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MISCELLANEOUS LEGISLATION

GOVERNMENT

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HEARINGS AND MARKUPS

BEFORE THE

SUBCOMMITTEES ON
FISCAL AFFAIRS AND HEALTH,
JUDICIARY, MANPOWER AND EDUCATION,
AND METROPOLITAN AFFAIRS

AND THE

COMMITTEE ON
THE DISTRICT OF COLUMBIA
HOUSE OF REPRESENTATIVES

NINETY-SIXTH CONGRESS

ON

H.R. 4758—CONVEYANCE OF REVERSIONARY INTEREST
H.R. 5537—EXTEND BORROWING AUTHORITY
H.R. 5811—INTEREST RATE CEILING
H.R. 7782—U.S. SECRET SERVICE SALARY ADJUSTMENTS
H.R. 7658—WMATA STUDY OF METRO EXTENSIONS

OCTOBER 18, 24 AND NOVEMBER 8, 1979,
SEPTEMBER 9, 16, 17 AND 22, 1980

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CONVEYANCE TO THE LITTLE SISTERS OF THE POOR

THURSDAY, OCTOBER 18, 1979

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON JUDICIARY, MANPOWER AND EDUCATION,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The subcommittee met, pursuant to notice, at 9:40 a.m., in room 1310 of the Longworth House Office Building, Hon. Romano L. Mazzoli (chairman of the subcommittee) presiding.

Present: Representatives Mazzoli, Leland, Barnes, and Marks.

Also present: John D. Cooper, subcommittee counsel; Elizabeth D. Lunsford, general counsel; James T. Clark, legislative counsel; Donn Davis, staff assistant; Harry M. Singleton, minority chief counsel; and Alfred S. Frank, minority staff counsel.

STATEMENT OF HON. ROMANO L. MAZZOLI

Mr. MAZZOLI. The subcommittee will come to order.

I have a very short opening statement. I would like to open the hearing on H.R. 4758 by welcoming our witnesses and thanking all of you for taking time out of your day to come to the Hill and testify.

[The bill, H.R. 4758 introduced by Mr. Mazzoli, on July 11, 1979, and related material, follows:]

(1)

96TH CONGRESS
1ST SESSION

H. R. 4758

To authorize the Mayor of the District of Columbia to convey a reversionary interest of the United States in certain land in the District of Columbia to the Little Sisters of the Poor.

IN THE HOUSE OF REPRESENTATIVES

JULY 11, 1979

Mr. MAZZOLI introduced the following bill; which was referred to the Committee on the District of Columbia

A BILL

To authorize the Mayor of the District of Columbia to convey a reversionary interest of the United States in certain land in the District of Columbia to the Little Sisters of the Poor.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the Mayor of the District of Columbia is authorized to
- 4 convey to the Little Sisters of the Poor, a nonprofit corpora-
- 5 tion organized under the laws of the District of Columbia, on
- 6 behalf of the United States, all right, title, and interest of the
- 7 United States in and to the land, together with all buildings
- 8 and improvements thereon, which comprises the alleys abut-

- 1 ting the property described as lot numbered 800, square 751,
- 2 in the District of Columbia, and which was conveyed by the
- 3 Act of December 21, 1893 (28 Stat. 21).

H.R. 4758

STAFF FACT SHEET

Since 1872, the Little Sisters of the Poor have owned the block between 2d and 3d, "H" and "I" Streets NE, and have used the property to provide a home for the needy elderly citizens of the District of Columbia.

In 1882 and again in 1893, Congress enacted laws which opened and closed a public alley on the property. The 53d Congress on December 21, 1893, closed all the alleys on the property and conveyed title to them to the Little Sisters of the Poor, provided that the surrounding land remained used for charitable purposes. If the charitable use ever ceased, title to the alleys would revert to the United States.

In 1976, due to the widening of "H" Street, the Sisters were forced to vacate their property, and have now moved to another location. Because the property sat vacant for a time however, the question of whether or not a reverter occurred has been raised. When the Sisters attempted to sell the land to the Capital Children's Museum, they found that they were unable to obtain title insurance due to the possibility that the reverter had gone into effect.

Today, these alleys are no longer physically present as buildings run across the bounds, and a brick wall surrounds the entire property. Title to the alleys remains in limbo and the property cannot be sold. H.R. 4758 removes this problem by giving up the Federal interest in the reverter, and will allow the Children's Museum to purchase the property.

It should be noted that the Children's Museum is also a nonprofit entity, and funding for the purchase has been provided by a grant from HUD.

PERTINENT STATUTES

FORTY-SEVENTH CONGRESS, SESSION 1, CHAPTER 435, 1882

Chapter 435.—An act to provide for the closing of an alley in square seven hundred and fifty-one in the city of Washington, District of Columbia and for the relief of the Little Sisters of the Poor.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commissioners of the District of Columbia are hereby authorized and instructed, on the petition of all the owners of property abutting on that part of the fifteen feet wide alley in square seven hundred and fifty-one in the city of Washington, running north and south, between North H street and a wider alley in the center of said square, to declare said part of said fifteen feet wide alley closed: *Provided,* That the owners of the land abutting on that portion of said alley to be closed in said square shall, as a condition precedent to such action on the part of the Commissioners, file in the office of the surveyor of the District of Columbia a plat to be approved by the Commissioners, dedicating to the use of the public as a public alley, an area of ground equal to the area of the alley-way declared to be closed, or sufficient for the purpose of connecting said alley in the center of the square with East Second street.

SEC. 2. That the owners of the property abutting on the portion of said alley which may be closed as aforesaid shall be held to have acquired all right and title of the District of Columbia or the city of Washington in and to the portion of the alley which may be closed under the provisions of the first section of this act, and which may be included within the extension of their several bounds to the lines of the new alley.

Approved, August 7, 1882.

FIFTY-THIRD CONGRESS, SESSION 2, CHAPTER 7, 1893

Chapter 7.—An Act to close alleys in square numbered seven hundred and fifty-one, in the city of Washington, District of Columbia.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the alleys in square numbered seven hundred and fifty-one, in the city of Washington, District of Columbia, be closed and the land contained therein revert to the owners of the abutting property: **Provided, That any conveyance of title in this Act contained shall be operative only so long as the land is used for charitable purposes.**

Approved, December 21, 1893.

Mr. MAZZOLI. I do not think it needs to be said particularly the good work the Sisters have done in my hometown and in this town of Washington. They have rendered outstanding service to the people who have particularly needed the help. Here in Washington the Little Sisters have exhibited the same concern as they have in my home State and town of Louisville, Ky.

There are two statutes that we are dealing with today; one was adopted in the 47th Congress and signed into law in August 1882, which closed an alley on the property that the Sisters have at Third and H Streets NE.; and the second statute, adopted by the 53d Congress and signed into law in 1893, closed another alley and several connecting areas. Title was conveyed to the Little Sisters with the proviso that the land remained used for charitable purposes.

The committee report accompanying the 1893 bill noted the need for the Sisters to be able to locate new buildings across the alley. So, that was why the parcel had to be consolidated.

The Sisters continued their occupancy of the Third and H Streets premises until 1976, when street construction forced a move. And they have now purchased a new building on Harewood Road NE., and have undertaken arrangements to sell their property.

The Capital Children's Museum has contracted to purchase the property, but there is apparently a feeling on the part of the lawyers and the title companies that there is a cloud in the title because of possible reversionary interest in the alleys which might be possessed by the U.S. Government. The bill before us today, which perhaps needs to be somewhat amended, would have the purpose of relinquishing any possible Federal interest in these lands to allow the purchase of the sale to take place unencumbered.

I would note that the bill has been approved by the Office of Management and Budget and the Department of Justice. General Services Administration has given conditional approval to the bill.

I understand that our first witness has a time constraint and therefore, I would invite Ms. Hilda Mason, who is the city councilwoman for the District of Columbia. Ms. Mason, please come forward. We welcome you and appreciate your taking time out of your day to be with us. Any statement that you have will be made a part of the record, and you may wish to speak from it or to read it, whichever is your pleasure.

[The prepared statement of Mr. Mazzoli follows:]

OPENING STATEMENT BY ROMANO L. MAZZOLI, CHAIRMAN

H.R. 4758

I would like to open this hearing on H.R. 4758 by welcoming our witnesses and by thanking the witnesses who have taken time out of their busy schedules in order to testify on this bill.

I am sure that each witness shares my concern that the good work of the Little Sisters of the Poor not be hampered by a technicality in our law.

I first became aware of the work of the Little Sisters of the Poor in my home state of Kentucky. For many years they operated a Home for the Aged in Louisville, and were known for their dedication and concern for the needy elderly citizens of the Louisville area.

Here in Washington, the Little Sisters of the Poor have exhibited the same concern for over 100 years. In 1882 and again in 1893, Congress, in recognition of their fine work, and aware of the need for their expansion, enacted the statutes which we will examine today.

The first statute, adopted by the 47th Congress and signed into law on August 7, 1882, closed an alley on the property of the Little Sisters at 3d and H Streets in Northeast Washington. The statute was adopted with the express provision that the Sisters create a new alley to provide access over the property.

The second statute, adopted by the 53d Congress and signed into law on December 21, 1893, closed the new alley and several connecting ones. Title was conveyed to the Little Sisters, provided that the land remained used for charitable purposes.

The committee report which accompanied the 1893 bill noted the need for Sisters to be able to locate new buildings across the alleys so that they could continue their care of the elderly.

The Sisters continued their occupation of the 3d and H Street premises until 1976 when street construction forced them to move. They purchased a new building on Harewood Road in Northeast Washington, and undertook arrangements to sell their old property.

A distinguished District of Columbia charitable institution, the Capital Children's Museum has contracted to purchase the property, but the Sisters are unable to convey good title to the entire parcel of land because of the reversionary interest in the alleys possessed by the Federal Government. H.R. 4758, the measure before us today, will relinquish all Federal interest in this land to allow the purchase to take place.

One final note. Not only will this bill aid the Little Sisters in carrying on their worthy labors at their new location, but it will provide a home for the Children's Museum which will give children an innovative and exciting learning experience.

I would note that the bill has been approved by the Office of Management and Budget, and the Department of Justice. The General Services Administration gave conditional approval to the bill.

STATEMENT OF HILDA HOWLAND M. MASON, MEMBER, COUNCIL OF THE DISTRICT OF COLUMBIA

Ms. MASON. Thank you very much, and I appreciate the opportunity to appear before you today. I did have to leave a Washington Metropolitan Area Transit Authority Board meeting, and I have to dash back to that. And I have been asked to testify as to the need for the museum in the District of Columbia.

CAPITAL CHILDREN'S MUSEUM

I first heard about the beginnings of a children's museum when the District of Columbia Board of Education was approached to provide rent-free space in which the museum could begin programs. At that time, I was a member of the Board of Education of the District of Columbia. Members of the Board were briefed fully on the museum's goals and were assured that the museum would be an asset that could greatly enhance opportunities for children at many levels in the schools. The school administration had been involved for some months at numerous levels in planning for the museum. Thus, it was with full backing that the Board voted unanimously to approve the museum's request for space. Space was provided at the Lovejoy Elementary School at 12th and D Streets NE., and the museum opened there in October 1977.

The museum far surpassed anyone's expectations. It offered not only good experiences but a standard of excellence and quality equal to that of the best museums in this city or anyplace else.

I have visited the excellent children's museum in Boston, where my niece worked for two summers. In a limited space and on a frugal budget, the Capital Children's Museum demonstrated that there is in fact a great void in that in Washington, D.C., a city with some of the world's best museums, there was no museum that had children as its exclusive focus. Moreover, it demonstrated that its programs could make a real impact on classroom teaching. Scores of letters from children and teachers have testified to the carryover into the classroom.

The museum stimulates children to talk more, to use precise names for things, to take a greater interest in language, and to write more. It reinforces them in basic science and math skills and concepts; it brings geography and foreign cultures to life so that social studies may come alive; and it gives a full range of art experiences to thousands of children who have come from schools where visual art, music, and drama have been curtailed because of severe budgetary limitations.

When I think of all that this museum does, I think of children from poor sections of this city who learned to use paint and brushes at afterschool classes at the museum. I think of students in alternative high school programs, potential dropouts, whose positions as interns at the museum have helped keep them in school. I think of gifted students who have been stimulated to write books—one which I hope you will receive a copy of—to stage science demonstrations, and to develop their great potential in conjunction with opportunities provided at the children's museum.

Since I have been a member of the Council of the District of Columbia, I have observed the museum from a broader perspective than I did as a member of the Board of Education. The museum reaches an audience far broader than school children, although its programs for school children continue to be, and always will be, a key element in its activities. The museum has integrated youth dropouts, offenders, and potential offenders into its volunteer programs, giving these people a chance to be reintegrated into our society. The museum has been the site of training programs for participants in the CETA programs and has one of the highest rates of job placement. The museum ran one of the most successful summer youth programs. It provided 30 students a day, all summer, with training, supervision, and opportunities for on-the-job experience that exceeded the established goals for youth participation and development.

A museum, by its nature, has the capacity to attract the attention and command resources that cannot be matched by any other institution in a community. Capital Children's Museum, new as it is, has demonstrated the capacity to attract such attention and resources. Apart from the Anacostia Museum, which is not targeted particularly for children, this is the only museum, in our community filled with some of the world's greatest museums, that has the flexibility to be responsive to local needs and concerns and which has shown a willingness to commit itself to the community. The museum has not only been a positive magnet for our youth, it has ferreted out support from sources that would never have been tapped had the museum not come into existence.

I know that I echo the sentiments of many on the council and on the Board of Education, as well as in other official positions, and that I speak for many private citizens when I extol the positive benefit that has derived and will continue to derive from the existence of the Capital Children's Museum. We are proud and fortunate to have this resource.

H.R. 4758

This hearing is being held to consider H.R. 4758, "A bill to authorize the Mayor of the District of Columbia to convey a reversionary interest of the United States in certain land in the District of Columbia to the Little Sisters of the Poor." The property in question, located in square 751, at Second and H Streets NE., is the same property now occupied by the Capital Children's Museum.

On July 25, 1978, the Council of the District of Columbia adopted Resolutions 2-412 and 2-424 to authorize and support an application on the part of the Mayor of the District of Columbia and the Capital Children's Museum to the U.S. Department of Housing and Urban Development for an innovative projects grant intended for the acquisition of this property. Section 3(a) of Resolution 2-424 provides:

The Council of the District of Columbia supports and endorses the proposed "National Children's Museum Demonstration Project" as generally outlined in the innovative project grant application document transmitted to the Council by the Mayor of the District of Columbia on July 7, 1978: Provided that any real property acquired under the grant revert to the District of Columbia Government's ownership in the event of disestablishment of the National Children's Museum, in accordance with guidelines set by the Department of Housing and Community Development.

At the time when Resolutions 2-412 and 2-424 were considered by the Council, no mention was made of any problem relating to the title or possibility of a prior reversionary interest involving the Little Sisters of the Poor property, since closings of streets and alleys are normally handled by the Council of the District of Columbia in accordance with title 7, section 401 et seq. of the District of Columbia Code, I believe that, had the problem then been brought to the Council's attention, the remote possibility that the alley in square 751 might have reverted by reason of the proviso in the act of December 21, 1893, 28 Stat. 21, could have been taken care of by Council legislation pursuant to title 7, section 401 et seq. I serve on the committee which deals with the closing of alleys on the Council.

In conclusion, I wish to express my wholehearted support of the Capital Children's Museum, and I would urge that whatever is necessary be done to facilitate conveyance to the museum of the property in question. However, in doing so I must express some doubts as to whether congressional legislation is a requisite to the solution of whatever problem may exist by reason of the reversion proviso in the 1893 act. In general, I believe that application of the principle of home rule suggests that any legislation which the Council of the District of Columbia has power to act upon should be dealt with by the Council rather than by the Congress.

However, since the Little Sisters of the Poor unfortunately did not inform the Council regarding this problem in a timely manner in 1978 when the Capital Children's Museum's desire to acquire the

property was before the Council, and since the matter of a possible reversion of the alley never came to the Council's attention until about 1 week ago, when I was asked to testify at this hearing, it may well be that the most expeditious way to solve the problem would be to proceed with the enactment of H.R. 4758.

I may add for the record that I am the only representative on the Council of the District of Columbia Statehood Party and that I am fully in support of full self-government for the District of Columbia. Thank you.

Mr. MAZZOLI. Thank you, Councilwoman Mason. Let me commend you on an excellent statement that not only dealt with the advantages to the District of having the Children's Museum there but dealt clearly with your position, which is shared by many, as to the ideal way this should be handled; but also I think your statement dealt with the practicalities of the moment which would find us in the need to move ahead. And I thank you for your acquiescence.

[The prepared statement of Ms. Mason follows:]

PREPARED STATEMENT OF HILDA HOWLAND M. MASON

Mr. Chairman, I first heard about the beginnings of a children's museum when the District of Columbia Board of Education was approached to provide rent-free space in which the Museum could begin programs. Members of the Board were briefed fully on the Museum's goals and were assured that the Museum would be an asset that could greatly enhance opportunities for children at many levels in the schools. The school administration had been involved for some months at numerous levels in planning for the Museum. Thus, it was with full backing that the Board voted unanimously to approve the Museum's request for space. Space was provided at the Lovejoy Elementary School at 12th and D Streets, Northeast, and the Museum opened there in October, 1977.

CAPITAL CHILDREN'S MUSEUM

The Museum far surpassed everyone's expectations; it offered not only good experiences but a standard of excellence and quality equal to that of the best museums in this city or anywhere else. I have visited the excellent Children's Museum in Boston where my niece worked for two summers. In a limited space and on a frugal budget, the Capital Children's Museum demonstrated that there was in fact a great void in that in Washington, D.C., (a city with some of the world's best museums) there was no museum that had children as its exclusive focus. Moreover, it demonstrated that its programs could make a real impact on classroom teaching. Scores of letters from children and teachers have testified to the carry-over into the classroom.

The Museum stimulates children to talk more, to use precise names for things, to take a greater interest in language, and to write more. It teaches them basic science and mathematics concepts; it brings geography and foreign cultures to life so that social studies may come alive; and it gives a full range of art experiences to thousands of children who come from schools where visual art, music, and drama have been curtailed because of severe budgetary limitations.

When I think of all that this Museum does, I think of children from poor sections of this city who learned to use paint and brushes at after-school classes at the Museum. I think of students in alternative high school programs, potential drop-outs, whose positions as interns at the Museum have helped to keep them in school. I think of gifted students who have been stimulated to write books, stage science demonstrations, and develop their great potential in conjunction with opportunities provided at the children's museum.

BENEFITS OF THE MUSEUM

Since I have been a member of the Council of the District of Columbia, I have observed the Museum from a broader perspective than I did as a member of the Board of Education. The Museum reaches an audience far broader than school

children, although its programs for school children continue to be, and always will be, a key element in its activities. The Museum has integrated youth drop-outs, offenders, and potential offenders into its volunteer program, giving these people a chance to be reintegrated into our society. The Museum has been the site of training programs for participants in C.E.T.A. programs and has one of the highest rates of job placement. The Museum ran one of the most successful summer youth programs; it provided thirty students a day all summer with training, supervisions, and opportunities for on-the-job experience that exceeded the established goals for youth participation and development.

A museum, by its nature, has the capacity to attract attention and command resources that cannot be matched by any other institution in a community. Capital Children's Museum, new as it is, has demonstrated the capacity to attract targeted particularly for children, this is the only museum, in a community filled with some of the world's greatest museums that has the flexibility to be responsive to local needs and concerns and which has shown a willingness and commitment to do so. The Museum has not only been a positive magnet for our youth, it has forfeited out support from sources that would never have been tapped had the Museum not come into existence.

