost for D.C. Transit is approximately 20 cents. On the new rail rapid transit system in Toronto, Canada, this cost is approximately 6 cents per passenger.

Finally, in its testimony D.C. Transit referred to a part of the 1962 statement which observed the Washington's rail system would have to be coordinated with the local bus operations, and stated that among the ways to achieve this could be to acquire the bus company and consolidate it with the rail system.

These 1962 remarks should be viewed in their proper context. They were made in response to a request for comments on the requirement of the national

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bill that any grant would have to be predicated on a showing that the public agency requesting the grant had "satisfactory continuing control through operation or lease or otherwise over the use of the facilities aided."

In the course of his statement, Mr. McCarter referred to the program (unpublished) then being prepared by NCTA for Washington. He stated that Washington's system would have to be coordinated closely with the existing bus operations. He also stated that among the ways to get proper coordination would be (1) to buy Mr. Chalk's company and consolidate it with the rail system, and (2) to lease the rail system to Mr. Chalk. He also pointed out that Congress and the community would have to decide how to handle the problem.

The 1962 statement did not say that a buy-out of D.C. Transit is necessary to get coordination, nor did it say that a "lease" of a rail system to D.C. Transit would be necessary. It merely pointed out that these are possible approaches to the problem. That testimony did not advocate either.

Of course, coordination could be achieved by a purchase of the bus company and its consolidation with the rail system. That's obvious. The question is whether such a step is necessary or desirable—especially where the bus companies involved are prosperous and have every reasonable prospect of continued prosperity.

As pointed out at some length earlier herein, there is no need to acquire D.C. Transit or any of the other companies. Coordination of services can be achieved by agreement, and through the local transit regulatory commission (WMATC).

Also, the 1962 statement's mention of leasing was merely a reference to an available approach to operations. It was not intended to rule out other possibilities, such as the management contracts used in St. Louis, Memphis, and Dade County.

S. 1117 and H.R. 4822 do not restrict the method of contracting to be employed. The objective will be to devise an approach that will be fair to both the public and contractor. Leasing will be considered along with other methods.

Comparative Analysis of Bus-Rapid Transit Operational Experience in Other Cities [1]

GENERAL

The accompanying chart shows transit ridership trends on a nationwide basis for the period 1950–64. It reflects nationwide passenger statistics compiled by the American Transit Association, which is an industrywide trade organization whose membership includes most of the larger transit systems in the country, both public and private. These data show that over the past 10 years, rail rapid transit ridership has remained constant, and that the number of passengers carried on surface systems (bus, trolley, etc.) has experienced a sharp and continuing decline. During this period, rail rapid transit passengers actually increased by 4 million while surface passengers decreased by over 3.2 billion. The chart shows that both rapid and surface transit ridership declined prior to 1955 but that the rate of decline for rail transit was only one-half of that of surface transit.

SAN FRANCISCO

The most notable event in the rapid transit field in many years is the program now underway in San Francisco. In November 1962, by referendum, the voters of three counties in the San Francisco Bay area authorized the financing for construction of a 75-mile rail rapid transit system at a cost of approximately $800 million. The system will connect San Francisco city and county on the west side of San Francisco Bay with the highly developed east bay counties of Alameda and Contra Costa. This system is now being built by the San Francisco Bay Area Rapid Transit District, an agency established by the State of California.

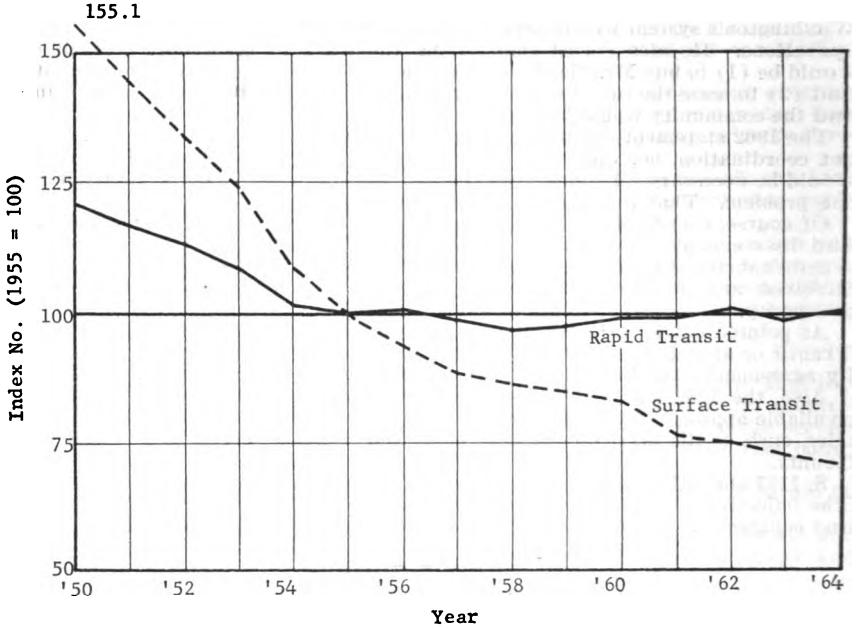
The San Francisco Bay area is presently served by two major, publicly owned, surface systems. The Municipal Railway of San Francisco, which operates entirely within the city, has approximately 530 buses and nearly 500 other surface vehicles such as trolley coaches, streetcars, and cable cars. The city of Oakland and the area east of the bay is serviced by the Alameda-Contra Costa Transit District which operates an all-bus system composed of 640 buses.

[1] American Transit Association, National Capital Transportation Agency.