I know that I echo the sentiments of many on the Council and on the Board of Education, as well as in other official positions, and that I speak for many private citizens when I extol the positive benefit that has derived and will continue to derive from the existence of the Capital Children's Museum. We are proud and fortunate to have this resource.

H.R. 4758

This hearing is being held to consider H.R. 4758, "A Bill to authorize the Mayor of the District of Columbia to convey a reversionary interest of the United States in certain land in the District of Columbia to the Little Sisters of the Poor." The property in question, located in square 751, at Second and H Streets, N.E., is the same property now occupied by the Capital Children's Museum. On July 25, 1978, the Council of the District of Columbia adopted Resolutions 2-412 and 2-424 to authorize and support an application on the part of the Mayor of the District of Columbia and the Capital Children's Museum to the United States Department of Housing and Urban Development for an Innovative Projects Grant intended for the acquisition of this property. Section 3(a) of Resolution 2-424 provides:

The Council of the District of Columbia supports and endorses the proposed "National Children's Museum Demonstration Project" as generally outlined in the innovative project grant application document transmitted to the Council by the Mayor of the District of Columbia on July 7, 1978: Provided, that any real property acquired under the grant revert to the District of Columbia government's ownership in the event of disestablishment of the National Children's Museum, in accordance with guidelines set by the Department of Housing and Community Development.

At the time when Resolutions 2-412 and 2-424 were considered by the Council, no mention was made of any problem relating to the title or the possibility of a prior reversionary interest involving the Little Sisters of the Poor property. Since closings of streets and alleys are normally handled by the Council of the District of Columbia in accordance with Section 7-401 et seq. of the District of Columbia Code, I believe that, had the problem then been brought to the Council's attention, the remote possibility that the alley in square 751 might have reverted by reason of the proviso in the Act of December 21, 1893, 28 Stat 21, could have been taken care of by Council legislation pursuant to Section 7-401 et seq.

In conclusion, I wish to express my wholehearted support of the Capital Children's Museum and I would urge that whatever is necessary be done to facilitate conveyance to the Museum of the property in question. However, in doing so I must express some doubts as to whether Congressional legislation is a requisite to the solution of whatever problem may exist by reason of the reversion proviso in the 1893 act. In general I believe that application of the principle of home rule suggests that any legislation which the Council of the District of Columbia has power to act upon should be dealt with by the Council rather than by the Congress. However, since the Little Sisters of the Poor unfortunately did not inform the Council regarding this problem in a timely manner in 1978 when the Capital Children's Museum's desire to acquire the property was before

the Council, and since the matter of a possible reversion of the alley never came to the Council's attention until about a week ago when I was asked to testify at this hearing, it may well be that the most expeditious way to solve the problem would be to proceed with the enactment of H.R. 4758.

COSTS

Mr. MAZZOLI. I would have just one question, and that is, as far as you would tell, is there any money involved in the adoption of this legislation, money commitments on the part of the District of Columbia, or money costs?

Ms. MASON. As far as I know, there would be none.

Mr. MAZZOLI. Thank you.

Ms. MASON. May I just add, Mr. Chairman, that my husband, Charles Mason, who is here, I hope will remain so that he can bring to me whatever happens here. He works as my gratuitous servant fulltime and my lawyer and technical adviser, so if you have any questions that you need answers to, I think he can answer them for you.

Mr. MAZZOLI. Certainly. Mr. Mason has been in this room many times. I have been on the committee now for 6 years, and he has helped the committee on several matters over the years. We thank you for his presence, and he is certainly welcome to remain.

Does the gentleman from Pennsylvania have any questions?

Mr. MARKS. I have no questions, Mr. Chairman, but I would like to say that I wish I had a gratuitous servant.

Mr. MAZZOLI. I think we all need a few like that. The gentleman from Maryland.

Mr. BARNES. I have no questions.

Mr. MAZZOLI. Thank you; and thank you very much, Ms. Mason. Good luck to you in the meeting today.

Ms. MASON. Thank you very much.

Mr. MAZZOLI. The panel would like now to call Mother Genevieve Lanahan, who is the head of the Little Sisters of the Poor. And if I might, in introducing Sister, who really needs no introduction, tell my colleagues on the committee that it was my pleasure to work with Sister when she was in Louisville and was active—

Sister GENEVIEVE. Hold there a minute. There is another Mother Genevieve; we are two.

Mr. MAZZOLI. Is that right?

Sister GENEVIEVE. We are in the same group and we entered religious life together. Somehow or other, we have separate pathways until we met in Baltimore.

Mr. MAZZOLI. That is interesting. You even look like Mother Genevieve.

Sister GENEVIEVE. She comes from the Bronx; I come from Brooklyn. She had spoken of you, and I think that she's only sorry that she could not make it today.

Mr. MAZZOLI. Well, please convey my good wishes to her. And I could say to you, as I would have said to her if she were here, that the work that she did and the work the Little Sisters have done has just been remarkable over the years, and we thank you for the effort that you have shown on behalf of the people who really do not have someone watching out for them.

We welcome your statement, Sister. It can be made a part of the records. And you can speak in any fashion you wish.

**STATEMENT OF SISTER GENEVIEVE LANAHAN, VICE PRESIDENT,
LITTLE SISTERS OF THE POOR**

Sister GENEVIEVE. I think you have well explained our particular work and our apostolate with the elderly aged, regardless of race, creed, or national origin.

I would like to say that we are in dire need of the moneys from the sale of the property on H Street, so that we can continue with our plans and construction of our new facility. We hope today that you will be able to really advance this cause.

The congregation of the Little Sisters of the Poor is an international congregation of women religiously dedicated to the apostolate of caring for the aged poor throughout the world. It was in the year 1839 that the congregation was founded in France, by a French woman, Jeanne Jugan, when she first brought into her own home a poor, blind, old woman, who had no one to care for her. From these humble beginnings grew the congregation of the Little Sisters of the Poor which, today, total more than 4,000 Little Sisters caring for approximately 45,000 elderly men and women on the six continents.

The good will of the people of Washington brought the Little Sisters to the Capital City on February 2, 1871, to found St. Joseph's Home for the Aged. The work began in a rented house at 924 G Street NW. Two days after their coming, they received their first resident, a blind lady. As more elderly arrived, the Little Sisters saw the need to acquire a suitable piece of property upon which they could build a home. The location was found—Third and H Streets; the deeds were drawn up and purchase made on March 1, 1872. On May 6, 1872 the cornerstone was laid, and on March 9, 1873, the first section of the new home was completed and blessed.

For over 100 years the Little Sisters of the Poor provided a home for needy elderly of the District of Columbia, regardless of race, creed, or national origin. Due to a multiplicity of factors, it was deemed a necessity to temporarily close St. Joseph's Home, which was done in June 1977. In particular was the fact that a highway was built so close to the front door of our home that the resulting noise, vibration, and pollution has made the home unfit for its intended use. In order to once again care for the elderly of the District of Columbia in the metropolitan area, we are in dire need to receive the funds from the sale of 220 H Street, so as to proceed with the construction of a new facility for the aged poor.

For this reason, we come today, to request that Congress pass the proposed bill to quitclaim certain alleyways to the Little Sisters so that the property can be sold and thus enable us to continue our work among the aged poor of our Nation's Capital.

Mr. MAZZOLI. There is no problem as far as the sale price, the arrangements between you and the District of Columbia and the Children's Museum?

Sister GENEVIEVE. Nothing.

Mr. MAZZOLI. The only fact is that the lawyers and the title companies have indicated there might be a possible cloud in the title that you would convey to the District of Columbia.

Sister GENEVIEVE. Yes.

Mr. MAZZOLI. Our effort today is to try to abolish and eliminate that cloud. Is that your understanding?

Sister GENEVIEVE. That is the only concern that we have.

Mr. MAZZOLI. And, of course, the reason that you and the Sisters had to leave that property was because of the construction and the fact that the noise was just impossible for the older people, who are your people.

Sister GENEVIEVE. Yes.

Mr. MAZZOLI. Fine. Well, I certainly have no questions. The Gentleman from Pennsylvania?

Mr. MARKS. No; I have no questions, Mr. Chairman. We welcome the Sisters.

Mr. MAZZOLI. Thank you very much, sir. The gentleman from Maryland.

Mr. BARNES. I have no questions, Mr. Chairman. I join in commending the witness.

Mr. MAZZOLI. Thank you. Well, they certainly have done excellent work.

One final aside. If you would mention to Mother Genevieve that John Crimmins, our mutual good friend, expresses good wishes and asked me to say hello.

Sister GENEVIEVE. I surely will. Thank you very kindly.

Mr. MAZZOLI. I would like to call, at this point, Mr. Robert Comstock, Esq., of the law firm Interdonato, Lombard, Reilly & Comstock, who is the attorney who has been handling this.

Mr. Comstock, welcome, and your statement will be made a part of the record, without objection. You can speak in whatever fashion you wish to the point before us.

**STATEMENT OF ROBERT F. COMSTOCK, ESQ., INTERDONATO,
LOMBARD, REILLY & COMSTOCK**

Mr. COMSTOCK. Thank you, Mr. Chairman. I am not against the Little Sisters of the Poor, but I am an attorney who has practiced law in the District for 15 years. One of my specialties is the area of real estate, and I guess I am the bad guy who has put a finger on the problem in this matter.

In my prepared statement, I have attempted to explain, as briefly and succinctly as possible, the title problem that is contained in what is now known as lot 800 in square 751. In examining the land records, we came upon the recorded plat, recorded in 1882, which showed the transfer of the alleys. The closing of the alley from H Street to the center of the property provided that an alley from Second Street to the center of the property was opened. This was done.

The next plat recorded shows no alleys open in the property, when you examine the land records in the District of Columbia. On reviewing the U.S. statutes to see why there are no alleys, we came across the 1893 statute, which closed all the alleys but had the reversion language in it.

Now the problem is that that reversion language does not say that the alleys will be reopened. It just says that any land conveyed will revert to the U.S. Government, and that is why I am of the opinion that it is a U.S. Government problem because it is not an alley closing; it is a title problem.

The reverter acted automatically. It happens with the occurrence or nonoccurrence of an event. It may not have been intended that way, but at the time the Little Sisters were forced to vacate the property, the property was no longer used for charitable purposes. The language of the reversion clause that is in that 1893 statute would automatically cause that reversion to occur, and that is what happened in this instance.

PLAT OF PROPERTY

At this point, I would like to call the committee's attention to what I had attached as exhibit A on my prepared statement to further explain the alleys that are in question. You will note that I used a red color scheme—with hash marks—to show the effect of the 1882 act. And one of the alleys which was opened in 1882 is the alley colored blue. You will note in the center of the property, there is a 30-foot-wide strip. That is also an alley that was still remaining open in 1882. Also the alley from that center strip to I Street remained open in 1882. These are the three alleys that were closed in 1893. As I indicated, that reversion clause did not say these alleys would be reopened. It just said any title passed would revert back to the United States.

This land came directly back to the United States, and it is my professional judgment that the United States is the proper entity to grant this property back to the Little Sisters to clear up the title problem. I say this because title to the land in question was in the United States in 1893 prior to the enactment of that statute. The land in question reverted back to the United States as per that language, and it did so in 1976. The title to this land was in the Little Sisters of the Poor until that time and in nobody else. But the reverter clause made no mention of alleys being opened, only of land, and that the property in question is in the original city and the title to the alleys was always, and still is, in the U.S. Government.

The land records finally only show the involvement of the U.S. Government and only show title coming back to the U.S. Government and it is therefore my position that, to perfect title to the property in question, the United States needs to grant its interest, whatever it may be, to the Little Sisters of the Poor.

[The prepared statement of Mr. Comstock follows:]

TESTIMONY OF ROBERT F. COMSTOCK, ESQ.

Mr. Chairman. My name is Robert F. Comstock. I am a partner in the law firm of Interdonato, Lombard, Reilly & Comstock and have been in the practice of law for 15 years. During this time I have concentrated in various areas of the law, one of which has been real estate. I am an approved title attorney for several real estate title insurance companies who insure the title to real properties based upon opinions given by me. In this capacity, I have reviewed the land records of the property which is the subject matter of this bill before your committee and my findings are as follows:

The Little Sisters of the Poor are in title to lots 1 through 12 inclusive in square 751 and the alley closed as shown on plat recorded in the Office of the Surveyor for the District of Columbia in Liber City 11, at folio 158. Said title is subject to the effect and operation of (a) chapter 435 session 1 of the 47th Congress, 22 statute at large and (b) chapter 7 session 2 of the 53d Congress, 28 statute, at page 21.

This property is now known for purposes of assessment and taxation as Lot numbered 800 in square 751.

The above represents the legal description for the city block bordered by H & I on the south and north and 2d and 3d on the west and east. I have attached a plat as exhibit A which shows the property and which also indicates the area originally designated as alleys that poses the problem before us today. You will note that the plat shows an alley running north and south from H to I and then an alley running from west to east to the center of the property. Two separate acts of Congress involving these alleys created the problem that should be remedied by the proposed legislation before your committee.

PREVIOUS PERTINENT ACTS OF CONGRESS

In the first session of the 47th Congress on August 7, 1882, the alley from H Street north to the center of the property was closed provided, however, that the owners of the abutting land dedicate the necessary land to the use of an alleyway from East Second Street to the center of the property. (The alley closed is shown in red with hash marks and the alley opened is shown in blue with dots on exhibit A. Improvements are shown on Exhibit B.)

In the 2d session of the 53d Congress on December 21, 1893, legislation was enacted as follows:

Chapter 7.—An Act to close alleys in square numbered seven hundred fifty-one, in the city of Washington, District of Columbia.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that the alleys in square numbered seven hundred and fifty-one, in the city of Washington, District of Columbia, be closed and the land contained therein revert to the owners of the abutting property: *Provided, that any conveyance of title in this Act contained shall be operative only so long as the land is used for charitable purposes. (Italics added.)*

Approved, December 21, 1893.

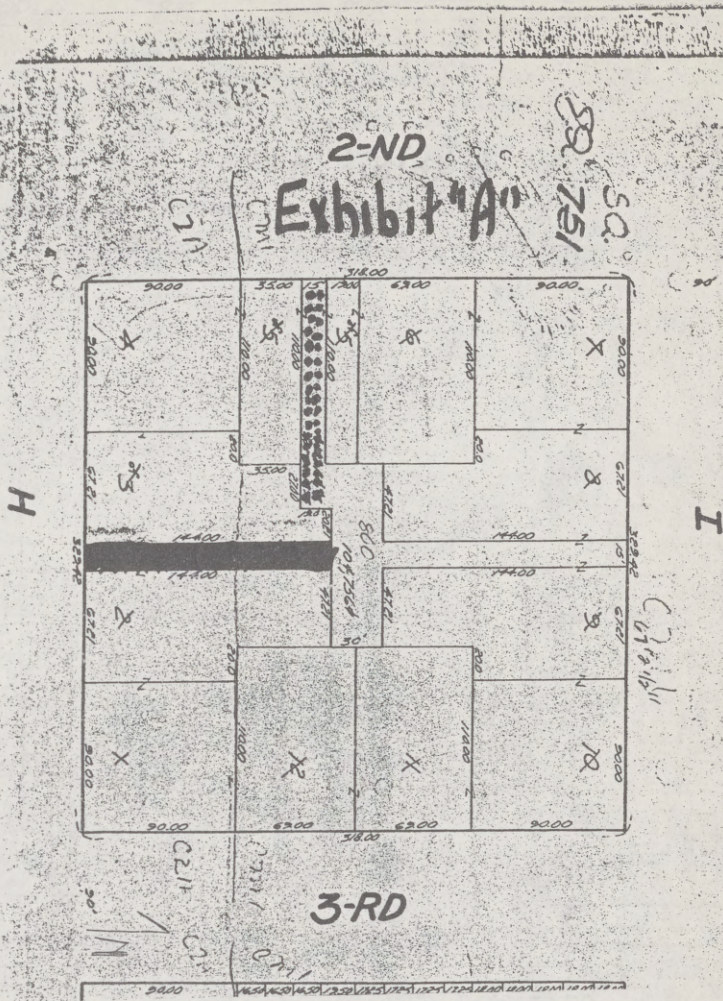
Subsequent to these two acts the Little Sisters developed and used the property as is shown on a plat of survey attached hereto as exhibit B. You will note that block was completely closed in by a brick wall and occupied by the Little Sisters. In 1916, the Little Sisters were forced to discontinue the use of the property as a home for the aged as a result of the widening of H Street which, in effect, put the roadway at its front door and rendered the property unusable for the Little Sister's purposes.

At this point, the underlined portion of the 1893 act came into play and created the problem that presently exists. This language caused a reverter back to the United States of America at such time as the property was not used for charitable purposes. This occurred at the time the Little Sisters were forced to vacate the property as a result of the widening of H Street in 1976. The reversion was automatic and occurred at the instant the Little Sisters vacated. I am not certain that this was the intended result of the 1893 act, but we, unfortunately, are faced with the consequences. Therefore, it is necessary that this legislation be passed to grant the alleys in question back to the Little Sisters, in order for them to effect a whole and complete transfer of the property to the Capital Children's Museum. In my opinion, the proper method to accomplish the desired result would be to quit-claim all right, title and interest of the United States in and to the alleys to the Little Sisters of the Poor. The Little Sisters have purchased another site in the District of Columbia to carry on their work and are in need of the funds from the sale of this property to the Capital Children's Museum to fund the building improvements necessary. Passage of a bill quit-claiming the interest of the United States in the alleys in lot 800, square 751, would enable us to proceed to effect the necessary transfer.

Respectfully submitted,

ROBERT F. COMSTOCK.

Dated October 18, 1979.



1558-9AM

1558-9AM

1558-9AM

PLAT OF SURVEY
OF SQUARE 751 TO LOCATE IMPROVEMENTS
ALSO SHOW AREAS

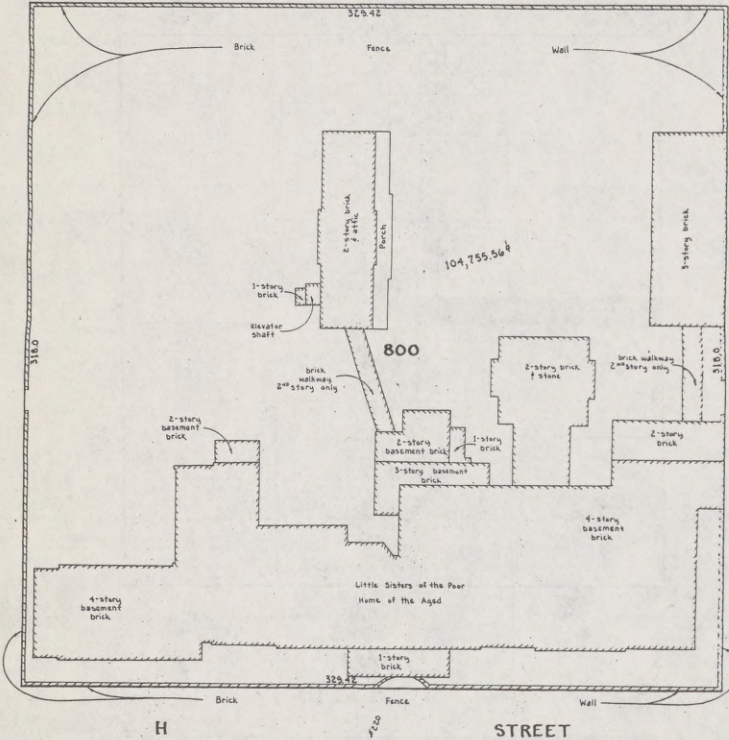
Exhibit "B"

I

STREET, N.E.