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NATIONAL TRANSIT TRENDS

Total Passengers - Surface and Rapid
1950 - 1964



Year	Number of passengers (millions)			Index No. (1955=100)		
	Total	Rapid	Surface	Total	Rapid	Surface
1950	17,246	2,264	14,982	149.6	121.1	155.1
1951	16,125	2,189	13,936	139.9	117.1	144.3
1952	15,119	2,124	12,995	131.1	113.6	134.5
1953	13,902	2,040	11,862	120.6	109.1	123.8
1954	12,392	1,912	10,480	107.5	102.2	108.5
1955	11,529	1,870	9,659	100.0	100.0	100.0
1956	10,941	1,880	9,061	94.9	100.5	93.8
1957	10,389	1,843	8,546	90.1	98.6	88.5
1958	9,732	1,815	7,917	84.4	97.0	82.0
1959	9,557	1,828	7,729	82.9	97.7	80.0
1960	9,395	1,850	7,545	81.5	98.9	78.1
1961	8,883	1,855	7,028	77.0	99.2	72.8
1962	8,695	1,890	6,805	75.4	101.1	70.5
1963	8,400	1,836	6,564	72.9	98.2	68.0
1964	8,321	1,876	6,445	72.2	100.3	66.7

Source: American Transit Association.

When the new rail rapid transit system is completed and in service, indications are that the San Francisco Municipal Railway and the Alameda-Contra Costa Transit District will continue under separate ownership and managements. The three systems are expected to coordinate their operations and service through the integration of schedules and other mutually beneficial means.

TORONTO, CANADA

In Metropolitan Toronto all public mass transportation facilities have been owned and operated since 1921 by the Toronto Transit Commission, a public agency.

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The Toronto Transit Commission owns and operates a modern subway rail rapid transit system with 170 rail transit cars. Its surface system consists of 750 streetcars, and 870 motorbuses and trolley coaches.

Toronto's original 4½-mile Yonge Street Subway went into operation in 1954. A 2-mile addition to this line known as the University extension was placed in operation in 1963, and there is presently under construction a 14-mile Bloor-Danforth line 8 miles of which are expected to be operating by the end of 1965.

During the 10 years in which both subway and surface systems have operated, subway ridership has increased by about 3 million whereas surface ridership has declined by approximately 40 million. As it is elsewhere, the decline in Toronto's bus patronage is primarily the result of competition by private automobiles. In 1964 both the bus and rail systems showed an increase in patronage following the opening of the new University extension of the subway system and the expansion of bus service in the suburban area.

Table I shows the breakdown of Toronto transit ridership for the period 1955–64.

PHILADELPHIA

The Philadelphia area is served by a transit system composed of a number of rail rapid transit lines and surface facilities which include buses, streetcars, and trolley coaches. This system is operated by the privately owned Philadelphia Transportation Co., which owns most of the surface equipment and a 7-mile section of the Market Street elevated-subway line. Some 18 additional miles of subway and elevated facilities owned by the city of Philadelphia are operated by the company under various lease agreements. The company also operates under lease the short rapid transit line owned by the Delaware River Port Authority, which runs from downtown Philadelphia to Camden via the Benjamin Franklin Bridge.

TABLE I.—TORONTO TRANSIT COMMISSION

Revenue passengers, 1955–64

[Millions]

Year	Total	Rapid transit	Surface
1955	312.8	35.1	277.7
1956	303.8	36.2	267.6
1957	295.1	36.6	258.6
1958	290.9	35.9	255.0
1959	290.2	35.9	254.3
1960	282.2	34.7	247.6
1961	267.6	33.0	234.6
1962	268.8	32.9	235.9
1963	271.1	36.5	234.6
1964	[1] 275.3	[1] 38.0	237.3

[1] Preliminary.

NOTE.—Details may not add to totals because of rounding.

Source: Toronto Transit Commission.

The equipment operated by the company includes 516 rapid transit cars operating over 56 miles of revenue track, 450 streetcars operating over some 260 miles of revenue track, and 130 trolley coaches and 1,250 motorbuses operating more than 1,500 route-miles over city streets and highways.

No continuous historical series of figures showing ridership separately for the surface and rail transit systems are available. Partial data for 1965 show that during the first 6 months of this year surface revenue passengers totaled 107,958,000 and rail transit passengers 33,227,000. These figures expand to annual 1965 ridership of 215,916,000 and 66,454,000 for the surface and rail systems, respectively. Other data show that in 1959 the systems carried 263,741,000 surface passengers and 70,246,000 rail transit passengers. Breakdowns for the intervening period are not available to the agency. Comparison of the 1959 and 1965 figures indicates that total public transportation usage in Philadelphia has declined but that surface ridership has experienced a more severe loss than has rail transit ridership.

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NEW YORK CITY

The New York Transit Authority, a public agency, owns and operates the largest local transit system in the United States. The authority which carried over 1.8 billion passengers in fiscal year 1964 operates nearly 6,800 rail rapid transit cars over 720 miles of track and 2,251 buses.

The authority was established in 1953 and took over the municipally operated New York City Transit System. This municipal operation in turn was created in 1940 by merging into one operation a city-owned rapid transit system (IND), and two privately owned systems—the Interborough Rapid Transit System (IRT) and the Brooklyn-Manhattan Transit Corp. (BMT). Each of these companies operated privately owned elevated systems and city-built subway systems. In addition, through subsidiary companies, the BMT operated streetcar and bus facilities.

Today, the transit authority is the principal operator of both rail and local bus service within New York City. There are, however, six privately owned bus companies that operate largely within the borough of Queens. These companies are operating profitably as feeder services to the subway system. They operate under separate fare structures (15 cents), and there are no transfer privileges between the bus and rail systems.

Transit ridership in New York City during the last 10 years is marked by a slight decline from 1955 to 1958 followed by a recovery in the later years. In fiscal year 1955, revenue pasengers totaled just under 1.8 billion. The number declined to 1.7 billion in 1958 and then rose steadily to nearly 1.85 billion in 1964. Both rapid transit and bus ridership display this same upward trend, with bus patronage showing a stronger recovery (see table II). This increase in bus riding is the result of improved feeder service to the rail rapid transit stations, particulaly in the rapidly growing Queens area.

BOSTON

The principal mass transportation facilities—both bus and rail rapid transit—in Boston and in 13 of its surrounding communities have been publicly owned and operated since 1947. From 1947 to 1964, the urban transit system was operated by the Metropolitan Transit Authority (MTA), an agency of the Commonwealth of Massachusetts. In 1964, the State legislature created a new entity to succeed the MTA, the Massachusetts Bay Transportation Authority (MBTA). The MBTA's jurisdiction covers the entire Boston Metropolitan area, a region substantially larger than that served by the MTA. The new agency is responsible for all local mass transportation services by rail transit, buses, and streetcars. It will also provide financial assistance for the improvement of railroad commuter services in the Boston area, and is authorized to assist local communities with their schoolbus transportation problems. MBTA has already launched a program for the expansion of the Boston area's rail rapid transit system.

The total number of revenue passengers on the MTA declined from 307.7 million in 1950 to 199.6 million in 1960. Data showing the allocation of this loss between MTA's bus and rail facilities are not available, nor are there available any breakdown of ridership and revenues for years after 1960.

CHICAGO

Chicago's rail rapid transit system has been publicly owned and operated since 1947 by the Chicago Transit Authority (CTA), an instrumentality of the State of Illinois. The city's surface bus system has been publicly owned and operated by the authority since 1952.

In 1963, the Chicago Transit Authority operated 1,168 rail transit cars over 161 miles of track and 3,179 surface vehicles over 1,925 miles of streets and highways.

During the past 10 years the number of passengers riding Chicago's rail system has remained relatively stable at approximately 111 million per year. By contrast, patronage on the authority's bus system declined from 510.6 million in 1955 to 394 million in 1964. Table III contains Chicago's passenger and revenue statistics for the period 1955–64.

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TABLE II.—NEW YORK TRANSIT AUTHORITY

Revenue passengers, 1955–65

[Millions]

Year	Total	Rapid transit	Surface
1955	1,798	1,378	419
1956	1,776	1,363	413
1957	1,770	1,355	415
1958	1,733	1,319	413
1959	1,741	1,324	417
1960	1,776	1,345	431
1961	1,795	1,363	432
1962	1,815	1,370	[1] 446
1963	1,820	1,362	[1] 457
1964	1,846	1,375	[1] 471
1965 [2]	1,675	1,244	[1] 470

[1] Revenue passengers of the authority-operated routes of the former 5th Ave. bus lines are not reported separately and are not included in these data.
[2] 11-month totals.

NOTE.—Details do not add to totals due to rounding.

Source: New York Transit Authority.

TABLE III.—CHICAGO TRANSIT AUTHORITY

Originating revenue passengers and revenues, 1955–64

[Millions]

Year	Originating passengers			Revenue		
	Total	Rapid transit	Surface	Total	Rapid transit	Surface
1955	623.5	112.9	510.6	$118.6	$22.5	$96.2
1956	621.3	115.7	505.6	118.0	23.1	94.9
1957	582.1	112.3	469.8	122.2	24.6	97.6
1958	533.3	107.1	426.2	123.9	25.7	98.2
1959	546.0	113.3	432.7	127.5	27.5	100.0
1960	534.8	112.9	412.8	129.9	28.7	101.2
1961	505.5	110.1	395.4	128.4	28.9	99.5
1962	504.9	114.1	390.8	135.6	31.0	104.5
1963	492.2	111.1	381.2	131.8	30.2	101.6
1964 [1]	490.5	111.2	379.3	131.1	30.2	100.9

[1] 52 weeks ended Dec. 26, 1964.

NOTE.—Details may not add to totals due to rounding.

Source: Chicago Transit Authority.

CLEVELAND

Cleveland's combined rail rapid transit and bus system is publicly owned and operated by the Cleveland Transit System. The city acquired its bus and streetcar system in 1942 and established its rail transit facilities in 1955. Recently, the city of Cleveland was awarded a $6.9 million grant under the Urban Mass Transportation Act of 1964, for extension of its rail facilities. In addition to Cleveland's system, the adjacent suburban community, Shaker Heights, Ohio, itself owns and operates a rail rapid transit line to downtown Cleveland.

The Cleveland Transit System consists of 88 rail transit cars operating over a 15-mile rail line, and more than 900 buses serving approximately 666 miles of bus routes.

The Cleveland Transit System does not maintain separate records of passenger ridership for its surface and rapid transit operations. It does, however, maintain turnstile counts on its rapid transit system and since 1960 it has made counts of passengers entering and leaving the downtown area during a weekday in the spring of each year. These cordon line counts show a steady decline in bus ridership. In 1960 approximately 184,000 bus riders were counted in and out of the

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downtown area. By 1964, the number of such bus riders had dropped to less than 147,000. In contrast, the daily number of rapid transit riders crossing the downtown cordon line has remained relatively constant at from 56,000 to 58,000.

Table IV shows Cleveland's rapid transit turnstile count for the period 1956–64. A fare increase effective June 22, 1963, accounts for the lower totals in 1963 and 1964.

The Shaker Heights Rapid Transit System carries approximately 20,000 daily riders.

SUMMARY

Cities having both surface and rapid transit systems attract a high percentage of total riders. In such cities, during the peak hour, from 55 to 90 percent of downtown trips are made by public transportation. On the other hand, Washington's present all-bus system attracts only 40 percent of total peak hour downtown trips (see table V).

TABLE IV.—*Cleveland Rapid Transit turnstile counts, 1956–64*

	Thousands		Thousands
1956	14,733	1961	17,789
1957	15,741	1962	17,356
1958	15,549	1963	[1] 16,965
1959	17,822	1964	[1] 16,760
1960	18,329		

[1] Fare increase on July 22, 1963.

Source: Cleveland Transit System.