STREET

2-nd



STREET, N.E.

3-nd

H

STREET

SURVEYOR'S OFFICE, D.C.

Made for D.C. Redevelopment Land Agency
Drawn by: E.W.M.* (S.O. 25420)

Improvements located by: R.F. Goss

Recorded in Survey Book 151 page 235

Scale: 1 inch = 30 feet MAP No. 5627

Surveyor's Office, D.C.

Washington, July 7, 1971

I certify that the plat shown herein is correct.

F.B. Uhl
Surveyor, D.C.

Mr. MAZZOLI. If I understand you, by our granting title to the Little Sisters, they, in turn, can convey the property to the District of Columbia; and then, there is a totally cloud-free title.

Mr. COMSTOCK. Yes.

Mr. MAZZOLI. I have just one question. I have never really practiced a lot of real estate law. But what would have happened if, in 1976, immediately the Sisters would have conveyed the property to the Children's Museum? There would have been no hiatus there between these two actions. Would the charitable purpose have continued so the reverter would not have occurred?

Mr. COMSTOCK. Yes, Mr. Chairman.

Mr. MAZZOLI. In your judgment professionally, that would have happened?

Mr. COMSTOCK. Yes, it would, Mr. Chairman.

Mr. MAZZOLI. Just again, to kind of clear it up, if the transaction had been delayed by 6 months but negotiations were on target, and if they were involved and started at the time the Sisters vacated the property physically but the arrangements went on which culminated, say, 6 months later and transferred, would you have thought at that point there would have been any hiatus?

Mr. COMSTOCK. My professional judgment would have been that the reversion would have come into play because the language says "use". And at that point, there would have been a break.

Mr. MAZZOLI. A break in the physical use of the property.

Mr. COMSTOCK. Right. And I might say that the reason for the concern on the part of a title company, a title insurance company, is that they are going to insure this title to the extent of the purchase price paid by the District of Columbia, and obviously, they want to make sure that there are no clouds or defects at that time.

Mr. MAZZOLI. Absolutely. I really have no other questions, except to just ask as a matter of curiosity, will there be many more of these activities, in your professional judgment, that might come to the Congress in the future where there are breaks in chains of charitable use or something, or is this a fairly unusual case in your judgment?

Mr. COMSTOCK. This is the only one I have come across where there was a charitable use involvement, but there are a lot of problems in connection with the alleys and streets that have been previously closed in the District of Columbia because of a concept that we had that there was an original city, which was all of the squares from 1 to 1,000 in the District. And those were to be maintained by the U.S. Government, in spite of the embryo act which transferred authority to the commissioners back in the early 1900's; so that from a title point of view, there are problems.

Mr. MAZZOLI. I see. Well, thank you very much. The gentleman from Pennsylvania?

Mr. MARKS. No questions.

Mr. MAZZOLI. The gentleman from Maryland?

Mr. BARNES. No questions.

Mr. MAZZOLI. Thank you very much, Mr. Comstock; we appreciate it. And thank you for coming today.

Mr. COMSTOCK. Thank you, Mr. Chairman.

Mr. MAZZOLI. Our last witness will be Ms. Ann Lewin, who is the director of the Capital Children's Museum. Ms. Lewin, I appreciate

your coming and your statement is, without objection, made a part of the record. Ms. Mason did speak very nicely and glowingly of your activity, which we appreciate. Maybe you could amplify on that briefly.

STATEMENT OF MS. ANN LEWIN, DIRECTOR, CAPITAL CHILDREN'S MUSEUM

Ms. LEWIN. I, first, want to thank you, Mr. Chairman, and the members of your committee and your staff for the extensive and thorough work you are giving to this.

Ms. Mason did speak very eloquently about the museum and its track record, the tremendous amount of attention that it has received in the press.

The thousands of visitors all testified to what this museum is bringing not only to the District of Columbia but to this country as a whole. We have attracted people from over the Nation and from all over the world, who are looking at this museum as a model of really the best hands on participatory activity for children.

The grant from HUD was a very unusual grant. It brought completely money into the District and it was unprecedented in many ways, and also a tribute to the work that the museum is doing. It affirmed the commitment of the board of trustees of the museum to stay in Northeast Washington, which we had identified as an area of the greatest need that we very much wanted to continue to serve. And the only thing holding up the smooth sailing forward of the museum's acquiring this property is the matter that would be taken care of by the bill that you are dealing with today.

My testimony is fairly complete. If you have any other questions, I would be very glad to answer them.

[The complete statement of Ms. Lewin follows:]

TESTIMONY OF ANN W. LEWIN, EXECUTIVE DIRECTOR, CAPITAL CHILDREN'S MUSEUM

BACKGROUND

The Capital Children's Museum (CCM) is an educational complex that uses dramatic "hands-on" exhibits as the focus for a wide range of educational programs. On the theory that learning is a result of direct activity, the Museum creates participatory exhibits and programs integrating arts, sciences, technology, and humanities as a supplement to school curricula and trains parents, teachers, and others who work with children and youth in participatory learning methods.

The Museum was founded in 1974 by volunteers who believed that the nation's capital should have at least one museum with children as the exclusive focus. CCM operated as a "museum without walls," with programs in parks and malls, while funds were being raised for a building to house its programs.

In 1976, the D.C. Board of Education voted unanimously to donate four rooms, with maintenance and utilities included, for a CCM pilot program. This was the first time an outside group had ever been permitted to use school space at no charge. The Museum opened in October, 1977 in Lovejoy Elementary School at 12th and D Streets, N.E., and teachers began making reservations for their classes. By mid-February the Museum was booked through June, clear evidence that CCM was filling a void in the Washington metropolitan area. The staff kept a waiting list, in case of cancellations, which was totaled at the end of the school year. The result: over 12,000 children had been turned away for lack of space. It was clearly time for a larger, permanent facility.

In its first eight months, the Museum had drawn visitors from around the world—wives of heads of state, foreign dignitaries, and persons from educational and cultural institutions all over the United States. Visitors mingled with neighborhood children, the most constant users of the Museum. The neighborhood children acted as museum guides for Mrs. Anwar Sadat, Mrs. Menachem Begin, and thousands of other visitors. Thus, from its earliest months, the Museum brought representatives of official and international Washington, D.C. into a part of the city that visitors rarely see.

In their search for a permanent facility, the Museum trustees made a commitment to remain in northeast Washington, and, when a large piece of property with suitable buildings came on the market at Third and H Streets, NE., the Museum acted immediately to acquire the property. Earlier discussions with government agencies had already revealed that HUD regulations permit the award of grants to non-profit organizations for capital expenditures for innovative projects. The purchase of a permanent facility for the Capital Children's Museum qualifies under those regulations for these reasons:

1. The facility is located in one of the poorest neighborhoods in Washington, D.C., a riot corridor of the 1960's that has never recovered.

2. The Museum has obtained unanimous approval from the D.C. City Council and support from the Mayor, from top officials in the D.C. Department of Housing and Community Development and from all local neighborhood groups.

3. The Museum meets all requirements of an innovative project—it is unique, is a national model, and it uses new approaches to solve urban problems.

On September 16, 1978, HUD Secretary Patricia Harris made the first public announcement of a grant of \$1.7 million for acquisition of the Museum's permanent facility.

Technically, HUD regulations specify that funds be awarded only to cities or states. Thus, the actual transmission of funds works in this way:

1. Funds are awarded to the District of Columbia for the express purpose of purchasing the property for the Museum.

2. The District of Columbia and the Museum have a contract which requires that certain conditions be met by the Museum in exchange for use of the funds; specifically, the Museum must:

- (a) Provide evidence of environmental clearance;

- (b) Expand its Board of Trustees to include community members;

- (c) Establish a Neighborhood Advisory Committee;

- (d) Resolve that the property will revert to the District of Columbia in the event the Museum is dissolved while funds are being disbursed under the contract;

- (e) Provide evidence of clear title to the property; and

- (f) Raise by September 30, 1980, \$1,000,000 to match the HUD grant, 40% to come from local sources.

As of the 10th of October, 1979, the Museum had met the first four of these six conditions. The Museum had also raised in matching funds \$340,718.02, (\$285,178.01 locally and \$55,540.01 nationally). Financial projections indicate that the Museum will have met the full matching fund requirement by the date specified in the contract.

The only impediment to settling on the property remains the cloud on the title which is dealt with in H.R. 4758. Currently, closing on the property is set for November 30. We very much appreciate the efforts of the members and staff of the Committee in pursuing this piece of legislation, which, while small in relation to many of the bills that Congress must deal with, is immensely important to the Museum.

BENEFITS OF THE MUSEUM

The benefits that have already accrued to the District of Columbia is a result of the Museum's existence are numerous. The Museum provides:

1. Exposure to cultural, educational and aesthetic experiences for a segment of the city's population that is not able to take part in many other cultural activities;

2. Enhancement of confidence, self-esteem and a sense of positive identity for hundreds of poverty children;

3. Integration of diverse segments of the population of the metropolitan area—rich, poor, urban, suburban, Hispanic, black, white, local and national, old and young—who have few, if any, other common meeting grounds;

4. Supplements to school programs in a time of severe budget cuts specifically, enrichment in all of the arts and sciences and stimulus for innovation in the basic curriculum;

5. Opportunities for certain segments of the population, namely, offenders in alternative correction programs and the physically and mentally handicapped, to be integrated (or reintegrated) into the mainstream; and

6. A magnet to draw positive and extensive national and international attention to the city of Washington, D.C.

The Museum's move to a large and permanent facility will dramatically increase its services in the areas described above. More importantly, an adequate facility will increase many-fold the Museum's ability to realize its potential as one of the nation's outstanding educational and cultural resources and a source of pride to the District of Columbia.

Mr. MAZZOLI. Thank you. I have no questions; but I do have a comment and I think that Ms. Mason mentioned it. That is, I think there is a very definite need not to let fiscal responsibility or fiscal frugality or whatever we are confronted with on the Hill and the City Council lead us away from funding for the arts and for providing an adequate amount of money for matters like the Children's Museum. There is no question that there is a richness and fullness in life, and there may be a little bit of fat along the way that ought to be trimmed off. But I think that sometimes in the effort to cost cut, we sometimes hit the basics of life and what makes us understand ourselves and understand life and its beauty.

The gentleman from Pennsylvania?

Mr. MARKS. Ms. Lewin, I would like to thank you not only on behalf of all of us for what you do but for our children as well.

Ms. LEWIN. Thank you.

Mr. MAZZOLI. The gentleman from Maryland?

Mr. BARNES. I have no questions, but I would like to comment that my 4-year-old daughter would confirm the happiness you have given because she has been there a couple times and she loved it tremendously. Thank you, Mr. Chairman.

Mr. MAZZOLI. Well, we have always said that the endorsements from home are the best kind; they are the ones that really count. So, we thank the gentleman from Maryland.

And we thank you, Ms. Lewin. Thank you so much.

Ms. LEWIN. Thank you all very much.

Mr. MAZZOLI. That concludes the subcommittee hearing. We will immediately meet as a subcommittee for the purpose of marking up the bill, H.R. 4758.

[Whereupon, at 10:09 a.m., the subcommittee adjourned, subject to the call of the Chair.]

SUBCOMMITTEE MARKUP OF H.R. 4758

Mr. MAZZOLI. Members of the committee, the bill before us, H.R. 4758, I think many felt would do the job that we are talking about, which is simply to insure that this possible reversionary interest that may have come back to the U.S. Government would be resolved in favor of the Little Sisters so that they can, in turn, convey it to the District of Columbia.

I am now made aware of the fact that the language which is in the original H.R. 4758 may not have completely satisfied every legal scrutiny. So there is before us today, and I would like to offer for the

purpose of markup, an amendment in the nature of a substitute. And since this is very esoteric work, maybe if the panelists would permit, we will first call on the legislative counsel to explain what H.R. 4758 sought to do in the original version and what changes may have been made by the substitute language proposed.

Mr. COVER. Mr. Chairman, H.R. 4758 would have authorized the Mayor to make the conveyance on behalf of the United States, which would have required a separate, additional action. The amendment in the nature of a substitute which you are proposing goes back to the language that was used or to the type of bill that was used in the last Congress, H.R. 11554, with some modifications, and makes the grant directly by statute in the same fashion that the 19th century statutes made the grants to the Little Sisters. And it says that all right, title and interest in United States in this property is hereby granted to the Little Sisters of the Poor. Rather than using the rather esoteric term of "quitclaim," we have used the term "granted," which will have the same effect but is a little more understandable.

Mr. MAZZOLI. I see. So here, instead of having a bill to provide authority to the Mayor of the District of Columbia to convey any right, title and interest it would have to these alleyways, which have been closed and not used, we would convey directly from the Government any reversionary interest, right, title that we might have. Is that the idea?

Mr. COVER. Well, the grant would be directly by the statute. The statute, itself, would be recorded in the books of the District of Columbia. And it is not just a case, at this point, of there being a future interest or reversionary interest which the United States has, which could be released to the Little Sisters of the Poor, but as Mr. Comstock explained, actually apparently, the fee title has reverted to the United States and the title is in the United States at this point because the use of the land has changed.

Mr. MAZZOLI. So it is not a reversionary interest. It is actual title and we are conveying title to this property back to the Sisters.

Mr. COVER. Right. That is how I understand it after discussing it with Mr. Comstock.

Mr. MAZZOLI. Well, this is another situation where we are certainly have to rely on the experts. I don't know that we would challenge it; but we know what we want to do and legislative counsel says that, based on your knowledge and advice, this does what we seek to do, is that correct?

Mr. COVER. In discussions with Mr. Comstock, the important thing is, I think, here is that the title company be satisfied that the language the subcommittee approves would be sufficient and Mr. Comstock has seen this language and indicates that it would be satisfactory for the title purposes. And from a drafting point of view, I think that it is adequate.

Mr. MAZZOLI. The substitute language is open for discussion or amendment at any point and I would ask, are there any amendments to the substitute language as proposed?

[No response.]

Mr. MAZZOLI. If there are no amendments, then the question occurs on the amendment in the nature of a substitute to the bill H.R. 4758,

offered by the gentleman from Kentucky. All those in favor of the language, signify by saying "aye."

[Chorus of ayes.]

Mr. MAZZOLI. All those opposed?

[No response.]

Mr. MAZZOLI. The ayes have it and the substitute is adopted. The question recurs on the bill, H.R. 4758, as amended by an amendment in the nature of a substitute. All those in favor of reporting the bill favorably, H.R. 4758, as amended by the substitute, signify by saying "aye."

[Chorus of ayes.]

Mr. MAZZOLI. All those opposed?

[No response.]

Mr. MAZZOLI. They ayes have it and accordingly, the bill as substituted is reported to the full committee.

[The above-referred to amendment follows:]

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 4758 OFFERED BY
MR. MAZZOLI

Strike out all after the enacting clause and insert the following:

That the reversionary interest of the United States in the land (and in the buildings and improvements on the land) which (1) comprises the alleys abutting the property described as lot 800, square 751, in the District of Columbia, and (2) was conveyed by the Act of December 21, 1893 (28 Stat. 21), is hereby released to the Little Sisters of the Poor, a nonprofit corporation of the District of Columbia.

Amend the title so as to read: "A bill to release the reversionary interest of the United States in the land comprising certain alleys in the District of Columbia."

Mr. COVER. Mr. Chairman, would it be the desire of the subcommittee to introduce a clean bill for consideration of the full committee?

Mr. MAZZOLI. Gentlemen?

Mr. MARKS. I would so move.

Mr. MAZZOLI. Thank you. The gentleman would so move and I think it would be well. Without objection, the counsel would be instructed to take whatever steps necessary to report this as a clean bill.

I want to just personally, and just in front of all you people in the audience, thank my colleagues for coming today. This is exceptional on their part. This is a day when we will not go into session at 10 o'clock, and I want to thank the gentleman from Pennsylvania, Mr. Marks, the gentleman from Maryland, and the gentleman from Texas for their real help here. I hope I can reciprocate sometime when you need my attendance. Thank you very much. The committee stands adjourned.

[Whereupon, at 10:15 a.m., the subcommittee markup of H.R. 4758 adjourned.]

COMMITTEE MARKUP OF H.R. 5645

WEDNESDAY, OCTOBER 24, 1979

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The committee met, pursuant to notice, at 12 noon, in room H-128, the Capitol, Hon. Ronald V. Dellums (chairman of the committee) presiding.

Present: Representative Dellums, Delegate Fauntroy, Representatives Mazzoli, Leland, Gray, Barnes, Marks, and Fenwick.

Also present: Edward C. Sylvester, Jr., staff director; Elizabeth D. Lunsford, general counsel; James T. Clark, legislative counsel; Robert Brauer, staff assistant; Jack Barthwell, counsel; Harry M. Singleton, minority chief counsel; and Robert Cover, assistant legislative counsel.

The CHAIRMAN. The meeting will come to order. Today we will consider four bills which we hope to take up in the House next week, probably on Wednesday, October 31. A special day for District of Columbia bills has been requested in lieu of our regular Monday District Day this week. The Speaker has agreed to seek the unanimous consent of the House on Friday, October 26.

[After the consideration of other legislation:]

The CHAIRMAN. The gentleman from Kentucky.

H.R. 5645

Mr. MAZZOLI. Thank you, Mr. Chairman. I would like to be recognized to call up the bill, H.R. 5645.

[The bill referred to along with staff summary follows:]

CLEAN BILL INTRODUCED BY MR. MAZZOLI ON OCTOBER 18, 1979 AFTER THE
SUBCOMMITTEE ACTION OF OCTOBER 18, 1979, ON H.R. 4758

[H.R. 5645, 96th Congress 1st session]

A BILL To grant to the Little Sisters of the Poor all right, title, and interest of the United States in the land comprising certain alleys in the District of Columbia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all right, title, and interest of the United States in and to the land comprising the alleys abutting the property described as lot 800, square 751, in the District of Columbia (together with all buildings and improvements on such land) which was conveyed by the Act of December 21, 1893 (28 Stat. 21), is hereby granted to the Little Sisters of the Poor, a nonprofit corporation of the District of Columbia.

SUMMARY OF H.R. 5645

The bill, H.R. 5645, would relinquish a Federal reversionary interest in certain alleys in the District of Columbia to the owners of the adjoining parcels, the Little Sisters of the Poor.

Title to said alleys was conveyed to the Sisters by Act of Congress approved Dec. 21, 1893 (28 Stat. 21) for "so long as the land is used for charitable purposes."

The Sisters remained on the property with perfect title, until 1976 when construction on the "II" Street overpass, with its attendant dirt and noise, made the property unfit for the care of the sick. At that time, the Sisters were forced to purchase a new facility, and they moved to their new location in Northeast Washington. When they attempted to sell their St. Joseph's property, however, they found that the "reversion" provision constituted a cloud on their title to the old alleys.

Meanwhile the Capital Children's Museum, a non-profit organization, obtained a Department of Housing and Urban Development Innovative Projects Grant to purchase the facility for its fair market value, \$1.7 million. The Museum moved into the buildings on the property in 1978, but the sale has not been completed due to the question of ownership of the alleys. Those alleys actually are no longer in existence, as buildings were erected over their boundaries several times in the past 70 years.

The enactment of this proposed legislation will involve no added costs to the District of Columbia Government nor to the Federal Government.

The CHAIRMAN. Without objection, the bill is called up and the chairman recognizes you.