TABLE V

Percent of peak-hour total trips to downtown by public transportation

	Percent		Percent
New York	90	Boston	70
Chicago	80	Cleveland	55
Philadelphia	75	Washington	40
Toronto	70		

Combined system passenger projection for Washington metropolitan area, years 1970 through 1976

[Estimated passengers in thousands]

Year	Rapid transit NCTA [1]	Surface, D.C. Transit System [2]	Combined systems
1970	8,115	151,322	159,437
1971	33,824	147,037	180,861
1972	67,649	141,400	209,049
1973	87,939	138,019	225,958
1974	101,468	135,764	237,232
1975	114,997	133,509	248,506
1976	121,764	132,381	[3] 254,145

[1] Source: "Rail Rapid Transit For Nations Capital"; prepared by NCTA, January 1965.
[2] Source: Study prepared by research and development department, D.C. Transit System, July 1965.
[3] Indicates an increase of 59-plus percent.

NOTE.—This tabulation is a passenger projection for the years 1970 through 1976 for the combined systems in the Washington metropolitan area. It shows an optimistic increase in passenger ridership in excess of 59 percent. This is directly opposed to the current trend in the cities of Chicago, New York City, Philadelphia, and Toronto where the combined systems show a decline in ridership. New York City shows an increase in passenger ridership. In spite of this increase New York City experienced a deficit of $62,000,000 for the year 1964 (source, New York Transit Authority).

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AMERICAN TRANSIT ASSOCIATION,
New York, N.Y., July 26, 1965.

Mr. CHESTER H. SMITH,
Staff Director, U.S. Senate Committee on the District of Columbia,
New U.S. Senate Office Building, Washington, D.C.

DEAR MR. SMITH: There is enclosed an apeco copy of my letter of April 8, 1959, to the Flint City Coach Lines, Inc., concerning competitive bus operation.

There is also enclosed an attachment to this letter, "Excerpts From Various Sources, as Indicated, Re the Noncompetitive Status of Public Utilities."

Sincerely,

EUGENE B. MCCAUL,
Director, Statistical Department.

Enclosures.

AMERICAN TRANSIT ASSOCIATION—EXCERPTS FROM VARIOUS SOURCES, AS INDICATED, RE THE NONCOMPETITIVE STATUS OF PUBLIC UTILITIES

[From "Principles of Public Utilities," by Jones and Bigham, chapter, "Natural Monopolies," pp. 67, 68, and 69]

Public utilities are natural monopolies. Though there is now almost universal agreement upon ths point by those informed on public utility matters, it has been only with the greatest reluctance that people have finally accepted this inevitable conclusion. The view was generally held that competitive forces could be relied upon to assure an abundant supply of public utility service at reasonable rates. Therefore, the franchise-granting body granted franchises freely, sometimes to practically every applicant.

However beneficial competition may be, there can be no doubt that it did not work well in the public utility field.

Public utilities are natural monopolies, and therefore competition is not a satisfactory regulator of rates and service.

[From "Outlines of Public Utility Economics," by Martin G. Glaeser, sec. 4, "The Self-Destructive Nature of Competition," p. 630]

Competition among public utilities operating under conditions which make them naturally monopolistic is extremely hazardous.

[From "Public Utility Regulation," by Wilson, Herring, and Eutsler, 1st edition, chapter, "Regulation and Competition," p. 7]

There remain a few instances of competition in natural monopolies, but public policy with respect to such industries is predicated upon regulated monopoly. Noteworthy in this connection is the recent revival of interest in regulation through competition as manifested by the establishment, or the threat of establishment, of publicly owned electric and gas systems. Needless to say, the disadvantages of competition in natural monopolies exist whether the systems be privately or publicly owned.

[From "Guiding Principles of Public Service Regulations," by Henry C. Spurr, vol. 1, ch. III, "Control of Utility Business," p. 31]

The maxim that competition is the life of trade was held to apply to public as well as private business. Competition, being thought well of, was welcomed in all kinds of business. Experience proved, however, that business rivalry in the public utility field was bad for the companies and the public. So the policy of discouraging rather than encouraging competition between public service companies, was adopted. Commenting upon this, Commissioner Emmet of the former New York Public Service Commission, second district, said:

"Since the enactment of the public service commissions law of 1907, the State of New York has been committed to a somewhat different policy, in respect to competition between public utility companies, from the one which was once in force here. Previously it has not been deemed wise to interfere, to any appreciable extent with the natural workings of the competitive system in the public utility field. It has been supposed that by permitting and encouraging practically unrestricted competition between privately owned companies, the State was following the course from which the largest measure of good would accrue to the public at large. The passage of the public service commissions law definitely marked the end of that attitude upon the part of our State authorities. The new law vested in the public service commissions power to withhold certificates of public convenience and necessity from persons or corporations who,

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subsequent to the passage of the act, might desire to enter certain public utility fields which were already occupied by established enterprises. The effect of this was to engage in certain utility enterprises without first submitting to a tribunal representing the entire State the question whether the effect of the proposed competition might not, in the long run, be detrimental rather than beneficial to the public.' "

[From "The Economics of Public Utilities," by L. R. Nash, 2d ed., chapter, "Distinguishing Characteristics of Public Utilities," p. 15]

Public utilities are more and more coming to be regarded as natural monopolies. By this is meant that each public utility should have a monopoly of its particular class of service in its chosen field. Monopolies in other business are unlawful, at least where their products enter into interstate commerce. Except in a very restricted sense no public utility service is wholly monopolistic, in spite of many assertions to the contrary. Railways compete with steam railroads, private automobiles, taxis, buses, bicycles, and sidewalks. Electric companies are in competition with private powerplants and gas companies. Gas companies, in turn, must meet competition from coal, wood, oil, and electric service. Telegraph and telephone companies compete with each other. The only public utility field in which competitive substitute service is not available is that of water supply, which is usually handled by the municipalities.