Mr. MAZZOLI. Thank you very much. Mr. Chairman, very basically the bill, H.R. 5645, grants to the Little Sisters of the Poor, which has been operating for hundreds of years basically in a place in which senior citizens are served, in the District of Columbia, St. Joseph's Home on Eighth Street. This bill would grant the Little Sisters of the Poor any reversionary interest which might be owned by the U.S. Government in three alleyways which have been closed since back in the 1890's on this Eighth Street property, so that in turn the Sisters could convey clear title to the Children's Museum, which is currently occupying the Eighth Street property. Thus the Children's Museum may own the property free and clear, and the Sisters, of course, would get their money, which they have now invested in a new property on Harewood Road in Northeast, for the further continuance of their ministry to the old people of the District of Columbia.

Simply, then, if there is any interest in the U.S. Government—and there is some question whether there is—this bill would clear their title, enabling the Sisters to convey clear title thereto.

Ms. FENWICK. When did you say those alleys were closed?

Mr. MAZZOLI. In the 1890's. They have been built over, but you know how title lawyers are; they have to be very careful.

Ms. FENWICK. I know, yes.

Mr. MAZZOLI. Currently the Sisters cannot convey clear title to the Museum or to the District of Columbia, and of course, not being able to do that, they cannot get their money in order to further develop their new property on Harewood Road.

Ms. FENWICK. Thank you.

Mr. BARNES. As a member of the subcommittee, I participated in the hearings on this issue, and it is important both to the Sisters of the Poor, who—as the gentleman from Kentucky said—want to use the money that will be available to them in their new facility; but it is also terribly important to the Children's Museum, which offers a great

service to the young people in the Washington area. I would hope that everyone would support the gentleman's legislation.

Mr. MAZZOLI. Thank you. I certainly would concur with that. I want to thank the gentleman from Maryland, the gentleman from Pennsylvania, Mr. Marks, who along with the gentleman from Texas, Mr. Leland, helped us get a quorum of the subcommittee today. It is very difficult to do, and they were very helpful.

Mr. Chairman, if there are no further questions, I move adoption of H.R. 5645 and that we report it favorably to the House.

VOTE ON H.R. 5645

Mr. CHAIRMAN. All those in favor of the motion signify by saying "aye."

[Chorus of ayes.]

The CHAIRMAN. All opposed?

[No response.]

The CHAIRMAN. The "ayes" have it and the motion carries.

[Mr. Mazzoli's prepared statement follows:]

PREPARED STATEMENT OF CONGRESSMAN MAZZOLI

H.R. 5645

H.R. 5645 is a technical amendment of an 1893 statute that granted the public alleys on a N.E. Washington lot owned by the Little Sisters of the Poor, to the Sisters, provided that the land remained in charitable use.

The 53d Congress, recognizing the dedicated works of the Sisters at St. Joseph's Home for the Aged and aware of their need to expand, closed the alleys so that the Sisters could increase their nursing facilities for Washington's destitute elderly citizens.

Unfortunately, the Sisters were forced out of their property in 1976 when construction on H Street made the site unsuitable for a nursing home. The Sisters moved before they could find a buyer so that St. Joseph's sat vacant until the new tenant, the Capital Children's Museum, moved in during 1978.

The Museum has contracted to purchase the property with a \$1.7 million grant from HUD, but because of the cloud on the title created by the 1893 reverter provision, title insurance cannot be obtained and the sale has been delayed.

The actual Federal interest expressed by the 53d Congress was to maintain a charitable use for the property. By releasing the Sisters from that provision we do not allow non-charitable uses because the new purchaser is a charitable institution, prevented by its own charter from selling the property to a non-charitable organization.

Also, the contract between HUD and the Museum provides that if the Museum were to dissolve, the entire property reverts to the actual recipient of the HUD grant—the District of Columbia.

I urge your favorable consideration of this worthwhile bill.

SUMMARY OF H.R. 5645

H.R. 5645 grants a reversionary interest of the United States in the alleys on a block in N.E. Washington to the Little Sisters of the Poor. The block bounded by 2nd and 3rd, H and I Streets, N.E., contains the convent and nursing home known as St. Joseph's Home for the Aged.

HISTORY

St. Joseph's has been operated since 1872 by the Little Sisters of the Poor as a home for the elderly poor of Washington.

In 1893 Congress enacted a law (28 Stat. 21) which closed the three public alleys on the property and gave title to the Sisters, provided that the land remained in charitable use.

In 1976, construction on H Street forced the Sisters to abandon their home for another Washington location. The Capital Children's Museum, a charity within the meaning of the 1893 law, has contracted to buy the property, but the Sisters cannot convey perfect title to the land and buildings over the old alleys because the reverter went into effect while the property was vacant. In order to obtain title insurance, the Museum would have had to move in immediately after the Sisters moved out. Had that occurred, the Sisters could have sold the entire parcel and the question of the reverter would not have been raised.

[Excerpts From the Committee Report]

96TH CONGRESS } 1st Session }	HOUSE OF REPRESENTATIVES {	REPORT No. 96-551
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CONVEYANCE TO THE LITTLE SISTERS OF THE POOR

OCTOBER 24, 1979.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DELLUMS, from the Committee on the District of Columbia, submitted the following

REPORT

[To accompany H.R. 5645]

The Committee on the District of Columbia, to whom was referred the bill (H.R. 5645), to grant to the Little Sisters of the Poor all right, title and interest of the United States in the land comprising certain alleys in the District of Columbia, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 5645 is to relinquish a Federal reversionary interest in certain alleys in the District of Columbia to the owners of the adjoining parcels, the Little Sisters of the Poor.

BACKGROUND

Since 1871 the Little Sisters of the Poor have owned and operated a Convent and St. Joseph's Home for the Aged on the block bounded by Second and Third Streets and "H" and "I" Streets, in Northeast Washington. The Home was a nursing facility for the elderly poor of the Washington area.

In 1893, the 53d Congress enacted, "An act to close alleys in square numbered 751 in the City of Washington, District of Columbia," (28 Stat. 21, approved December 12, 1893), which closed all the alleys on that parcel and conveyed title therein to the Little Sisters of the Poor, provided that the adjoining land remained used for charitable purposes. The effect of this law was to close two 15-foot wide alleys and one 30-foot alley so that the Sisters could erect new buildings and expand their facility.

The Sisters remained on the property with perfect title, until 1976 when construction on the "H" Street overpass, with its attendant dirt and noise, made the property unfit for the care of the sick. At

that time the Sisters were forced to purchase a new facility, and they moved to their new location in Northeast Washington. When they attempted to sell their St. Joseph's property, however, they found that the "reversion" provision constituted a cloud on their title to the old alleys. Because there was a period of time after 1976 when the property stood vacant, the reverter could automatically have gone into effect and they could not convey good title.

Meanwhile the Capital Children's Museum had obtained a Department of Housing and Urban Development Innovative Projects Grant to purchase the facility for its fair market value, \$1.7 million. The Museum moved into the buildings on the property in 1978, but the sale has not been completed due to the question of ownership of the alleys. Those alleys actually are no longer in existence, as buildings were erected over their boundaries several times in the past 70 years.

NEED FOR LEGISLATION

The Capital Children's Museum is a non-profit organization whose use of the Third and "H" Street property will fulfill the charitable use restriction enacted by the 53d Congress. If the Little Sisters of the Poor had been able to sell the property directly to the Children's Museum before they moved out, they could have sold the entire parcel, and the question of ownership of the alleys would not have been raised. But because they were forced to abandon their property by the necessary construction of the "H" Street overpass around Union Station, both the Sisters and the Capital Children's Museum are being prevented from effectively carrying out their worthy tasks.

ANALYSIS OF THE BILL

H.R. 5645 grants all right, title and interest in the alleys on square 751 to the Little Sisters of the Poor. This relinquishes the reversionary interest of the Federal Government and gives complete title in the property to the Little Sisters of the Poor that they can convey.

HEARING

This legislation was introduced as H.R. 4758 on July 11, 1979. A hearing was held by the Subcommittee on Judiciary, Manpower and Education on October 18, 1979, when testimony was given in favor of the bill by representatives of the Little Sisters, the Children's Museum, and the Council of the District of Columbia. Expert testimony by a title attorney established that perfect title could not be conveyed because of the period that the Sisters left the property in disuse. The Capital Children's Museum has already entered into a contract of sale to purchase the property with settlement scheduled for November 30, 1979.

No testimony in opposition to the legislation was then presented nor has any been received by the committee.

H.R. 4758 was amended by the subcommittee by simply granting the Federal interest in the alleys to the Little Sisters of the Poor, and H.R. 5645 is the clean bill embodying such amendment.

COMMITTEE VOTE

The committee on October 24, 1979, approved H.R. 5645 by voice vote.

DEPARTMENT REPORTS

The favorable reports on this legislation made by several Departments in the last Congress follow:

UNITED STATES OF AMERICA,
GENERAL SERVICES ADMINISTRATION,
Washington, D.C., June 29, 1978.

HON. CHARLES C. DIGGS, JR.

Chairman, Committee on the District of Columbia, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The General Services Administration (GSA) would like to offer our comments on H.R. 11554, a bill to quitclaim certain property in the city of Washington, District of Columbia, to the Little Sisters of the Poor.

GSA has reviewed the proposed bill and would not object to its enactment if amended as recommended below.

The bill would quitclaim "all right, title and interest of the United States in the land comprising the alleys which abut the property described as lot numbered 800, square seven hundred and fifty one in the city of Washington, District of Columbia, together with all buildings and improvements thereon." Under the Act of December 21, 1893, the Federal interest in these alleys was conveyed to the owner(s) of the abutting property, subject to a provision that any conveyance of title contained in this Act shall be operative only so long as the land is used for charitable purposes. It is this reversionary interest which the bill would quitclaim to the Little Sisters of the Poor.

It is our understanding that under the authority granted them in the Act of December 21, 1893, the Little Sisters of the Poor have constructed buildings, or a part thereof, on lot 800, square 751 and on the abutting alleys. It is also our understanding that the Little Sisters now wish to sell the structure(s). We assume that since the sale is most likely not being made to a charitable organization, the Little Sisters find that they cannot convey clear title to the entire plot of land on which the structure(s) are located.

H.R. 11554 would release a potentially valuable Federal interest in real property. As a matter of policy, GSA opposes legislation which provides for the conveyance or release of valuable rights in property to grantees without the payment of adequate consideration, except as provided in the laws of general application. The Federal Property and Administrative Services Act of 1949, as amended, requires that the Little Sisters of the Poor, or any other purchaser, be required to pay the full fair market value of the Federal interest in the alleys in question. Likewise, it was clearly the intent of Congress when it passed the Act of December 21, 1893 that the Government would forego its interest in this land only so long as it continued to be used for charitable purposes.

GSA recommends that the bill be amended to show that the quitclaim is granted in the expectation that the property is expected to be sold,

and that it is granted in consideration of payment of the fair market value of the Federal interest in the alleys.

The Office of Management and Budget has advised that, from the standpoint of the Administration's program, there is no objection to the submission of this report to your committee.

Sincerely,

ROBERT T. GRIFFIN,
Acting Administrator.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., June 30, 1978.

HON. CHARLES C. DIGGS, JR.,
Chairman, Committee on the District of Columbia, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Office of Management and Budget on H.R. 11554, a bill "To quitclaim certain property in the city of Washington, District of Columbia, to the Little Sisters of the Poor."

For the reasons set forth in the report of the General Services Administration to your committee on this bill, we would not object to enactment of H.R. 11554 if amended as recommended by the General Services Administration.

Sincerely,

NAOMI R. SWEENEY,
*Acting Assistant Director
for Legislative Reference.*

DEPARTMENT OF JUSTICE,
ASSISTANT ATTORNEY GENERAL, LEGISLATIVE AFFAIRS,
Washington, D.C., July 9, 1979.

HON. CHARLES C. DIGGS, JR.,
Chairman, Committee on the District of Columbia, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is to advise you of the views of the Department of Justice on H.R. 11554, a bill to quitclaim certain property in the city of Washington, District of Columbia, to the Little Sisters of the Poor.

H.R. 11554 would convey all of the right, title and interest of the United States to alleys abutting Lot 800, Square 751 in Washington, D.C. The property described as Lot 800 encompasses all of Square 751 and is abutted by 2d Street, 3d Street, Eye Street and H Street, all in the northeast quadrant of the District. There are no alleys abutting Lot 800, therefore, H.R. 11554, as written, would convey nothing to the Little Sisters of the Poor.

Since H.R. 11554 refers to alleys which were conveyed by the Act of December 21, 1893, it is assumed that the intent of the bill is to quitclaim to the Little Sisters of the Poor the reversionary interest of the United States retained by the Act of December 21, 1893, to wit: "That any conveyance of title in this Act contained shall be operative only so long as the land is used for charitable purposes." If that is the intended effect, it is suggested that the language of H.R. 11554 con-

form to the language of the Act of December 21, 1893, and that H.R. 11554 be amended, in pertinent part, to read: "That all right, title and interest of the United States in the land comprising the alleys in Square 751, in the city of Washington, District of Columbia, and which were conveyed by the Act of December 21, 1893, together with all buildings and improvements thereon, is hereby quitclaimed to the Little Sisters of the Poor."

The Department of Justice defers to the General Services Administration as to the merits of H.R. 11554.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

PATRICIA M. WALD,
Assistant Attorney General.

STATEMENTS REQUIRED BY RULE XI(1)(3) OF HOUSE RULES

OVERSIGHT FINDINGS AND RECOMMENDATIONS

The committee's oversight findings with respect to the matters with which the bill is concerned remain as a part of its continuing Congressional oversight required by the Constitution and specifically provided for in the Home Rule Act (sections 601, 602, 604, and 731 of Public Law 93-198).

BUDGET AUTHORITY

This local legislation for the District of Columbia creates no new budget authority or tax expenditure by the Federal Government. Therefore, a statement required by section 308(a) of the Congressional Budget and Impoundment Control Act of 1974 is not necessary.

CONGRESSIONAL BUDGET OFFICE ESTIMATE AND COMPARISON

No estimate and comparison of costs has been received by the committee (at the time of filing this report) from the Director of the Congressional Budget Office, pursuant to section 403 of the Congressional Budget and Impoundment Control Act of 1974.

COMMITTEE ON GOVERNMENT OPERATIONS SUMMARY

No oversight findings and recommendations have been received which relate to this measure from the Committee on Government Operations under clause 2(b) (2) of rule X.

COSTS

The enactment of this proposed legislation will involve no added costs to the District of Columbia government nor to the Federal Government.

INFLATIONARY IMPACT

The bill, if enacted into law, will have no foreseeable inflationary impact on prices or costs in the operation of the national economy.

[Attached letter follows:]

Report of the Congressional Budget Office



CONGRESSIONAL BUDGET OFFICE
U.S. CONGRESS
WASHINGTON, D.C. 20515

October 25, 1979

The Honorable Ronald V. Dellums
Chairman
Committee on the District of Columbia
U.S. House of Representatives
1310 Longworth House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed H.R. 4758, a bill to authorize the Mayor of the District of Columbia to convey a reversionary interest of the United States in certain land in the District of Columbia to the Little Sisters of the Poor, and for other purposes, as ordered reported by the House Committee on the District of Columbia, October 24, 1979.

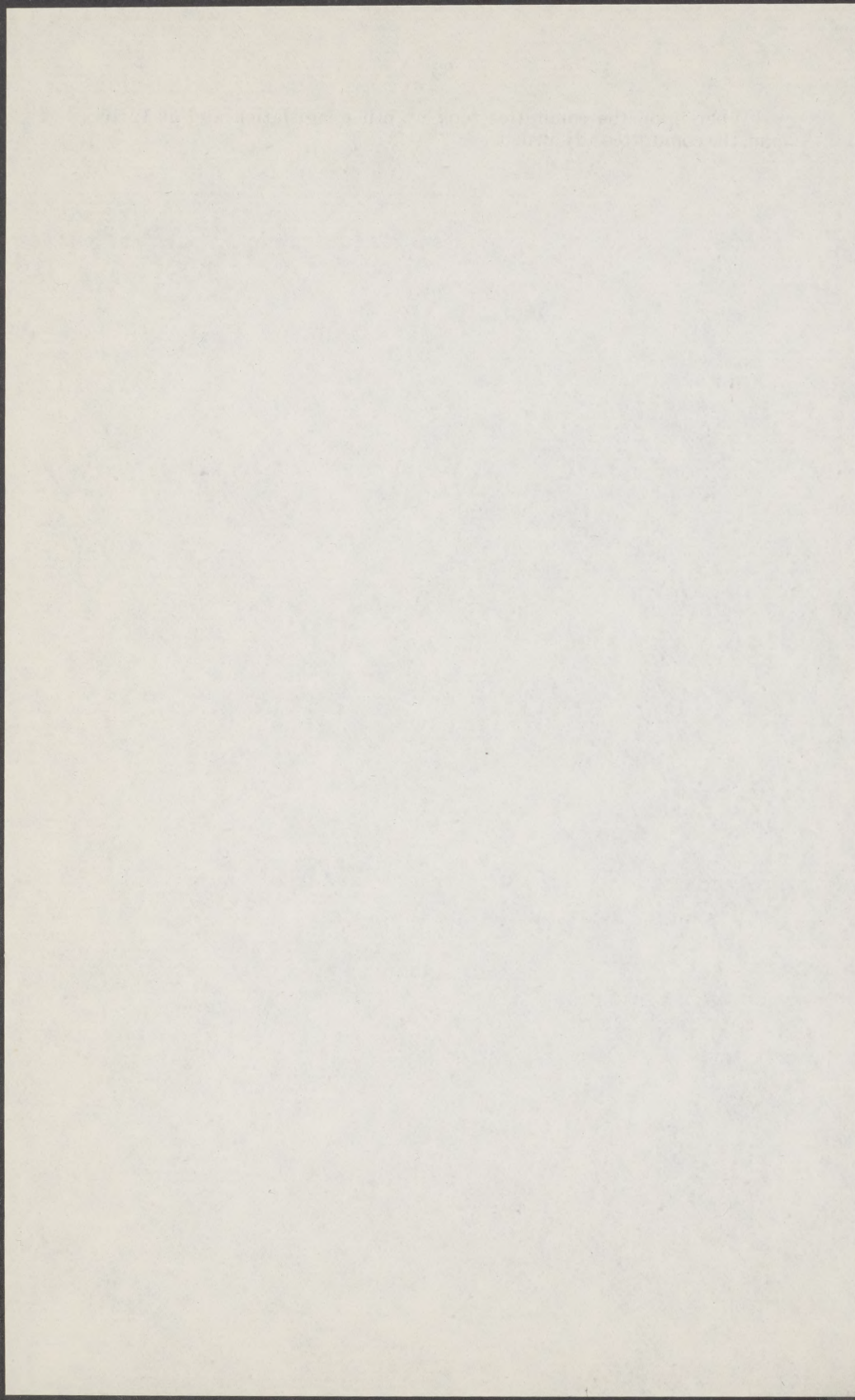
The purpose of this legislation is to override a provision in the Act of December 21, 1893 which provides for a reversion of title to certain lands to the United States if the land is no longer used for charitable purposes. This would allow the Little Sisters of the Poor to sell the property on which they operated an aged care facility for nearly a century and of which a small portion is covered by the 1893 act. It is expected that no additional cost to the government would be incurred as a result of enactment of this bill.

Sincerely,

A handwritten signature in dark ink, appearing to read "Alice M. Rivlin".

Alice M. Rivlin
Director

[Whereupon the committee took up other legislation and at 12:15 p.m. the committee adjourned.]



EXTENDED BORROWING AUTHORITY

COMMITTEE MARKUP OF H.R. 5537

WEDNESDAY, OCTOBER 24, 1979

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The committee met, pursuant to notice, at 12 noon, in room H-128, the Capitol, Hon. Ronald V. Dellums (chairman of the committee) presiding.

Present: Representative Dellums, Delegate Fauntroy, Representatives Mazzoli, Leland, Gray, Barnes, Marks, and Fenwick.

Also present: Edward C. Sylvester, Jr., staff director; Elizabeth D. Lunsford, general counsel; James T. Clark, legislative counsel; Robert Brauer, staff assistant; and Jack Barthwell, counsel; Harry M. Singleton, minority chief counsel; and Robert Cover, assistant legislative counsel.

The CHAIRMAN. The meeting will come to order. Today we will consider four bills which we hope to take up in the House next week, probably on Wednesday, October 31. A special day for District of Columbia bills has been requested in lieu of our regular Monday District Day this week. The Speaker has agreed to seek the unanimous consent of the House on Friday on October 26.

[After the consideration of other bills:]

H.R. 5537

The CHAIRMAN. The chairman would now call up the bill, H.R. 5537, to amend the Home Rule Act to renew for 1 year the authority of the District of Columbia to borrow funds from the U.S. Treasury.

[The bill referred to, H.R. 5537, introduced by Mr. Dellums on October 11, 1979, and staff memorandum, follows:]

96TH CONGRESS
1ST SESSION

H. R. 5537

To amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 11, 1979

Mr. DELLUMS introduced the following bill; which was referred to the Committee on the District of Columbia

A BILL

To amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 723(a) of the District of Columbia Self-Govern-
4 ment and Governmental Reorganization Act (D.C. Code, sec.
5 47-241 note) is amended by striking out "October 1, 1979"
6 in the first sentence and inserting in lieu thereof "October 1,
7 1980, or upon enactment of the fiscal year 1981 appropri-
8 ation Act for the District of Columbia government, which-
9 ever is later".

STAFF MEMORANDUM ON H.R. 5537

This bill adds about a year during which the city will be able to borrow from the U.S. Treasury for its capital construction and purchase budget. Under present law, only those projects which were approved by Congress before October 1, 1979, can be funded by Treasury borrowing. H.R. 5537 changes "October 1, 1979" to "October 1, 1980" plus any period after that (if necessary) until Congress approves the city's FY 1981 appropriation bill.

The Home Rule Act terminated the city's right to borrow from the Treasury and gave the city the right to borrow on the open market. Because Congress has been afraid that the city's finances are not in good enough order to enter the credit market, Congress extended the city's right to borrow from the Treasury and created the Temporary Commission on Financial Oversight of the District of Columbia. That commission has hired financial experts to set up a new financial management system for the city (which started functioning October 1, 1979) and has contracted for audits, the first of which will be completed by October 1, 1980. After that time the city feels it can enter the private money market and will not need the authority to borrow from the U.S. Treasury.

The CHAIRMAN. As most of you know, this is a bill that we introduced at the request of the Mayor of the District of Columbia. It is similar to the legislation which this committee reported and the Congress approved in the last Congress to extend the District of Columbia borrowing authority for 2 years, which now expired as of October 1 of this year. Are there any questions with respect to this particular piece of legislation? We passed a similar bill last year.

Mrs. FENWICK. It speaks here of the audit that is being done, or will be done. That is not the same audit that costs \$33 million for the pension funds, is it?

Mr. MAZZOLI. No.

Mrs. FENWICK. That is another audit?

Mr. MAZZOLI. You are referring to the general audit that is being conducted of all the city's records and books. It has been going on now for about 2 years, and must be completed before the city can raise money by its own bond issues.

Mrs. FENWICK. Well, what I am inquiring is, have we two audits going or just one? In other words, that \$33 million audit—

Mr. MAZZOLI. There's just one audit.

Mrs. FENWICK. And that's the one we are talking about?

Mr. MAZZOLI. Right.

The CHAIRMAN. One audit in three parts here.

Mrs. FENWICK. Well, I don't know how the rest of the committee feels about this, but in regard to the pension funds particularly, we got the District into this mess and I honestly think Congress ought to pay for the audit, and the fact that we have been requiring the District of Columbia to pay a certain section of that audit seems to me, at least it ought to be pro rated to the time when the District of Columbia took over self-government. I see no reason that the District of Columbia taxpayers should be assessed for the mess that the Congress left the whole audit.

The CHAIRMAN. I would agree. I first say that with respect to this particular piece of legislation, H.R. 5537, the District has a record of 100 percent repayment of all their debts, and this extension of the borrowing authority is not to borrow money to pay the auditing funding.

Mrs. FENWICK. Well, we may take that up another time.

The CHAIRMAN. Yes; and with respect to your specific concern, the Senate insisted upon that particular formula, and that's the way we

got into this business, but I would tend to agree with you wholeheartedly.

Mrs. FENWICK. Thank you, Mr. Chairman.

Mr. MAZZOLI. Mr. Chairman, if I could just say that the gentleman from California, our chairman, was very helpful when we had a hearing on that audit in the last Congress, and the gentleman from California, our chairman, indicated that he and his staff would remain attentive and monitor the progress of that audit, because the gentleman from Kentucky raised some questions about how far is it going and how much money; so I would just simply again suggest to the chairman that we assure you that the money is being wisely spent.

VOTE ON H.R. 5537

The CHAIRMAN. Are there any other questions? If not, we move adoption of the bill, H.R. 5537 and that it be reported favorably to the House. All those in favor of the motion signify so by saying "aye"?

[Chorus of ayes.]

The CHAIRMAN. All opposed?

[No response.]

The CHAIRMAN. The ayes have it and the motion carries.

Without objection we will insert into the record the letter from the Mayor to the Speaker, requesting this legislation and the testimony of the city's representative before the other body.

[Subsequently, at 12:15 p.m., the committee adjourned.]

[The documents referred to follow:]

THE DISTRICT OF COLUMBIA,
Washington, D.C., September 27, 1979.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: The Government of the District of Columbia has the honor to submit for the consideration of the 96th Congress a draft bill "To amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia."

The draft bill would amend section 723(a) of the Self-Government Act to extend the District's interim authority to borrow funds from the Treasury of the United States to finance capital improvement projects. Under present law, the Treasury is authorized to lend to the city only those sums required to complete capital projects for which construction and construction services funds were authorized or appropriated "prior to October 1, 1979." The draft bill would extend the borrowing authority to cover projects for which funding is authorized or appropriated in the fiscal year 1981 appropriation act. Thus, continuing and new projects included in the fiscal year 1981 appropriation act would become eligible for Treasury loans.

The Congress included the interim borrowing authority in the Self-Government Act to prevent undue disruption in the District's capital program. Because of the unexpected delays in the development and implementation of the District's bonding program, a two-year extension of the interim borrowing authority was approved by the Congress in 1977. (P.L. 95-131, October 13, 1977, 91 Stat. 1155). It is now clear that an additional extension is necessary. During testimony before the Congress, the city advised that the initial two-year extension might prove to be insufficient in view of the work required to permit an audit of the city's books and to put a financial management system in operation.

The work in these areas is proceeding in accordance with the schedule approved by the Temporary Commission on Financial Oversight of the District of Columbia which was established pursuant to Public Law 94-399 (September 4, 1976, 90 Stat. 1205). Nevertheless, without approval of the proposed extension

in the period for which Treasury loans may be made, vital ongoing improvement efforts will be halted and new projects may be delayed. Continuing projects in the District for which financing may not be available include roof and boiler repairs and replacements for the public schools, major repairs to water and sewer mains, installation of new water and sewer mains and fire hydrants, major repairs to city streets and bridges, and fire hydrant and street-lighting installations.

Financing for new projects being considered by the District for inclusion in the fiscal year 1981 budget may not be available in a timely manner unless the interim borrowing authority is revised and extended as proposed in the draft bill. Affected projects may include: replacement of the Police and Fire Harbor Unit; relocation of Fire Department Engine Company No. 26; renovation of the Area C Mental Health Center; urgently needed improvements at the Lorton correctional facility; energy conservation improvements in District Government buildings; and replacement of deteriorated gas lines and other improvements in various public housing projects.

Because of the importance of the amendment to the financing of essential programs of the District Government, I urge prompt and favorable consideration by the Congress of the enclosed draft bill, which is not expected to result in any additional cost to the Government of the District of Columbia.

The Office of Management and Budget has advised that, from the standpoint of the Administration's program, there is no objection to the submission of this proposed legislation to the Congress.

Sincerely,

MARION S. BARRY, Jr., Mayor.

Enclosure.

A BILL To amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 723(a) of the District of Columbia Self-Government and Governmental Reorganization Act (D.C. Code, sec. 47-241 note) is amended by striking out "October 1, 1979" in the first sentence and inserting in lieu thereof "October 1, 1980, or upon enactment of the Fiscal Year 1981 appropriation act for the District of Columbia government, whichever is later".

STATEMENT OF COLIN F. S. WALTERS, ASSISTANT CITY ADMINISTRATOR FOR FINANCIAL MANAGEMENT BEFORE THE SENATE SUBCOMMITTEE ON GOVERNMENTAL EFFICIENCY AND THE DISTRICT OF COLUMBIA

Mr. Chairman and members of the subcommittee, I wish to thank you for this opportunity to present the views of the District of Columbia Government on S. 1868. I would also like to thank you for scheduling early hearings on this important legislation.

S. 1868 would amend section 723(a) of the D.C. Self-Government and Governmental Reorganization Act (Public Law 93-198) to extend the District's interim authority to borrow funds from the U.S. Treasury to finance capital improvement projects. Section 723(a) presently authorizes the Secretary of the Treasury to lend to the District only such sums as are required to complete capital improvement projects for which construction and construction services funds were authorized or appropriated "prior to October 1, 1979." This provision was intended to provide the Secretary with authority to make loans to finance capital improvement projects approved by the Congress in all District of Columbia Appropriation Acts, up to and including the Fiscal Year 1980 Appropriation Act.

However, since the Fiscal Year 1980 District of Columbia Appropriation Act was not enacted "prior to October 1, 1979", section 723(a) could nevertheless now be construed as authorizing loans only for projects included in the Fiscal Year 1979 Appropriation Act. This situation creates a serious funding problem for the District Government. S. 1868 would extend the borrowing authority to cover projects for which funding is authorized or appropriated "prior to October 1, 1980, or upon the enactment of the fiscal year 1981 appropriation act . . . whichever is later." Thus, continuing and new projects included in the Fiscal Year 1980 and 1981 District Appropriation Acts would be eligible for financing through U.S. Treasury Loans. The contingency language is being proposed to

address the possibility that the Fiscal Year 1981 District Appropriation Act will not be enacted prior to October 1, 1980.

The D.C. Self-Government Act terminated, as of January 2, 1975, the District's permanent authority to borrow funds from the U.S. Treasury to finance capital improvement projects. That Act also authorized the District to issue tax-exempt general obligation bonds to finance future capital projects and provided interim loan authority by which the District could borrow from the U.S. Treasury to finance projects for which funding had been authorized or appropriated prior to January 2, 1975. The Congress included the interim borrowing authority in the D.C. Self-Government Act to prevent undue disruption in the District's capital improvement program during the transition from Treasury borrowing to a municipal bond market as the source of financing.

Because of unexpected delays in the development and implementation of the District's bonding program, a two-year extension of the interim borrowing authority was approved by the Congress in 1977. (Public Law 95-131, October 13, 1977). It is now clear that an additional extension is necessary. During testimony before the Congress in 1977, the city advised that a two-year extension might prove to be insufficient in view of the work required to permit an audit of the city's books and to put a financial management system into operation. The work in these areas is proceeding in accordance with the schedule approved by the Temporary Commission on Financial Oversight of the District of Columbia. The new financial management system was put into operation on October 1. Nevertheless, without approval of the proposed extension in the period for which Treasury loans may be made, vital ongoing improvement efforts and new projects may be delayed.

The Fiscal Year 1980 District Appropriation Act, as reported by the House/Senate Conference Committee on September 18, 1979, includes \$157,531,300 for capital improvement projects, \$115,073,200 of this amount is for capital projects for which there were appropriations in Fiscal Year 1979. Under section 723(a) of the Self-Government Act, such projects would continue to be eligible for loans from the U.S. Treasury, irrespective of the enactment of S. 1868. \$42,458,100 of this amount is for capital projects for which there were no appropriations in Fiscal Year 1979. Thus, these latter projects would not be eligible for Treasury loans until S. 1868 is enacted.

Financing for new projects included in the Fiscal Year 1981 Budget Request that was submitted to the D.C. Council on October 1, 1979 will not be available in a timely manner unless the interim borrowing authority is extended as proposed in S. 1868. Affected projects include: replacement of the Police and Fire Harbor Unit; Relocation of Fire Department Engine Company No. 26; Renovation of the Area C Mental Health Center; urgently needed improvements at the Lorton correctional facility; energy conservation improvements in District Government buildings; and replacement of deteriorated gas lines and other improvements in various public housing projects.

I would like to make one further point. Under our current bond program expectations, the extension of the borrowing authority provided for in S. 1868 should be sufficient. The independent auditor's report for Fiscal Year 1980 must be submitted to the Council by February 1, 1981. This should leave adequate time for issuance of general obligation bonds to support capital projects during Fiscal Year 1982. However, if complications arise either with respect to implementation of the new financial management system or the independent audit report, it may be necessary to request a further extension. While I have confidence that our timetable can be held, it would be foolhardy to pretend that obstacles might not crop up. A larger extension of the interim borrowing authority or even abolition of a specific termination date would not, in itself, cause or encourage the District to delay any phase of its bond program that it is legally and technically capable of implementing. We do not intend to use the Treasury borrowing authority any longer than necessary.

The Treasury charged us as much as 9¼ percent interest on 30-year loans made during Fiscal Year 1979. Interest charges will probably rise during Fiscal Year 1980. We expect that the interest rate on general obligation bonds will be two to three percentage points lower than the interest rate on Comparable Treasury loans, and thus, the District should realize significant interest cost savings when it can borrow through the tax-exempt bond market.

Because of the importance of S. 1868 to the financing of essential capital improvement projects of the District Government, I urge prompt and favorable consideration of the bill by the committee.

That concludes my statement. I would be happy to answer any questions.

[Excerpts From the Committee Report]

96TH CONGRESS } 1st Session }	HOUSE OF REPRESENTATIVES }	REPORT No. 96-550
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EXTEND BORROWING AUTHORITY FOR THE DISTRICT OF COLUMBIA

OCTOBER 24, 1979.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. DELLUMS, from the Committee on the District of Columbia, submitted the following

REPORT

[To accompany H.R. 5537]

The Committee on the District of Columbia, to whom was referred the bill (H.R. 5537), to amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of the bill, H.R. 5537, which was requested by the Government of the District of Columbia, is to provide the District Government with authority to borrow from the U.S. Treasury for an additional year (from Oct. 1, 1979 to Oct. 1, 1980, or upon enactment of the fiscal year 1981 appropriation Act for the District of Columbia, which ever is later) until it can finance its capital works projects via bond issues, or other sources of revenue.

BACKGROUND AND NEED FOR LEGISLATION

Present law permits the city to borrow from the U.S. Treasury to finance any "capital projects for which construction and construction services funds have been authorized or appropriated", as the case may be, "by Congress prior to October 1, 1979." As a result, capital projects approved by Congress in the Fiscal year 1980 District of Columbia Appropriation Act which cleared Congress on October 22, 1979, cannot be completed by the use of Treasury borrowing. This amounts to \$157,531,300 and includes metrorail, air quality control equipment, smoke detector installation, fire department pumping engines, street

improvements, water and sewer improvements and other changes and additions to the city's capital plant.

Similarly, the city will need financing for fiscal year 1981 capital projects which Congress will approve next year. These are expected to include replacement of the Police and Fire Harbor Unit; relocation of a Fire Department engine company; renovation of a mental health center; improvements at the Lorton correctional facility; and replacement of deteriorated gas lines. It will be difficult, if not impossible, for the District to continue its capital projects if the borrowing authority from the Treasury is not extended as provided in H.R. 5537.

In 1973, when Congress passed the D.C. Home Rule Act (Public Law 93-198; 87 Stat. 774; D.C. Code Title 11. Sec. 101 et seq.) it permitted the city to borrow money on the open market, rather than from the U.S. Treasury. However, the city's effort to enter the capital market was halted by a number of events originating in Congress. In 1975 the Senate passed a disapproval resolution to the District's "Refunding Bond Authorization Act (Council Act 1-57)". Although the House would have had to concur in order to veto the council act, the city did not proceed with the bond issue authorized in Council Act 1-57.

A key element in preparing the city to enter the bond market has been the installation of a new financial management system for the city. A major portion of that system began operating on October 1, 1979. In addition, an audit of the city's books has been contracted for and will be completed in the next year. These steps were introduced by Congress creating a Temporary Commission on Financial Oversight of the District of Columbia in 1976 (Public Law 94-399; 90 Stat. 1208; D.C. Code, Title 47, Sec. 120-2).

The October 1, 1979, deadline for projects the city could finance through Treasury borrowing was set by Congress in 1977 when it was assumed that the audit of the city's books would be completed by October 1, 1979 and the city would be ready to enter the bond market.

Passage of H.R. 5537 will permit the city to proceed with its capital improvement projects for at least another year, by which time the audit will have been completed and the city should be able to enter the capital market on terms more favorable than those given by the U.S. Treasury.

PROVISIONS OF THE BILL

The bill changes from October 1, 1979 to "October 1, 1980, or upon enactment of the fiscal year 1981 appropriation Act for the District of Columbia government, whichever is later", the deadline for Congressional approval of capital projects which the city may finance through borrowing from the U.S. Treasury.

COMMITTEE VOTE

The Committee, on October 24, 1979, approved H.R. 5537 by voice vote.

DEPARTMENTAL REPORTS

The letter from the Mayor of the District of Columbia to the Speaker, dated September 27, 1979, requesting this legislation, together with a current statement from the District Government as to its repayment of capital outlay loans and its borrowing requirements for fiscal years 1980 to 1986, follows:

THE DISTRICT OF COLUMBIA,
Washington, D.C., September 27, 1979.

HON. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: The Government of the District of Columbia has the honor to submit for the consideration of the 96th Congress a draft bill "To amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia."

The draft bill would amend section 723(a) of the Self-Government Act to extend the District's interim authority to borrow funds from the Treasury of the United States to finance capital improvement projects. Under present law, the Treasury is authorized to lend to the city only those sums required to complete capital projects for which construction and construction services funds were authorized or appropriated "prior to October 1, 1979." The draft bill would extend the borrowing authority to cover projects for which funding is authorized or appropriated in the fiscal year 1981 appropriation act. Thus, continuing and new projects included in the fiscal year 1981 appropriation act would become eligible for Treasury loans.

The Congress included the interim borrowing authority in the Self-Government Act to prevent undue disruption in the District's capital program. Because of the unexpected delays in the development and implementation of the District's bonding program, a two-year extension of the interim borrowing authority was approved by the Congress in 1977. (Public Law 95-131, October 13, 1977, 91 Stat. 1155). It is now clear that an additional extension is necessary. During testimony before the Congress, the city advised that the initial 2-year extension might prove so be insufficient in view of the work required to permit an audit of the city's books and to put a financial management system in operation.

The work in these areas is proceeding in accordance with the schedule approved by the Temporary Commission on Financial Oversight of the District of Columbia which was established pursuant to Public Law 94-399 (September 4, 1976, 90 Stat. 1205). Nevertheless, without approval of the proposed extension in the period for which Treasury loans may be made, vital ongoing improvement efforts will be halted and new projects may be delayed. Continuing projects in the District for which financing may not be available include roof and

boiler repairs and replacements for the public schools, major repairs to water and sewer mains, installation of new water and sewer mains and fire hydrants, major repairs to city streets and bridges, and fire hydrant and street-lighting installations.