Advantages of monopoly: While it is thus generally true that public utilities are subject to competition in at least a part of their service, freedom from competition from other public service of the same kind is of substantial advantage both to the utilities and their customers, although this is not considered true of general business. The reason for this lies primarily in the high capital costs and fixed charges to which public utilities are subject, the fixed charges constituting at least one-third of the total cost of service. Competition in kind between public utilities means duplication of facilities.

[From "Transit Modernization and Street Traffic Control," by Bauer and Costello, chapter, "Mass Transportation Functions," p. 7]

Important for our study is clear realization of the economic functions of mass transportation. The first and obvious one is the conveyance of passengers between their homes and places of employment or business, or between other origins and destinations. This service is recognized as a basic utility, furnished under monopoly conditions, and subject to proper standards of utility regulation, including quality, adequacy, and fares.

APRIL 8, 1959.

Mr. J. R. HAMILTON,
Vice President, Finance,
Flint City Coach Lines, Inc.,
Detroit, Mich.

DEAR MR. HAMILTON: This is in reply to your inquiry by phone last Friday concerning competitive bus operation.

Competition between urban transit companies has been eliminated generally. In those few cities still having multiple transit systems the operations of these companies are usually confined to specific sections of the city and rarely are they in direct competition with each other. Experience has demonstrated, time and again, that competition of this type does not provide efficient and adequate service. Duplication of management, supervisory, clerical, and maintenance services does not provide the basis upon which economical operations can be conducted. The market for transit service within a community does not lend itself to any great expansion, within the limits of a normal compensatory fare, and the effect of competition is to divide the market into smaller segments, less likely to be self-supporting. Furthermore, if your community is following the national trend of urban transit riding, the market for such service is rapidly declining and the ability to maintain adequate service and financial stability under such conditions are increasingly difficult with competitive operations.

Furthermore, it has been the consistent opinion of courts and public service commissions that the operation of two buslines serving the same territory is a duplication of service that is not warranted, and economically wrong in principle. The most recent report involving proposals for competitive transit service in a fairly large city was rendered back in June of 1953 when the city traffic

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engineer for Richmond, Va., submitted a report listing the following arguments against the feasibility of a competitive bus system in that community:

1. Lines, expenses, supervision, and administration would be duplicated.
2. Transfers from one line to another would be complicated.
3. Too much service would go to heavy riding areas and not enough to light riding areas.
4. Protection of the public interest would become more difficult under the requirements of competitive operations.
5. Constant litigation over which company would serve areas of high patronage would occur as experience elsewhere has shown.

The opinions of the New Hampshire Public Service Commission on this subject, which are also pertinent, are as follows:

"In early reports and orders upon petitions seeking authority to operate buslines under P. L. Chap. 258, the Commission adopted the policy that the operation of buslines in competition with other buslines, street railways, or railroads was contrary to the public good and was not to be encouraged. 'The words "public good" covered a wide range. No limitation is placed upon what shall be considered in determining that question. However, the greatest good to the greatest number is the general rule we shall follow. What might prove a great convenience to a few must yield to what would prove to be a serious inconvenience to the many.' 'To permit two or more utilities to operate in the same territory where there is business enough for only one will invariably lead to impairment of service and increases in rates. Competition may result in driving from the field one utility, or it may result in both becoming bankrupt and entirely discontinuing operations, leaving the public without any service at all. In the end the public must pay the penalty.' Re Cannan (1923) 9 N.H.P.S.C.R. 109. The Commission has adhered consistently to this policy. 'Competition in transportation such as is evidenced over some of the territory in this case should not be permitted. This is in line with a policy which has been in effect under this Commission for a considerable period of time.' Re Chase (1931) 14 N.H.P.S.C.R. 72, 74. 'This Commission has repeatedly held that duplication of facilities tends to increase cost of service and ultimately jeopardize all agencies of transportation.' Re Granite stages (1932) 15 N.H.P.S.C.R. 104, 106. This Commission sees no reason for departure from the policy so long and definitely established."

The First District Court of Tarrant County (Texas), Joseph Eldridge, et al., appellants, v. *Fort Worth Transit Company, et al., appellees,* found:

"The court finds that under the evidence in this case the installation and operation of a duplicated service for the first year provided in said ordinance over the selected, best routes in the city would be destructive of the continuation of a citywide service and would impair or destroy the ability of the existing company to furnish service to the B area described in such ordinance, with corresponding injury to the traveling public, and that such facts were apparent to the city council from the evidence adduced before it on August 5, 1937, considered in conjunction with the provisions of Ordinance 2002."

The various treatises on public utility economics published over the years generally have found that public utilities, including urban transit operations, are "natural monopolies" and that competition in this field is generally to the disadvantage of the companies and the public. For your information I am attaching excerpts from the several volumes, available from our files, on this subject.

If we can be of further service please advise us.

Yours very truly,

EUGENE B. MCCAUL,
Director, Statistical Department.

D.C. TRANSIT SYSTEM, INC.,
Washington, D.C., August 2, 1965.

Re S. 1117 and H.R. 4822.

Hon. ALAN BIBLE,
Chairman, Senate Committee on the District of Columbia,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: The Senate District Committee, during the course of its hearings on the rapid transit bill, requested that D.C. Transit System, Inc., supply the committee with the exhibits referred to herein below:

(*a*) Loss to the company as a result of eliminating the streetcar system.
(*b*) Net salvage recovered.

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(c) Record of patronage years, 1954–64.
(d) Exempted taxes.
(e) Data supporting statement that there is not sufficient business to sustain two transportation systems, and one or the other, most likely both would suffer financial hardships.

The requested memorandums, data, and materials are attached hereto.

We want to thank the members of the committee and you for the courtesies extended to the D.C. Transit System and me and if the committee desires any additional information, data, or materials with respect to the legislation under consideration, we would consider it a pleasure to have you call upon us for any assistance that we may be able to render.