Financing for new projects being considered by the District for inclusion in the fiscal year 1981 budget may not be available in a timely manner unless the interim borrowing authority is revised and extended as proposed in the draft bill. Affected projects may include: replacement of the Police and Fire Harbor Unit; relocation of Fire Department Engine Company No. 26; renovation of the Area C Mental Health Center; urgently needed improvements at the Lorton correctional facility; energy conservation improvements in District Government buildings; and replacement of deteriorated gas lines and other improvements in various public housing projects.

Because of the importance of the amendment to the financing of essential programs of the District Government, I urge prompt and favorable consideration by the Congress of the enclosed draft bill, which is not expected to result in any additional cost to the Government of the District of Columbia.

The Office of Management and Budget has advised that, from the standpoint of the Administration's program, there is no objection to the submission of this proposed legislation to the Congress.

Sincerely,

MARION S. BARRY, Jr.,
Mayor.

Enclosure.

GOVERNMENT OF THE DISTRICT OF COLUMBIA,
EXECUTIVE OFFICE,
October 22, 1979.

HON. RONALD V. DELLUMS,
*Chairman, Committee on the District of Columbia,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: For the Committee's consideration in relation to H.R. 5536, a bill "To amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia", I have enclosed information on:

- (1) The District's repayment of capital outlay loans to the Federal Government—future debt service;
- (2) The District's borrowing requirements from fiscal year 1980 to fiscal year 1986; and
- (3) The District's repayment of capital loans to the Federal Government—recent payment history.

Sincerely yours,

BARBARA C. WASHINGTON,
*Assistant City Administrator
for Intergovernmental Relations.*

Enclosures.

REPAYMENT OF CAPITAL OUTLAY LOANS TO THE FEDERAL GOVERNMENT: FUTURE DEBT SERVICE

[As of Sept. 30, 1979]

Payment year	Principal payment	Interest payment	Total payment	Outstanding balance	Cumulative borrowed
1951-78	113,492,931.55	453,781,487.98	567,274,419.58	1,390,000,068.45	1,503,493,000
1979	23,639,090.71	93,044,359.06	116,683,449.77	1,366,360,977.74	1,503,493,000
1980	25,779,783.37	102,283,916.21	128,063,699.58	1,340,581,194.37	1,503,493,000
1981	28,213,859.16	96,107,045.38	124,320,904.54	1,312,367,335.21	1,503,493,000
1982	28,781,819.72	94,278,852.96	123,060,672.68	1,283,585,515.49	1,503,493,000
1983	29,919,100.00	92,419,112.05	122,338,212.05	1,253,666,415.49	1,503,493,000
1984	31,861,938.54	90,476,273.51	122,338,212.05	1,221,804,476.95	1,503,493,000
1985	33,842,146.41	88,400,642.02	122,242,788.43	1,187,962,330.54	1,503,493,000
1986	36,057,287.61	86,185,501.08	122,242,788.43	1,151,905,042.93	1,503,493,000
1987	38,308,445.02	83,818,064.62	122,126,509.64	1,113,596,597.91	1,503,493,000
1988	40,625,670.10	81,290,796.67	121,916,466.77	1,072,970,327.81	1,503,493,000
1989	43,211,101.21	78,595,756.77	121,806,857.98	1,029,759,826.60	1,503,493,000
1990	45,840,696.77	75,717,472.55	121,558,169.32	983,919,129.83	1,503,493,000
1991	48,852,788.04	72,649,785.07	121,502,573.11	935,066,341.79	1,503,493,000
1992	51,427,595.64	69,370,302.01	120,797,897.65	883,638,746.15	1,503,493,000
1993	51,057,969.86	65,888,653.43	116,946,623.29	832,580,776.29	1,503,493,000
1994	53,970,715.67	62,352,851.46	116,323,567.13	778,610,060.62	1,503,493,000
1995	57,459,081.95	58,588,245.25	116,047,337.20	721,150,968.67	1,503,493,000
1996	60,877,807.44	54,564,343.91	115,442,151.35	660,273,161.23	1,503,493,000
1997	63,525,597.33	50,275,314.57	113,800,911.90	596,747,563.90	1,503,493,000
1998	66,699,116.78	45,744,371.33	112,443,488.11	530,048,447.12	1,503,493,000
1999	69,424,256.78	40,947,257.67	110,371,514.45	460,624,190.34	1,503,493,000
2000	69,694,706.51	35,909,408.14	105,604,114.65	390,929,483.83	1,503,493,000
2001	67,495,099.22	30,776,260.61	98,271,359.83	323,434,384.61	1,503,493,000
2002	68,410,014.94	25,786,410.73	94,196,425.67	255,024,369.67	1,503,493,000
2003	62,608,873.29	20,697,981.59	83,306,854.88	192,415,496.38	1,503,493,000
2004	56,930,315.95	15,883,807.19	72,814,123.14	135,485,180.43	1,503,493,000
2005	49,088,963.18	11,354,520.35	60,443,483.53	86,396,217.25	1,503,493,000
2006	36,125,974.59	7,324,548.94	43,450,523.53	50,270,242.66	1,503,493,000
2007	21,614,981.16	4,311,277.38	25,926,258.54	28,655,261.50	1,503,493,000
2008	16,396,745.53	2,498,511.19	18,895,256.72	12,258,515.97	1,503,493,000
2009	9,468,948.82	1,067,649.40	10,536,598.22	2,789,567.15	1,503,493,000
2010	357,131.31	211,061.55	568,192.86	2,432,435.84	1,503,493,000
2011	376,010.88	184,643.30	560,654.18	2,056,424.96	1,503,493,000
2012	403,868.71	156,785.47	560,654.18	1,652,556.25	1,503,493,000
2013	433,805.51	126,848.67	560,654.18	1,218,750.74	1,503,493,000
2014	353,955.27	94,679.08	448,634.35	864,795.47	1,503,493,000
2015	336,822.94	67,246.59	404,069.53	527,972.53	1,503,493,000
2016	254,137.86	40,917.87	295,055.73	273,834.67	1,503,493,000
2017	273,834.67	21,221.06	295,055.73	0	1,503,493,000
Total	1,503,493,000.00	2,193,294,184.67	3,696,787,184.67		

BORROWING REQUIREMENTS: FISCAL YEAR 1980-86

[In thousands of dollars]

Project status	1980	1981	1982	1983	1984	1985	1986
Projects approved through fiscal year 1979	138,199.8	135,593.8	135,919.9	100,975.7	33,361.0	25,900.0	21,966.0
New project starts in fiscal year 1980	7,032.7	16,706.8	13,035.5	6,372.2	0	0	0
New project starts in fiscal year 1981	0	21,913.1	25,991.6	12,206.7	9,012.4	7,207.4	8,902.4
Total	145,232.5	174,213.7	174,947.0	119,554.6	42,373.4	33,107.4	30,868.4

REPAYMENT OF CAPITAL OUTLAY LOANS TO THE FEDERAL GOVERNMENT: RECENT PAYMENT HISTORY

Date due	Total debt service due ¹	Total debt service paid	Date paid ²	Balance deferred ³
Oct. 1 1978	\$121,044,050.46	\$109,303,224.85 (475,748.46) (114,907,778.00)	Oct. 4, 1978 Sept. 27, 1978 Aug. 23, 1978	\$11,740,825.61
Oct. 1 1977	127,801,490.21	115,383,526.46		12,417,963.75
Oct. 1 1976	91,802,505.47	79,989,191.01	Oct. 28, 1976	11,813,314.46
July 7 1975	73,027,097.27	62,523,727.62	July 16, 1976	10,503,369.65

¹ Includes balances deferred from previous payment due date, in accordance with description in footnote 3.² Dates of enactment of D.C. Appropriations Acts: fiscal year 1976 (June 30, 1976); fiscal year 1977 (October 1, 1976); fiscal year 1978 (June 5, 1978); fiscal year 1979 (September 18, 1978).³ Pursuant to law, debt service due on loans for the Potomac Interceptor Sewer and related sanitary sewerage projects may be deferred when related revenues are insufficient to cover operating costs and debt service.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows: (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 723 OF THE DISTRICT OF COLUMBIA SELF-GOVERNMENT
AND GOVERNMENTAL REORGANIZATION ACT

INTERIM LOAN AUTHORITY

SEC. 723. (a) The Mayor is authorized to accept loans for the District from the Treasury of the United States, and the Secretary is authorized to lend to the Mayor, such sums as the Mayor may determine are required to complete capital projects for which construction and construction services funds have been authorized or appropriated, as the case may be, by Congress prior to [October 1, 1979] *October 1, 1980, or upon enactment of the fiscal year 1981 appropriation Act for the District of Columbia government, whichever is later.* In addition, such loans may include funds to pay the District's share of the cost of the adopted regional system specified in the National Capital Transportation Act of 1969.

* * * * *

[Subsequently the following report was received from the Congressional Budget Office:]

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., October 29, 1979.

HON. RONALD V. DELLUMS,
Chairman, Committee on the District of Columbia, U.S. House of Representatives,
Longworth Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to sections 308(a) and 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for H.R. 5537, a bill to amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia.

Should the Committee so desire, we would be pleased to provide further details on the attached cost estimate.

Sincerely,

ALICE M. RIVLIN, *Director.*

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

OCTOBER 29, 1979.

1. Bill number: H.R. 5537.
2. Bill title: A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to the borrowing authority of the District of Columbia.
3. Bill status: As ordered reported by the Committee on the District of Columbia on October 24, 1979.
4. Bill purpose: This bill extends for one additional year the authorization for the Secretary of the Treasury to lend to the District of Columbia such sums as are required to complete capital projects for which construction and construction service funds have been authorized or appropriated. Under existing law, the expiration date for the authorization is October 1, 1979. The bill sets a new expiration date of October 1, 1980, or upon enactment of the fiscal year 1981 budget for the District of Columbia, whichever is later.

5. Cost estimate:
Authorization level:

Fiscal year:	Millions
1980	125.0
1981	136.5
1982	
1983	
1984	

Estimated outlays:

Fiscal year:	
1980	87.4
1981	114.3
1982	39.2
1983	20.5
1984	

The costs of this bill fall within budget function 850.

6. Basis of estimate: Under the law, as amended by this bill, there are authorized to be appropriated such sums as may be necessary to make loans for capital outlay. For fiscal year 1980, the estimated authorization level is the amount contained in the District of Columbia Appropriations Bill that was passed on October 22, 1979. The 1981 estimated authorization level was derived by inflating the 1980 estimate by a composite cost index comprised of indexes for office building construction, sewage plants construction, and highway construction. Outlays were estimated using CBO spendout rates for these loans.

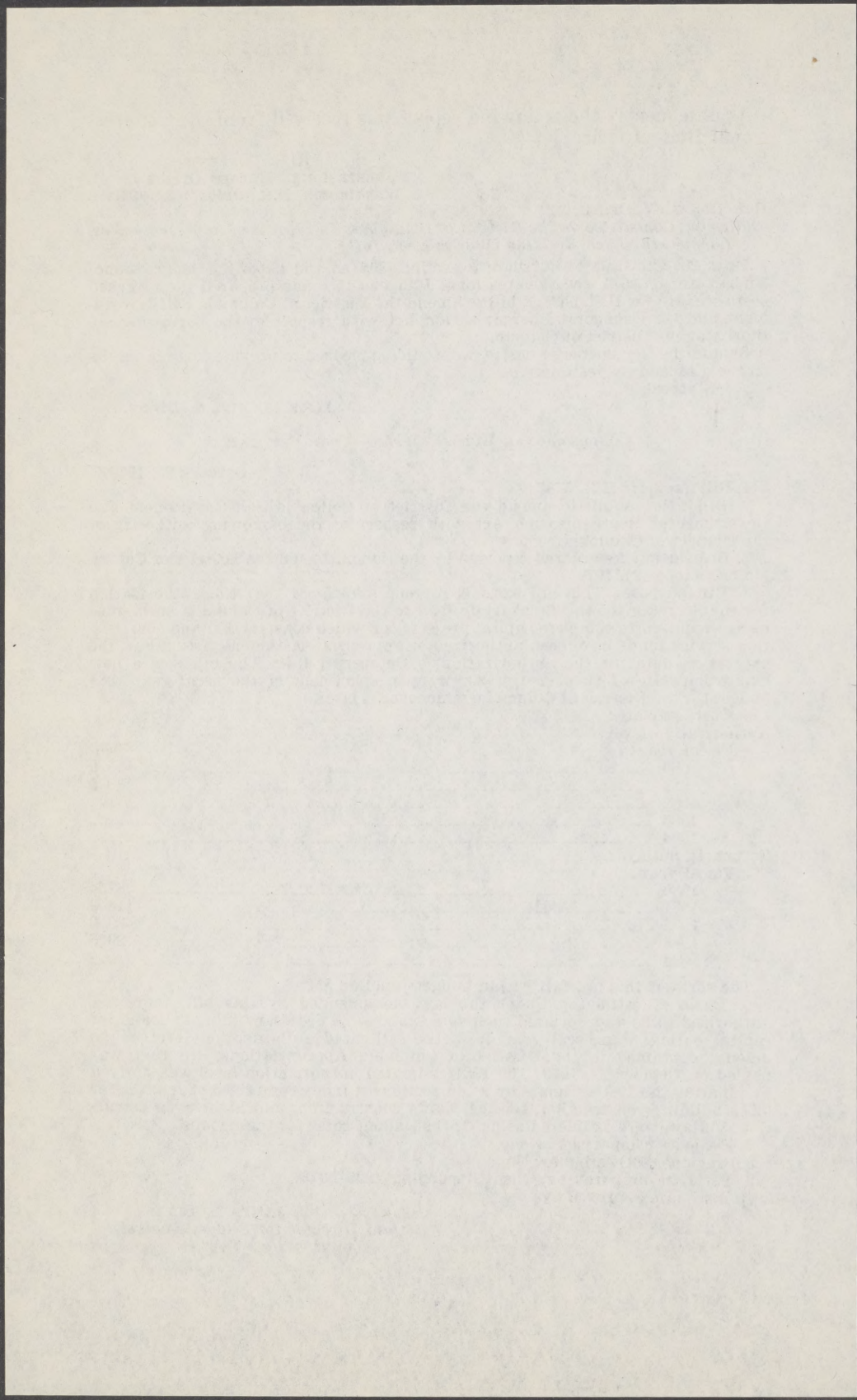
7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Lisa Glendening (225-5373).

10. Estimate approved by:

JAMES L. BLUM,
Assistant Director for Budget Analysis.



INTEREST RATE CEILING

THURSDAY, NOVEMBER 8, 1979

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

COMMITTEE HEARING ON H.R. 5811

The committee met, pursuant to notice, at 9:30 a.m., in room H-139, the Capitol, Hon. Ronald V. Dellums (chairman of the committee) presiding.

Present: Representatives Dellums and Diggs, Delegate Fauntroy, Representatives Harris, Moffett, Gray, Barnes, and McKinney.

Also present: Edward C. Sylvester, staff director; Robert Brauer, staff assistant; Elizabeth D. Lunsford, general counsel; James T. Clark, legislative counsel; Jack Barthwell, counsel; Dale MacIver, counsel; Harry M. Singleton, minority chief counsel; Robert Cover, legislative counsel's office.

STATEMENT OF CHAIRMAN DELLUMS

The CHAIRMAN. The meeting will come to order. I appreciate your attendance on such short notice, and I take your response to be another manifestation of your concern for the Nation's Capital and for its citizens.

Without objection, due to the short notice, I will proceed with the business as expressed in the meeting notice.

We are here hopefully to contribute to the resolution of the mortgage crisis in the District of Columbia, a crisis which is the result of precipitous action, at least in my view, of the secondary mortgage market to perceive consequences of a court ruling on legitimate actions of the local city government. However, I realize that lawyers do differ.

In this instance, people in the process of obtaining or negotiating mortgages were abruptly, without notice or warning, cut off from financing a most precious possession, a home.

Without belaboring the point, the secondary mortgage market businesses acted without any sensitivity or apparent concern from those whom these profits ultimately flow.

I particularly applaud my distinguished colleagues. Delegate Fauntroy and Mr. Barnes, for their quick recognition of this problem and moving toward a legislative review and coming together on a common front that I and my distinguished ranking minority member, Mr. McKinney, support.

The local government had requested the Congress to assist in this matter since the crisis is, in part, the consequence of a congressionally mandated process, the 30-day layover in the Congress of local enactments, which amounts to 45 to 60 calendar days before effectiveness.

I now call up the bill, H.R. 5811, a bill to make the Interest Rate Modification Act of 1979, as passed by the Council of the District of Columbia, to take effect immediately, and ask Mr. Fauntroy and Mr. Barnes to further explain the bill and the urgent need.

[The above referred to bill, H.R. 5811, introduced by Messrs. Fauntroy, Barnes, Dellums, and McKinney, on Nov. 7, 1979, follows:]

96TH CONGRESS
1ST SESSION

H. R. 5811

To allow the Interest Rate Modification Act of 1979, passed by the Council of the District of Columbia, to take effect immediately.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 7, 1979

Mr. FAUNTROY (for himself, Mr. BARNES, Mr. DELLUMS, and Mr. MCKINNEY) introduced the following bill; which was referred to the Committee on the District of Columbia

A BILL

To allow the Interest Rate Modification Act of 1979, passed by the Council of the District of Columbia, to take effect immediately.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 602(c)(1) of the District of Columbia Self-Gov-
4 ernment and Governmental Reorganization Act shall not
5 apply to the Interest Rate Modification Act of 1979 (District
6 of Columbia Act 3-119) passed by the Council of the District
7 of Columbia on November 6, 1979, and signed by the Mayor
8 of the District of Columbia on November 6, 1979, and such

- 1 District of Columbia Act shall become law on the date of the
- 2 enactment of this Act, notwithstanding section 404(e) of the
- 3 District of Columbia Self-Government and Governmental Re-
- 4 organization Act and any provision to the contrary in such
- 5 District of Columbia Act.

The CHAIRMAN. But before I recognize these gentlemen, I would like to first request unanimous consent to include in the record of these proceedings a letter received, dated November 8, 1979, from Mayor Marion Barry in support of the legislation before us. I now yield to the ranking minority member, Mr. McKinney, for his comments.

[The mayor's letter follows:]

THE DISTRICT OF COLUMBIA,
Washington, D.C., November 8, 1979.

HON. RONALD V. DELLUMS,
Chairman, Committee on the District of Columbia,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: On November 6, 1979, the Government of the District of Columbia enacted Act 3-119, the "Interest Rate Modification Act of 1979," which would establish, on a permanent basis, a 15 percent ceiling on the interest rates allowable on certain residential real property and consumer loans in the District of Columbia. Act 3-119 was transmitted to the Congress on the same day.

The bill is intended to supplant and augment emergency legislation (Act 3-105) currently in effect on the same subject. That emergency legislation is due to expire on January 3, 1980.

It is unlikely at this point that Act 3-119 will complete the Congressional review period in time to avoid a gap after the expiration of Act 3-105. Greatly complicating the question of timing, however, is a recent decision, by the District of Columbia Superior Court, which has cast doubt on the validity of the Council's enactment of successive emergency acts. As a result of this decision, the availability of funding for residential mortgage loans in the District has become highly uncertain and the situation is unlikely to improve until Act 3-119 becomes effective.

In view of the potential adverse impact on financial institutions and prospective homeowners, I am requesting that you and the other Members of the House Committee on the District of Columbia support legislation to waive application of the 30-day Congressional review period provided for in section 602(c)(1) of the Self-Government and Governmental Reorganization Act to Act 3-119. This would allow Act 3-119 to become law immediately.

I appreciate your continuing interest in, and support for, the people of the District of Columbia.

Sincerely,

MARION S. BARRY, Jr.
Mayor.

Mr. MCKINNEY. Mr. Chairman, with unanimous consent, I'd like to include in the record an editorial from today's Washington Post.

The CHAIRMAN. Without objection, so ordered.

[The editorial referred to follows:]

[From the Washington Post, Nov. 8, 1979]

MORTGAGE SHOCK

The decision by the Federal National Mortgage Association to stop buying most mortgages in the District from banks and savings and loan firms came as a rude surprise. The mortgage market in the city is strong even with high interest rates. But FNMA's decision was not based on the real estate market. It was a result of the city's problems with its well-intentioned but useless usury rate.

The ceiling on interest for loans was raised to 15 percent by the council through emergency legislation procedures. But that procedure has been ruled illegal by a superior court judge. The ruling is being appealed. Meanwhile, FNMA does not want to be in a position of buying mortgages that might later be found to be illegal.

FNMA is not a major mortgage supplier in the Washington area. But the effect of its decision on the Washington real estate market was seriously damaging, nonetheless. It triggered the Federal Home Loan Mortgage Corp. also to stop buying mortgages from the District. And together those firms constitute the largest buyer of mortgages and thus the largest source of mortgage money in the city. Without the regular sale of mortgages to secondary buyers like those two firms, the amount of money that banks and S&Ls have for mortgages will soon be depleted. And there will be no new source of money. Coupled with the recent slip in housing prices here, as reported by area realtors, a shortage of mortgage money could temporarily leave the real estate market flat. And that would have a terrible effect on the area's economy.

What can be done? City Councilman John A. Wilson suggests that Congress should act to waive its review period for permanent legislation raising the usury rate to 15 percent. Del. Walter E. Fauntroy (D-D.C.) and Rep. Michael Barnes (D-Md.) introduced legislation yesterday to pass over the review period and let the permanent usury law become effective immediately. Under normal circumstances, that action could take a month or more to gain approval from both houses of Congress and then from the White House. If the situation is treated as an emergency, that period could be cut to about a week or two. That would be good, but it carries with it the dangerous precedent of congressional intervention in the actions of elected District officials. Another possibility would be a request to the U.S. Court of Appeals for a speedy ruling on the appeal of the superior court decision that the emergency lawmaking was illegal. Even so, a speedy ruling could simply mean a faster denial of the appeal.

The heart of the matter lies with the District's decision to maintain a usury ceiling. Maryland and Virginia have no such limits. The competitive market in home loans has worked to keep the mortgage rate in those states at the same rate it is in the District. The current usury ceiling of 15 percent in the District is protecting few people, in any case. The economies of inflation and a booming housing market have teamed up to make a usury ceiling an anachronism and a disservice. It is acting to prevent District residents from obtaining legal loans. And it could press people to seek loans from loan sharks. The council should consider whether the time has not come to do away with the usury law altogether.

The CHAIRMAN. The gentleman is recognized.

STATEMENT OF REPRESENTATIVE McKINNEY

Mr. McKINNEY. Mr. Chairman, I think you and I totally agree that we should not be here at all. Congress should not be in the position of having to discuss what the city does, nor should it be in the position of having to tell the city what to do. But, as long as we are living under the present system of home rule, I guess we have no other choice.

However, I would say to my friends at city hall that I think we have got to get out of the habit of emergency legislation. If, in fact, an issue is important enough to be legislated by the city council, then I think it should be done by permanent legislation. I think I speak for the chairman as well when I say this, but I think that the whole

situation of having the city of Washington, in essence, not only run the Congress but also run by the courts is something that has got to be totally unacceptable.

I think the city's action of raising the usury rate to 15 percent when there is a 15½-percent prime is ludicrous. A 15-percent ceiling is not going to help anybody. But that is the city's business. I just wish that we were not here deciding that we have to do something to let them do it. However, I must say that if, in truth, the city wants a usury rate, that is their business, but the legislation should have been passed through the regular process.

I think we are breaking a precedent here today, and we just simply cannot get into this business. If the city council really cares as much as I care about this city running itself, it would do everything possible to make sure that the courts do not run it because that is the worst of all possible worlds. In the condominium conversion law and in this case, in essence, the courts and outside agencies are running the city of Washington, and, Walter, I just find that totally unacceptable.

The CHAIRMAN. I thank my colleague for his candid remarks. I would now yield to Mr. Fauntroy for further explanation of the bill before the committee.

STATEMENT OF DELEGATE FAUNTROY

Mr. FAUNTROY. Thank you, Mr. Chairman. I want to first thank the chairman, Mr. Dellums, and the ranking minority member, Mr. McKinney, and Mr. Barnes, for the speed with which we agreed on introducing the measure and the speed with which this meeting was called to consider it.

I have several comments I would like to make. This legislation is not necessary, as Mr. McKinney has pointed out, because of any action of the City Council or the Mayor. It has become necessary because of judgments which have been made about certain legislative acts of the Government by outside, independent organizations.

While these parties certainly have a right to make such judgments as they might wish to protect their interest, I have to express deep concern over the fact that they have apparently failed to discuss this matter at any length with city officials. While they may very well have arrived at the same conclusion as they did, some discussion might have permitted the city to arrange with this committee, the Congress, and other parties a more orderly response to the crisis.

The extremely abrupt action by a quasi-governmental institution whose impact on the money markets is as influential as FNMA can only be viewed as disappointing, to say the least. I would hope that the future actions of this institution will be more carefully calculated to assure that the impact will be more orderly.

As you know, not every lender agreed to the decision of FNMA. A good argument can be made for the validity of the acts of the city, and a good argument can be made for the position of FNMA; but, it is incumbent that an agency presume the acts of the legislature legal until there is clear and convincing evidence to the contrary.

It is inappropriate that the city and now the Congress be forced to undertake this measure with as little time for consideration as it

must. Unfortunately, the substantial influence over the secondary markets of this one opinion, this one decision, causes us to act quickly.

The process has left some misunderstandings and some bruised egos, I am sure. It has also demonstrated, however, the ability of all parts of the city and this committee and its members to rise to meet the challenge which has been thrust upon us.

We have explored a number of avenues, and I think we know what all of the issues are on this subject. One thing that is clear to me from all of our discussion is the need to broaden the ability of the city to deal effectively with its own affairs. I hope we emerge from this process with that commitment for budget and legislative powers as well.

The bill in front of us—H.R. 5811—will clarify the question over interest rates and the ambiguity which some believe exists in the present statutory arrangements as the result of a decision by the superior court in an entirely unrelated matter by making the city's proposed permanent legislation effective immediately by waiving the 30-day layover required by the Home Rule Act.

I have examined the text of this bill very carefully. I believe it is adequate to meet that need. Accordingly, I would urge its passage and ask that it be brought to the floor as expeditiously as possible.

The work by Congressman Barnes, the mayor, the council, and so many others, is deeply appreciated by all who want to see the early restoration of an orderly and stable financial market. In that regard, I would like to introduce into the record at this point letters from Council Chairman Dixon and from the Assistant to the President for Domestic Affairs and Policy, Stu Eizenstat, indicating the President's commitment to work with us in getting a favorable vote.

The CHAIRMAN. Without objection, so ordered.

[The letters referred to follow:]

COUNCIL OF THE DISTRICT OF COLUMBIA,
Washington, D.C., November 6, 1979.

HON. WALTER E. FAUNTROY,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FAUNTROY: This is to request that the Congress of the United States immediately consider and enact legislation to waive the 30-day Congressional review period for Acts of the Council of the District of Columbia as required by section 602(c) (1) of the District of Columbia Self-Government and Governmental Reorganization Act (P.L. 93-198) (hereinafter "Charter") as this requirement pertains to bill 3-172, the "Interest Rate Modification Act of 1979".

Regulation 74-21 currently governs the interest rates which may be charged on certain residential mortgage loans in the District of Columbia. Enacted August 1, 1974, this Regulation was subsequently amended by D.C. Law 2-140 to raise the allowable rates of interest to 11 percent on first mortgage loans on residential real property, 11.5 percent on second and other mortgage loans on residential real property, and 12 percent on cooperative loans. E.A. 3-79, the "Interest Rate Modification Second Emergency Act of 1979", signed by the Mayor on October 5, 1979, amended Regulation 74-21 to raise the interest rate ceiling to 15 percent on all residential mortgage loans. This emergency act will expire on January 3, 1980.

On November 6, 1979, the Council of the District of Columbia passed, on final reading, bill 3-172, the "Interest Rate Modification Act of 1979". This is the permanent legislation for E.A. 3-79 and incorporates Regulation 74-21 into law with the retention of a 15-percent interest rate ceiling on residential mortgage loans and raises the current 8-percent-interest rate ceiling on certain consumer loans to 15 percent. However, because of the Charter requirement of a 30-day

Congressional review period, it is not anticipated that this bill will become law before March, 1980.

On October 19, 1979, Judge Revercomb of the District of Columbia Superior Court issued a decision in *The Washington Home Ownership Council, Inc. v. District of Columbia and Metropolitan Washington Planning and Housing Association, Inc.* (C.A. No. 10624-79) which greatly circumscribed the Council of the District of Columbia's power to enact subsequent emergency acts. This order has been stayed by the District of Columbia Court of Appeals. Should this decision subsequently be upheld by the District of Columbia Court of Appeals, there is some question whether the Interest Rate Modification Second Emergency Act of 1979 (E.A. 3-79) would be valid and it would also be questionable whether the Council of the District of Columbia could enact a third emergency to cover the period of time between the expiration of the second emergency and the expiration of the 30 day Congressional review period on bill 3-172.

District of Columbia lending institutions do not have sufficient deposits on hand to finance mortgage loans and so must borrow funds from Federal and out-of-D.C. banks in order to make residential mortgage loans. Residential mortgage loans made in the District are then sold on the secondary market. The Federal National Mortgage Association is one of the major purchasers of these loans.

On November 2, 1979, the Federal National Mortgage Association issued a memorandum (copy attached) to District lending institutions stating that pending resolution of *The Washington Home Ownership Council, Inc. v. District of Columbia and Metropolitan Washington Planning and Housing Association, Inc.* they would not accept any conventional residential mortgages made under E.A. 3-79 with an interest rate in excess of 10.90 percent. This action has the effect of drying up funds for residential mortgage loans in the District until March, 1980 when bill 3-172 may become effective. I cannot over emphasize the catastrophic effect this would have on the housing market in the District of Columbia. It also raises the potential for severely decreasing the availability of mortgage money after March, 1980 since lending institutions forced out of the District of Columbia market may not all be willing to begin servicing the District of Columbia after March, 1980.

For the above reasons, we respectfully request the Congress of the United States to waive the 30 day Congressional review period for bill 3-172 and allow it to become effective after it is signed by the Mayor and upon publication in the District of Columbia Register.

Sincerely,

ARRINGTON DIXON,

Chairman.

JOHN A. WILSON,
Chairperson, Finance and Revenue Committee.

POLLY SHACKLETON,

(Ward 3)

NADINE P. WINTER,

(Ward 6)

WILHELMINA J. ROLARK,

(Ward 8)

CHARLENE DREW JARVIS,

BETTY ANN KANE,

(At Large)

JOHN RAY,

(At Large)

HILDA MASON,

(At Large)

JERRY A. MOORE, Jr.

(At Large)

FEDERAL NATIONAL MORTGAGE ASSOCIATION,
Philadelphia, Pa., November 2, 1979.

To: All sellers of conventional loans (District of Columbia).

Subject: Purchase requirements for conventional loans on single family, owner occupied 2-4 family and owner occupied urban properties.

In view of the recent decision of the D.C. Superior Court in the case of *The Washington Home Ownership Council Inc., v. District of Columbia and Metro-*

politan Washington Planning and Housing Association, Inc., Civil Action No. 10624-79, pertaining to the authority of the Council of the District of Columbia to enact emergency legislation, and pending a resolution of this case on appeal, FNMA will not consider the purchase of conventional loans on single family, owner occupied 2-4 family and owner occupied urban properties located in the District of Columbia which are made pursuant to the latest Emergency Act 3-79, enacted by the Council of the District of Columbia on October 5, 1979, establishing an interest rate ceiling of 15 percent per annum simple interest for certain residential mortgage loans.

Sellers are reminded to comply with FNMA's special purchase requirements set forth in our previous policy statement dated December 18, 1979, and effective January 2, 1979, which reflects that FNMA will not purchase any such conventional loans where the total of all interest provided on the face of the promissory note, plus all discounts, points, origination fees, and other charges constituting or treated as interest under the applicable law, exceeds 10.90 percent per annum simple interest. A revised policy statement will be issued shortly to reflect the permanent changes in the Regulation Establishing Interest Rates for Certain Loans (74-21) pursuant to Act 2-301, Bill 2-294, enacted by the Council of the District of Columbia on March 2, 1979. Among such changes, Sellers are prohibited from charging the borrower more than one (1) point as defined in Section 503(a) of Regulation 74-21, as amended.

With regard to FNMA's purchase requirements for conventional loans on nonowner occupied 2-4 family and nonowner, occupied urban properties located in the District of Columbia, Sellers should consult the Circular Letter to all Sellers of Conventional Loans dated March 1, 1979.

CHARLES W. HARVEY, Jr.,
Regional Vice President.

THE WHITE HOUSE,
Washington, D.C., November 8, 1979.

Hon. WALTER E. FAUNTROY,
*U.S. House of Representatives,
Washington, D.C.*

DEAR CONGRESSMAN FAUNTROY: I am deeply concerned that questions raised by a recent District of Columbia Superior Court decision have virtually halted the flow of mortgage credit in the District. It is critically important to District residents that they be able to buy and sell their homes on a normal orderly basis, which in turn requires that secondary market institutions be in a position to purchase mortgages in the District.

Mayor Barry and the City Council under Chairman Dixon have acted promptly in enacting a new permanent mortgage ceiling. I want to express the strong support of the administration for the Federal legislation which is necessary to make this new mortgage ceiling effective quickly.

I look forward to continuing to work closely with Mayor Barry, Chairman Dixon and yourself to assure that the full flow of mortgage credit in the District of Columbia is restored as rapidly as possible.

Sincerely,

STUART E. EIZENSTAT,
*Assistant to the President
for Domestic Affairs and Policy.*

Mr. FAUNTROY. Mr. Chairman, I would like to engage in some discussion about one aspect which I think is important.

The CHAIRMAN. The gentleman is recognized.

EFFECTIVE DATE OF LEGISLATION

Mr. FAUNTROY. I have a concern over the period between October 5, 1979, and the date on which this pertinent legislation becomes effective.

As you know, a seller-servicer, particularly in the case of a sale involving the Federal Home Loan Mortgage Corp., is required to make certain representations and warranties as to the compliance with the

various laws including the local usury laws. Indeed, this is the case with most public and private secondary mortgage placements.

Where a seller-servicer is unable to provide these representations, it is often the case that the loans are either not salable in the secondary market or, if they have been sold, they may be subject to repurchase by the originating lender, that is, the seller-servicer.

In the circumstances before us, I would like to explore with you whether or not additional language or a commentary, at least, in the committee report will adequately meet the concerns expressed about the time between October 5 and the effective date of this act.

As some of you know, I had originally proposed some language that was intended to meet this concern. There is a question, however, of whether this or any language is necessary to offset the concerns that have been raised in the first place.

As you may know, the Interest Rate Modification Act itself contains some language which would appear to meet this concern. If we may have some discussion of this matter that would, I think, be helpful, especially in light of the fact that at least one secondary market group has written to advise me that they might very well exercise their rights of recourse against the seller-servicer if the interim period is not clearly covered.

I would like to enter into the record, letters which I have received from the Washington Board of Realtors, the Perpetual Federal Savings & Loan Association, the Mortgage Corp. and memorandum from the Board of Trade, which express grave concern about whether or not mortgages agreed to between October 5 and the expected date of this act will, in fact, stand.

The CHAIRMAN. Without objection, so ordered.

[The documents referred to follow:]

WASHINGTON BOARD OF REALTORS, INC.,
Washington, D.C., November 7, 1979.

HON. WALTER FAUNTROY,
Delegate, District of Columbia, Rayburn House Office Building,
Washington, D.C.

DEAR DELEGATE FAUNTROY: The Washington Board of Realtors, representing over 2100 members of the real estate industry in the District of Columbia, urges you and your colleagues to waive the 30 day Congressional review period requirement on the "Interest Rate Modification Act of 1979." This legislation passed second reading by the D.C. City Council yesterday, and was promptly signed by Mayor Barry.

As you know, the residential real estate industry in the District of Columbia has virtually ground to a halt in light of the Federal Home Loan Mortgage Corporation and Federal National Mortgage Association decision suspending funding of home mortgages in the District of Columbia.

This is indeed an emergency situation and we ask you to act immediately on this issue which is of utmost concern not only to our members but also to hundreds of homebuyers awaiting settlement in this city.

Thank you for your immediate consideration of this urgent matter.

Sincerely,

RAYMOND J. HOWAR, *President.*

PERPETUAL FEDERAL SAVINGS,
November 8, 1979.

Congressman WALTER E. FAUNTROY,
Delegate, District of Columbia,
Rayburn Office Building, Washington, D.C.

DEAR CONGRESSMAN FAUNTROY: Your efforts to expedite the approval of the recently enacted District of Columbia interest rate bill, which was passed by

the City Council on November 6, is greatly appreciated. But savings and loans, as well as other lenders active in the District of Columbia, are left with mortgages which were created under a law which they believed to be legal and which may yet prove to be legal—but which are at this moment unmarketable in the secondary mortgage market. It is imperative that as much as can be done, be done, to clarify the position of the Congress with respect to the previously enacted emergency interest rate bill. If this issue is not addressed in the expediting of the permanent interest rate bill, then I am fearful that many frivolous suits may arise threatening the assets of a number of lenders.

As a spokesman for the Metropolitan Washington Savings & Loan League, I asked that, on behalf of our industry, you appeal to the House District Committee for the inclusion of language which would clarify the Congress' position on the previously enacted legislation of the District.

Sincerely,

THOMAS J. OWEN,
*Chairman, Legislative Committee,
Metropolitan Washington Savings and Loan League.*

THE MORTGAGE CORP.
November 6, 1979.

HON. WALTER E. FAUNTROY,
*Rayburn House Office Building,
Washington, D.C.*

DEAR MR. FAUNTROY: I understand that you intend to introduce federal legislation which will clearly establish the validity of the District of Columbia City Council's interest rate legislation called into question by a recent D.C. Superior Court decision on condominium conversion. I strongly support your efforts and hope they produce a nearly resolution of the issue.

On October 19, 1979, the District of Columbia Superior Court rendered its decision in the case of *The Washington Home Ownership Council, Inc. v. District of Columbia and Metropolitan Washington Planning and Housing Association, Inc.* This decision struck down emergency legislation of the District of Columbia intended to prolong a ban on condominium conversions. The court held that the 90 day emergency legislation power of the District of Columbia under its home rule charter could not be used to avoid the formal legislative process involving Congressional review.

On July 10, 1979, other emergency legislation was enacted in the District of Columbia which removed the 11 percent interest ceiling on home mortgage loans in the District of Columbia. This enactment was repealed by October 5, 1979 emergency legislation which placed that ceiling at 15 percent. (Emergency Act 3-79).

A standard Mortgage Corporation requirement is that Sellers warrant compliance with applicable laws, including usury laws as to each mortgage sold to us. The Washington Home Ownership Council case raises sufficient questions regarding the legality of Emergency Act 3-79 governing interest rates to make it impossible for lenders to warrant to the Mortgage Corporation's satisfaction that mortgage made on District of Columbia property on or after October 5 at rates in excess of 11 percent are not usurious. The Mortgage Corporation, therefore, will be unable to purchase home mortgages secured by property in the District of Columbia if interest exceeds eleven percent and the mortgage was closed on or after October 5, 1979.