Sincerely,

O. ROY CHALK.

Loss to the company as a result of eliminating the streetcar system

	Reproduction cost as of January 1962	Value of remaining life, January 1962
Track	$45,088,400	$11,397,472
Distribution system (including duct and substations)	36,074,850	18,188,939
Streetcars	38,100,000	15,114,270
Total	119,263,250	44,700,681

Net salvage recovered—Property retired due to conversion to bus operation and net salvage realized on disposition of same, as of Dec. 31, 1964

Property retired	Original cost	Net salvage realized
Track	$14,976,010	[1] ($3,265,423)
Streetcars	9,486,780	378,900
Duct system	840,982	3,352
Distribution cables	1,249,180	753,580
Substation equipment	466,525	22,380
Total	[2] 27,019,477	(2,107,211)

[1] Removal cost of track exceeded salvage realized.
[2] Original cost figures set forth dates back as far as year 1895.

Record of patronage, years 1954 through 1964

Year	Operated by—	Revenue passengers	Increase or (decrease) over prior year		
			Number	Percent	National average [1] (percent)
1954	Capital Transit Co	165,742,957	(25,531,277)	(13.35)	
1955	do	128,944,550	(36,798,407)	(22.20)	
1956	D.C. Transit System, Inc	135,001,977	6,057,427	4.70	(4.68)
1957	do	135,342,718	340,741	.25	(4.78)
1958	do	135,220,605	(122,113)	(.09)	(6.72)
1959	do	135,515,862	295,257	.22	(1.46)
1960	do	134,925,430	(590,432)	(.44)	(1.74)
1961	do	133,460,428	(1,465,002)	(1.09)	(3.87)
1962	do	133,491,601	31,173	.02	(1.83)
1963	do	131,685,316	(1,806,285)	(1.35)	(3.03)
1964	do	134,942,613	3,257,297	2.47	(.82)

[1] Source: American Transit Association.

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Summary sheet—Exempted taxes

Estimated savings due to exemption from gross receipts tax	$1,590,108.08
Estimated fuel tax savings due to company's failure to earn entitled return	3,181,299.74
District of Columbia property exempt from real estate taxes, and amount of exemption, following final conversion from streetcar operations to bus operations	476,259.60
Total, tax relieved	[1] 5,247,667.42

[1] In the event these exempt taxes had to be paid, D.C. Transit would correspondingly reduce its payments of State and Federal income taxes by 45 percent or $2,361,400.

NOTE.—D.C. Transit is required by statute to transport District of Columbia schoolchildren for a 10-cent fare. This represents a loss of 11¼ cents per passenger, or $671,502 in the year 1964, as the WMATC has approved a 21¼ cents minimum passenger fare throughout the District of Columbia. The School Bus Subsidy Act, as presently enacted, affords no relief whatsoever. D.C. Transit has never received any school subsidy.

Estimated savings due to exemption from gross receipts tax, Aug. 15, 1956, through Jan. 27, 1962

Year	Gross revenue from rail operations	Estimated gross receipts tax at 3 percent
1956 [1]	$4,650,827.67	$139,524.83
1957	12,374,563.09	371,236.89
1958	11,842,711.48	355,281.34
1959	10,937,841.30	328,135.24
1960	6,668,646.32	200,059.39
1961	6,283,074.62	188,492.24
1962 [2]	245,938.41	7,378.15
Total	53,003,602.89	1,590,108.08

[1] D.C. Transit's operations.
[2] Rail operations terminated on Jan. 27, 1962.

Estimated fuel tax savings due to company's failure to earn entitled return

12 months ended Aug. 31, 1957	$375,630.72
12 months ended Aug. 31, 1958	361,135.14
12 months ended Aug. 31, 1959	Paid tax
12 months ended Aug. 31, 1960	413,664.96
12 months ended Aug. 31, 1961	461,744.00
12 months ended Aug. 31, 1962	508,715.82
12 months ended Aug. 31, 1963	531,327.90
12 months ended Aug. 31, 1964	529,081.20
Total	3,181,299.74

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District of Columbia property exempt from real estate taxes, and amount of exemption, following final conversion from streetcar operations to bus operations (effective 2d half 1962 tax year)

	2d half 1962, Jan. 1 to June 30, 1962	Tax year 1963, July 1, 1962, to June 30, 1963	Tax year 1964, July 1, 1963, to June 30, 1964	Tax year 1965, July 1, 1964, to June 30, 1965
Half and M Sts. SE. garage	$4,709.35	$9,418.70	$9,418.70	$9,418.70
Eastern garage	6,535.04	13,070.08	13,070.08	13,070.08
M St. and Grace St. shops	5,731.36	15,282.12		
36th and M parking lot	140.63	450.00		
36th and M general office	10,006.25	22,022.50		
Chevy Chase terminal	986.43	1,972.86	2,184.26	2,716.46
Rock Creek loop terminal	513.98	1,027.96	1,027.96	942.96
14th and Colorado Ave. terminal	346.89	693.78	1,056.28	1,056.28
Northern garage	9,815.49	19,630.98	21,234.76	21,234.76
11th and Monroe Sts. terminal	209.60	419.20	419.20	419.20
Brookland garage	4,674.10	10,233.34	10,233.34	10,233.34
12th and Quincy Sts. terminal	95.03	190.06	190.06	272.58
Trinidad garage	4,065.09	8,130.18	8,130.18	8,130.18
62d and Dix Sts. terminal	139.98	279.96	279.96	279.96
Western garage	7,713.10	15,426.20	15,426.20	19,548.50
Bladensburg maintenance base	4,760.62	36,968.24	44,553.26	46,053.26
Total	60,442.94	155,216.16	127,224.24	133,376.26
Grand total		476,259.60		

DATA SUPPORTING STATEMENT THAT THERE IS NOT SUFFICIENT BUSINESS TO SUSTAIN 2 TRANSPORTATION SYSTEMS, AND ONE OR THE OTHER MOST LIKELY BOTH, WOULD SUFFER FINANCIAL HARDSHIP

Revenue passengers carried on the combined systems of 4 major cities operating rapid and surface transit

[In thousands]

Cities	Surface		Rapid transit		System total		Percent change
	1960	1964	1960	1964	1960	1964	
Chicago	421,854	381,696	112,926	112,087	534,780	493,783	(7.66)
New York	432,874	473,871	1,348,921	1,383,977	1,781,795	1,857,848	4.27
Philadelphia	253,495	221,803	74,518	67,149	328,013	288,952	(11.91)
Toronto	247,565	237,235	34,663	38,056	282,228	275,291	(2.46)
Total	1,355,788	1,314,605	1,571,028	1,601,269	2,926,816	2,915,874	(.37)

NOTE.—The tabulation is a factual report of passengers carried by the combined systems of surface and rapid transit in Chicago, New York, Philadelphia, and Toronto in the year 1960 and the year 1964. It shows that in spite of the population increase in these cities that total ridership has decreased. New York City, even though showing a slight increase in ridership, experiences annual operating deficits.

The cities of Cleveland and Boston were not included in this tabulation since Cleveland is primarily a surface rapid transit operation while the Boston system operates through 13 cities.

Source: American Transit Association.

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Combined system passenger projection for Washington metropolitan area, years 1970 through 1976

[Estimated passengers in thousands]

Year	Rapid transit NCTA [1]	Surface, D.C. Transit System [2]	Combined systems
1970	8,115	151,322	159,437
1971	33,824	147,037	180,861
1972	67,649	141,400	209,049
1973	87,939	138,019	225,958
1974	101,468	135,764	237,232
1975	114,997	133,509	248,506
1976	121,764	132,381	[3] 254,145

[1] Source: Rail Rapid Transit for Nation's Capital; prepared by NCTA, January 1965.
[2] Source: Study prepared by research and development department, D.C. Transit System, July 1965.
[3] Indicates an increase of 59-plus percent.

NOTE.—This tabulation is a passenger projection for the years 1970 through 1976 for the combined systems in the Washington metropolitan area. It shows an optimistic increase in passenger ridership in excess of 59 percent. This is directly opposed to the current trend in the cities of Chicago, New York City, Philadelphia, and Toronto where the combined systems show a decline in ridership. New York City shows an increase in passenger ridership. In spite of this increase New York City experienced a deficit of $62,000,000 for the year 1964 (source, New York Transit Authority).

MEMORANDUM AND SUMMARY RE AMENDMENTS TO H.R. 4822 PROPOSED DURING DEBATE IN THE HOUSE OF REPRESENTATIVES ON JULY 15, 1965 [1]

FRANCHISE AMENDMENT

During House debate on H.R. 4822, Congressman John Dowdy, of Texas, proposed an amendment to the bill which would have provided the following:

1. That the transit facilities authorized by H.R. 4822 shall be operated only under "lease contract" entered into by and with a private person "pursuant to a franchise to be granted by Congress."

2. That any such lease contract and franchise shall require that the holder thereof, among other things, shall provide the rolling stock needed for the rail system.

3. That any such lease contract and franchise shall include the labor protective provisions of section 10(c) of the Urban Mass Transportation Act of 1960.

4. That if the lease contract or franchise requires any contruction, alteration, or repair of the facilities by the operating contractor, then such work would be subject to the Davis-Bacon Act, as amended.

(The amendment is as follows:)

Amendment offered by Mr. Dowdy of Texas: On page 4, line 20, after the word "facilities", insert: "other than cars, rolling stock and electric, motor and other power vehicles".

On page 4, line 25, after the word "costs", insert: "and excluding the cost of cars, rolling stock and electric, motor and other power vehicles".

On page 6, strike lines 1 through 14 and insert:

"(3) The rail rapid transit lines and related facilities authorized by this Act shall be operated under lease contract entered into by and with a private person, pursuant to a franchise to be granted by Congress. Such lease contract and franchise shall, among other things, require that the holder thereof shall provide the cars, rolling stock and electric, motor and other power vehicles required for the operation of the rail rapid transit lines and related facilities authorized by this Act, and include the provisions in Section 10(c) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1609(c); 78 Stat. 302, 307) to protect the interests of employees affected by any such franchise for the operation of the facilities authorized by this Act.

"The word 'person' as used in this subsection shall include individuals, firms, partnerships, associations and corporations".

[1] Source: National Capital Transportation Agency.

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On page 6, strike all of lines 15 through 24, and to the period in line 25 and insert:

"(4) If the lease contract or franchise to operate the rail rapid transit lines and related facilities authorized by this Act granted in accordance with subsection (b) (3) of section 3 of this Act shall entitle the holder thereof to contract for the construction, alteration and/or repair of such facilities, such franchise shall include such provisions as may be appropriate and necessary to insure that all laborers and mechanics employed in the performance of such construction, alteration and/or repair for which such holder contracts shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor, in accordance with the the Davis-Bacon Act, as amended."

COMMENT

In effect, the Dowdy amendment is the same as the so-called franchise-investment amendment proposed by D.C. Transit in its statement before the Senate committee on July 23, 1965. This company proposal is discussed in National Capital Transit Agency's letter to Senator Bible of August 2, 1965, which points out that the proposed franchise approach to operation of the system would (1) be more costly than that envisaged by S. 1117 and H.R. 4822 as written, (2) that such a franchise is not needed to obtain coordination of bus and rail services, and (3) that the added-profit requirements of a franchise holder would constitute prior charges against the revenues of the transit system, would reduce the revenues available for servicing bonded debt, and would necessarily cause deferment of any possible repayment of the public grants provided by the Federal and District of Columbia Governments.

Mr. Dowdy's amendment was rejected by the House.

ACQUISITION-DAMAGES AMENDMENT

Congressman James Roosevelt, of California, also offered an amendment to H.R. 4822 during the House debate. Mr. Roosevelt's amendment would have required the following:

1. A decision (it was not specified who would make the decision) by June 30, 1967, as to whether coordination of transportation in the National Capital region requires "unification of rail rapid transit with private bus operators."

2. If such decision favored such unification and "involves acquisition of the various transit systems in Maryland, Virginia, and the District then plans should be effectuated and consummated" within 1 year, or by June 30, 1968.

3. On the acquisition of any transit system which is actually earning a profit at the time, the properties of such system would be valued on a "going concern" basis.

(The amendment is as follows:)

Amendment offered by Mr. Roosevelt: On page 8, after line 17, insert the following:

"SEC. 4. (a) In the event a coordinated program should require unification of rail rapid transit with private bus transit operators then an election should be made promptly to such effect and not later than June 30, 1967. Following such election if the same involves acquisition of the various transit systems in Maryland, Virginia and the District then plans should be effectuated and consummated within one year thereafter. In that event in determining the vluae of any transit system, if such system is actually engaged as a going profitable business at the time, its values should be based upon 'going concern' valuation at that time."

COMMENT

National Capital Tranportation Agency has made it clear in its testimony before the Senate committee, that the Agency's studies show no need for the acquisition of any of the local bus companies. Indeed, section 205(a)(2) of the 1960 act and section 3(d) of H.R. 4822, as amended by the House, specifically prohibit such acquisition.

In June 1967 (the date used in the Roosevelt amendment), actual construction of the rail system will have only recently begun. There is no reason to expect that at that time there will be any better basis for determining whether the bus companies should be acquired than exists now.

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As pointed out in National Capital Transportation Agency's statement, coordination of rail and bus service does not require "unification" of all systems under one ownership and management. Coordination can, and will, be achieved through cooperative arrangements with the bus companies, and through the processes of the Washington Metropolitan Area Transit Commission, the agency having regulatory jurisdiction over bus fares and services.

Good business judgment and public necessity will encourage D.C. Transit and the other private operators to cooperate in developing a well-integrated, bus-rail service.

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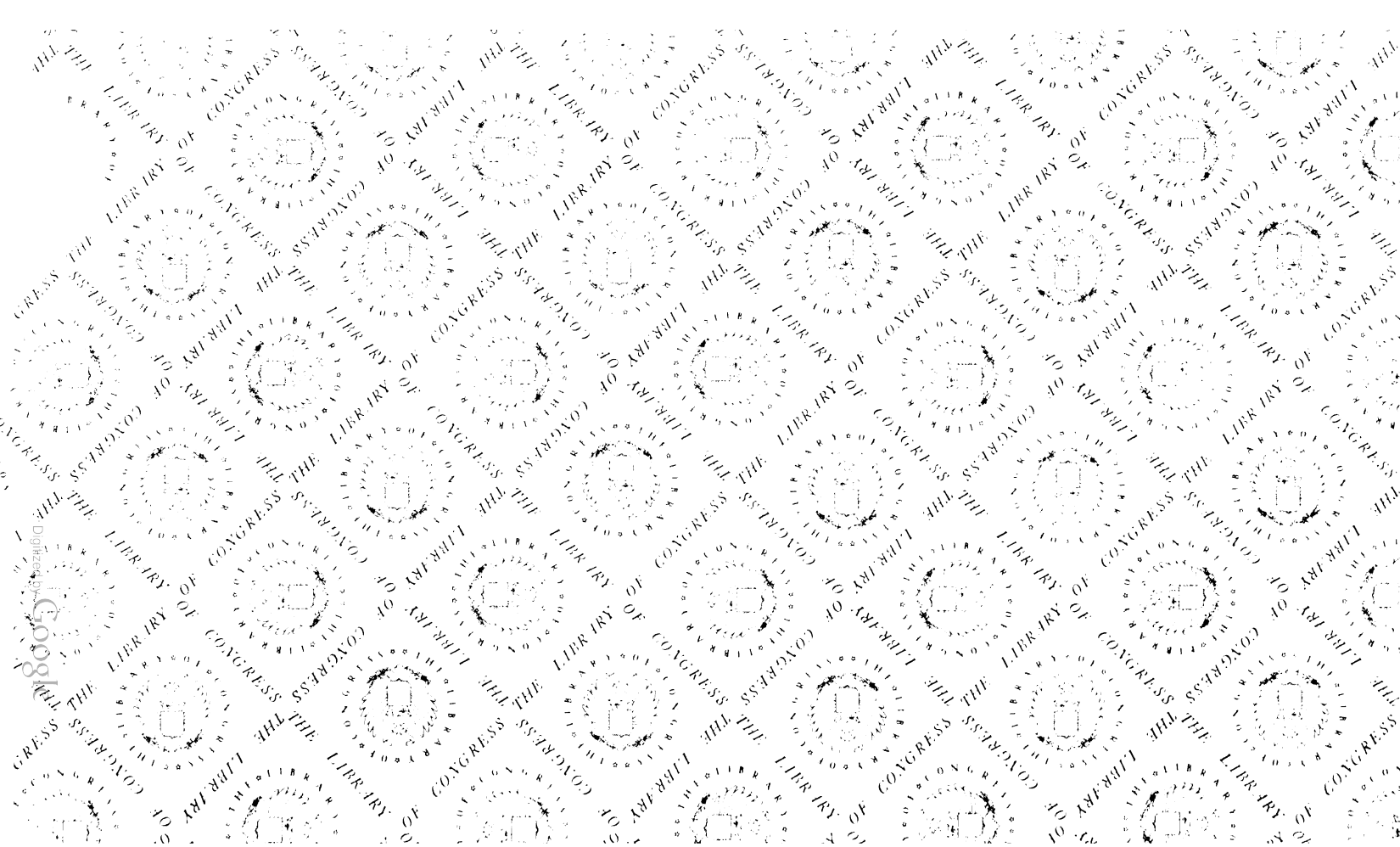
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