The Mortgage Corporation regrets that this action will have an adverse impact on the availability of home mortgage financing in the District of Columbia, and we have taken this action reluctantly. We will be closely watching future developments in this area, including the appeal of *The Washington Home Ownership Council* case. When the present legal uncertainty is eliminated, we will again purchase qualifying mortgages on District of Columbia property.

Usury laws in many states are presently preventing lenders from making home mortgage loans. Federal legislation which would override state usury laws for these loans has passed the Senate. The Mortgage Corporation strongly supports this legislation.

I strongly endorse your efforts and urge members of Congress to act promptly in sanctioning the City Council's action raising the ceiling to 15 percent.

Sincerely,

PHILIP R. BRINKERHOFF.

THE MORTGAGE CORP.,
November 7, 1979.

Delegate WALTER E. FAUNTROY,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. FAUNTROY: This will supplement the letter of the Corporation's President, Mr. Philip R. Brinkerhoff, to you dated November 6, regarding the interest rate legislation you intend to introduce for the District of Columbia.

I understand that questions have arisen concerning the manner in which the Corporation applies the representations it receives from its seller/servicers, particularly the representations that loans offered for sale to the Corporation are not usurious under applicable local law. The Corporation's policy is to require that seller/servicers warrant that such loans are not usurious and that seller/servicers be able to provide an opinion of counsel that is unqualified in a manner satisfactory to the Corporation that the loans are not usurious. The nature of the secondary market is such that representations with this degree of certainty are a necessity.

In the event that the seller/servicer is unable to provide these representations, it is also the policy of the Corporation that the loans are returned if they have not yet been purchased. If they have already been purchased, the seller/servicer is required to repurchase them. Requirements of this nature are standard in the public and private secondary mortgage markets. In essence, the burden is on the seller to stand behind the legal quality of its product.

As a result of these policies, the period of time between October 5, 1979, and the date on which permanent legislation becomes effective is particularly critical. If the legislation that you intend to introduce does not adequately clarify the non-usurious character of loans originated in the District of Columbia during that period, those loans will not, for all practical purposes, be marketable in the secondary market.

The amount of loans originated during that period, which have been submitted to the Corporation alone is in excess of \$3 million. The amount originated during that period in the District as a whole is obviously larger. These amounts represent a significant level of housing opportunities for the citizens of the District, and we would urge that every effort be made to clarify their non-usurious character with the requisite degree of certainty.

I hope this letter is responsive to your request for further information. If you believe that I can be of assistance in any way, please do not hesitate to call me or other members of the Corporation's staff.

Sincerely,

HENRY L. JUDY.

THE METROPOLITAN WASHINGTON BOARD OF TRADE,
LEGISLATIVE/FISCAL BUREAU,
November 7, 1979.

Re D.C. Legislation

To: Board of Trade Membership

From: Charles E. Diehl, Chairman, Legislative/Fiscal Bureau

The D.C. Court of Appeals is considering an appeal by the D.C. Government from a lower court opinion that declared the "Emergency Condominium and Cooperative Conversion Stabilization Act of 1979" (Act) unlawful. This Act, approved on August 27, 1979, is substantially identical to a similarly styled Act passed by the Council on May 29, 1979. Both Acts had, with certain exceptions, prohibited the conversion of District of Columbia rental housing units to condominiums. The Court of Appeals issued a "stay" of this lower court action pending an appellate review.

Superior Court Judge George Revercomb, in a sixteen page Opinion and Order, ruled that the D.C. Council may not, under its emergency power, enact "temporary legislation" of indefinite duration through repeated use . . . of emergency legislation. The emergency power, Revercomb ruled, may only be used in extraordinary circumstances and not as a "shortcut" vehicle for enacting routine or temporary measures."

This ruling does not in itself negate, but does place a cloud, over all emergency acts of the D.C. Council having "substantially the same" (emphasis added) provisions that have been enacted more than once without a "second reading" or submission to the Congress for the review period required of "permanent" legislation.

Recognizing this cloud, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation have suspended their purchases of home mortgages in the District of Columbia. These actions were reportedly taken in view of the uncertain status of D.C. usury ceilings on 1st residential mortgages.

The 1st Emergency bill, the "Interest Rate Modification Emergency Act of 1979" removed all interest rate ceilings. The second emergency bill establishes a 15 percent limitation on interest. It is our understanding that if the Council had no authority to pass the 2nd emergency bill, the legal interest ceilings in this type of loan will revert to 11 percent. Thus, the question that must be resolved—according to Revercomb's decision—is whether the 2nd emergency act is "substantially the same" as the 1st. The Council has passed and the Mayor has signed permanent legislation—the "Interest Rate Modification Act of 1979" (bill 3-172) but it will not become effective—absent a special approval by the Congress—for at least 30 days. Congress has been asked to make this special approval.

The Court of Appeals has not indicated when it will resolve this case but lawyers familiar with the case believe that it will act quickly.

We thought that you would be interested in other legislation that is similarly clouded:

EA 3-86: 3rd Youth Employment Emergency Act of 1979, passed by the Council October 23, 1979. 2nd Emergency Act expires November 19, 1979. Permanent legislation (bill 3-138) was passed on final reading October 23, 1979.

EA 3-87: Realty Violations Correction Fund 3rd Emergency Act of 1979, passed by the Council October 23, 1979. 2nd Emergency Act expired November 4, 1979. Permanent legislation (bill 3-136) was passed on final reading October 23, 1979. 4th Emergency Educational Institution Licensure Regulations Act of 1979, passed by the Council November 6, 1979. 3rd Emergency Act expires November 13, 1979.

EA 3-85: Closing of a Public Alley in Square 214 3rd Emergency Act of 1979, passed by the Council October 23, 1979. 2nd Emergency Act expires November 7, 1979. (This square is bordered by Vermont Ave./15th St./M St./L/St., N.W.)

EA 3-84: Full Political Participation Act 3rd Emergency Amendments of 1979, passed by D.C. Council October 9, 1979, expires January 13, 1980.

Act 3-103: Real Property Tax Classification 2nd Emergency Act of Tax Year 1980, expires December 27, 1979. Permanent legislation (bill 3-141) was passed by the Council on final reading on September 11, 1979. Expiration of Congressional review period approximately in the middle of November. 3rd Emergency Amendments to the D.C. Consumer Transmission of Money Act of 1978, passed by the Council November 6, 1979. Permanent legislation (bill 3-143) was passed on final reading October 9, 1979.

Act 3-105: Interest Rate Modification 2nd Emergency Act of 1979, expires January 3, 1980. Permanent legislation (bill 3-172) was passed on final reading on November 6, 1979. Closings of Streets and Alleys for the Washington Convention Center 2nd Emergency Act, passed by the D.C. Council November 6, 1979. First Emergency Act expires November 29, 1979. Permanent legislation (bill 3-199) was introduced October 3, 1979 and is still pending.

EA 3-82: 3rd Moratorium on Retail Service Station Conversions Emergency Act passed by the Council October 9, 1979. Permanent legislation (bill 3-152) was passed on final reading October 9, 1979.

Act 3-111: Real Property Tax Rates for Tax Year 1980 2nd Emergency Act of 1979 passed by the Council October 9, 1979, effective October 26, 1979, expires January 24, 1980. Permanent legislation (bill 3-176) passed on final reading October 9, 1979.

For more information please contact Jerry A. Moore III of our staff at 857-5930.

The CHAIRMAN. Thank you, gentlemen, for a statement. I would like to respond briefly to your latter comment. It is our judgment, at least it is the judgment of the Chair and of the ranking minority member, that to add a retroactive component to this legislation would further encumber it, probably would mean a delay in passage of this particular legislation. And, so our judgment was to go specifically to the barebones legislation that would deal with the crisis before us. And,

my thought would be, with concurrence of the committee, that we would incorporate into the report accompanying this legislation a statement dealing specifically with the concerns that the gentleman from the District of Columbia has raised with respect to the number of people who will be caught in the middle in that 2- or 3-week period that would not be necessarily covered by the legislation, in the hope that this legislative history would give a clear indication that we would hope that these people not covered would actually be covered by this legislation without us having to put a retroactive component into the legislation.

Mr. FAUNTROY. I thank the gentleman for that statement. I think it might be useful to note that the legislation passed by the Council itself does speak to this question on page 1, line 4. I would like to now read that for the record:

The loan is both contracted for and consummated after the effective date of this act, October 5, 1979, and no written commitment to make the loan at a lower rate of interest than the maximum rate permitted hereunder was issued by the lender to the borrower prior to the effective date of this act.

In short, Mr. Chairman, I think that it was the intent of the council in passing the legislation that the effective date should be October 5. Presumably, therefore, the approval of the bill which we are now considering would, in my view, take us back to October 5 and thus cover the concerns raised.

The CHAIRMAN. Without objection, we would like to incorporate the legislation, that particular council bill, into the body of the record accompanying this legislation before us.

[See appendix.]

Mr. McKINNEY. I think our discussion and our report language will cover the problem. And, of course, we are operating without knowing what the court of appeals is going to do. And the court of appeals may come along and say that the "emergency" condominium conversion bill which the City Council passed was perfectly legal, at which point everything we do here is moot. But, again, there we are just letting the court of appeals run the city. So let us get on with it, Mr. Chairman.

The CHAIRMAN. The Chair would now like to recognize Mr. Barnes.

STATEMENT OF REPRESENTATIVE BARNES

Mr. BARNES. Thank you, Mr. Chairman. I want to speak in strong support of this legislation. And I particularly want to congratulate the Chair on the swift calling of this meeting and the swift action which is obviously important to the citizens of the District of Columbia. But, beyond that, it is important to everyone who lives in the Washington area.

I have been hearing for the last few weeks, ever since Judge Reverbomb's decision, from people in my district who are concerned about whether they can buy a home, whether they can buy a home, whether they will be able to sell a home. And the impact on the whole Washington area is severe. And in that respect, I have been authorized by Congresswoman Gladys Spellman, and Congressman Joseph Fisher, to express to the committee their support for the concept in the legislation [H.R. 5811] that we have before us this morning.

I particularly want to say that I think Delegate Fauntroy deserves the thanks of everybody in the Washington area for his leadership in this matter. He and I and our staffs have worked very closely in developing this legislation. We have worked with the Mayor and the City Council. I have personally spoken with the chairman of the City Council twice in the last 36 hours, and have spoken with the Mayor as well. And, as has been indicated, they are strongly supporting this approach. I think the thing for us to do this morning is to report it out of the committee, hopefully unanimously, and as quickly as possible get it to floor and help the city to resolve its problem.

I did just want to comment quickly on a point that Mr. McKinney made with respect to the Washington Post editorial this morning. I think the Post may have it a little bit backwards because the Post suggests that what this committee proposes to do and what we are suggesting the Congress should do may set a dangerous precedent for what the Post called "congressional intervention" in the actions of the District officials.

In fact, what we are doing is removing a congressional impediment to the District doing what it ought to be able to do in its own right because we are removing, at least in this one instance, a requirement that—

The CHAIRMAN. Would the gentleman yield at that point.

Mr. BARNES. Yes, sir.

The CHAIRMAN. I think we might add, at the request of the local government.

Mr. BARNES. Absolutely. Absolutely. This is a case where Congress is permitting the local government to do what it wants to do. And it seems to me that that is a point that ought to be in the record with respect to this legislation. I do not think that anyone should read negative implications with respect to the congressional latitude regarding the District of Columbia from this legislation. In fact, I think the contrary argument can be made with respect to what we are doing this morning. So, Mr. Chairman, I would—

Mr. McKINNEY. If the gentleman would yield for a moment. I could not agree with you more. My inclusion of the Washington Post article is just to make once more the solid point that it is a tragedy that, after having passed the Home Rule bill, we continue to be involved in the affairs of the city.

The CHAIRMAN. I would like to thank the gentleman for his remarks, and thank you very much for your contribution. I think it typifies the good neighbor approach to a specific problem affecting the residents of the District of Columbia. And I am sure that I am joined by my distinguished colleague from the District in thanking you for your contribution and your attitude.

Are there any other members who wish to speak?

Mr. HARRIS. Mr. Chairman?

The CHAIRMAN. The Chair recognizes the gentleman from Virginia.

STATEMENT OF REPRESENTATIVE HARRIS

Mr. HARRIS. I have one sentence to say. This bill [H.R. 5811] does a very specific thing in a very limited way, and it should be done quickly. It does not set precedents at all, but it does say that the act of the Dis-

trict of Columbia—Act 3-119—should go into effect immediately. And it proves that this Congress can move promptly in a period of crisis where such action is necessary.

The second sentence, I hope, is that this committee proves that Congress can move promptly and go ahead and report the bill.

The CHAIRMAN. I thank the gentleman. Are there any other comments?

[No response.]

The CHAIRMAN. The Chair would now recognize the gentleman from the District of Columbia for the purposes of offering a motion.

Mr. FAUNTROY. Mr. Chairman, I move that we do favorably report H.R. 5811.

VOTE ON H.R. 5811

The CHAIRMAN. You have heard the motion. All in favor of the motion, signify by saying aye.

[A unanimous chorus of ayes.]

The CHAIRMAN. All opposed?

[No response.]

The CHAIRMAN. The ayes have it, and the motion carries. The bill—H.R. 5811—will be reported to the Congress.

The CHAIRMAN. If there is no other business to come before the committee, the committee stands adjourned.

[Whereupon, at 10:10 a.m., the committee adjourned.]

[EXCERPTS FROM COMMITTEE REPORT]

96TH CONGRESS } 1st Session }	HOUSE OF REPRESENTATIVES }	REPORT No. 96-603
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INTEREST RATE CEILING

NOVEMBER 8, 1979.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DELLUMS, from the Committee on the District of Columbia, submitted the following

REPORT

[To accompany H.R. 5811]

[Including cost estimate of the Congressional Budget Office]

The Committee on the District of Columbia, to whom was referred the bill (H.R. 5811) to allow the Interest Rate Modification Act of 1979, passed by the Council of the District of Columbia, to take effect immediately, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of H.R. 5811 is to make effective immediately an act of the Council of the District of Columbia without waiting for the normal 30-day congressional layover period specified in section 602 (c) (1) of the District of Columbia Self-Government and Governmental Reorganization Act (87 Stat. 774; D.C. Code, title 11, sec. 101 et seq.)

The Council act which would become law immediately upon the enactment of H.R. 5811 is the Interest Rate Modification Act of 1979 (District of Columbia act 3-119), which was passed by the Council of the District of Columbia, and signed by the Mayor of the District of Columbia, on November 6, 1979. The Council bill raises the usury limitation on residential and certain other consumer loans to 15 percent.

NEED FOR THE LEGISLATION

Recently, the Federal National Mortgage Association announced that it would no longer buy home mortgages on property in the District of Columbia. The Federal Home Loan Mortgage Corporation, private participants in the secondary mortgage market, and other residential mortgage lenders, have taken similar action.

The typical market rate for residential mortgages is about 14 percent in the District of Columbia. However, lenders fear that earlier action taken by the District Council, namely, on October 5, 1979, to raise the usury limitation on residential mortgages from 11 percent to 15 percent may be invalid. This action by the Council was taken by adopting a temporary Second Emergency Act (D.C. act 3-105), which is due to expire on January 3, 1980. Hence, the necessity of this legislation, H.R. 5811. Also, a recent trial court decision in a case involving condominium conversion regulations has raised doubts about the legality of the "emergency acts" of the Council.

Hence, the Council has now adopted permanent legislation to lift the usury ceiling to 15 percent. However, that legislation, the Interest Rate Modification Act of 1979 (District of Columbia act 3-119) will not take effect for 30 legislative days from the time it was transmitted to the Speaker of the House and President of the Senate, a congressional layover period set in the Home Rule Act. (Public Law 93-198) sec. 602(c)(1), (D.C. Code, title 1, sec. 147(c)(1)).

H.R. 5811 makes Council act 3-119 effective immediately without waiting the 30-day congressional layover period which, based on expected legislative days ahead, expires about February 1, 1980.

Without H.R. 5811, persons seeking to buy or sell residential property in the District of Columbia would be unable to get a mortgage loan for about 3 months and many pending settlements have been suspended.

In addition, H.R. 5811 clarifies any questions of the status of loans with effective interest rates in excess of 11 percent made since October 5, 1979, which was the effective date of District of Columbia act 3-105, the "emergency" act setting the interest ceiling at 15 percent. The committee does not doubt the validity of act 3-105, and in section 2(b)(2) of D.C. act 3-119, the Council has affirmed the 15-percent ceiling set in D.C. act 3-105 effective October 5, 1979.

Thus, H.R. 5811 is needed to prevent the potential for grave and irreparable harm to the citizens of the District of Columbia if the nonusurious character of loans made between October 5, 1979, and the effective date of this act, is called into question. It is the specific intent of the committee that this bill remove any questions as to the nonusurious character of those loans.

PROVISIONS OF THE BILL

H.R. 5811 provides that section 602(c)(1) of the Home Rule Act requiring a 30-day congressional layover for Council acts does not apply to the Interest Rate Modification Act of 1979 (District of Columbia act 3-119) passed by the Council on November 6, 1979, and signed by the Mayor on the same day.

The bill also provides that the Council act becomes law on the date of enactment of H.R. 5811.

COMMITTEE VOTE

On November 8, 1979, the committee considered H.R. 5811 and approved the same by unanimous voice vote.

DEPARTMENTAL AND OTHER RECOMMENDATIONS

Letters from the Mayor and the Council of the District of Columbia, requesting this legislation, together with a letter of support from the Assistant to the President for Domestic Affairs and Policy follow. Also endorsements were received from the Washington Board of Realtors, the Metropolitan Washington Savings and Loan League; and other business and financial institutions in the District of Columbia.

THE DISTRICT OF COLUMBIA,
Washington, D.C., November 8, 1979.

HON. RONALD V. DELLUMS,
*Chairman, Committee on the District of Columbia,
House of Representatives,
Washington, D.C.*

DEAR MR. CHAIRMAN: On November 6, 1979, the Government of the District of Columbia enacted Act 3-119, the "Interest Rate Modification Act of 1979", which would establish, on a permanent basis, a 15 percent ceiling on the interest rates allowable on certain residential real property and consumer loans in the District of Columbia. Act 3-119 was transmitted to the Congress on the same day.

The bill is intended to supplant and augment emergency legislation (Act 3-105) currently in effect on the same subject. That emergency legislation is due to expire on January 3, 1980.

It is unlikely at this point that Act 3-119 will complete the Congressional review period in time to avoid a gap after the expiration of Act 3-105. Greatly complicating the question of timing, however, is a recent decision, by the District of Columbia Superior Court, which has cast doubt on the validity of the Council's enactment of successive emergency acts. As a result of this decision, the availability of funding for residential mortgage loans in the District has become highly uncertain and the situation is unlikely to improve until Act 3-119 becomes effective.

In view of the potential adverse impact on financial institutions and prospective homeowners, I am requesting that you and the other Members of the House Committee on the District of Columbia support legislation to waive application of the 30-day Congressional review period provided for in section 602(c)(1) of the Self-Government and Governmental Reorganization Act to Act 3-119. This would allow Act 3-119 to become law immediately.

I appreciate your continuing interest in, and support for, the people of the District of Columbia.

Sincerely,

MARION S. BARRY, Jr., *Mayor.*

COUNCIL OF THE DISTRICT OF COLUMBIA,
Washington, D.C., November 6, 1979.

HON. WALTER E. FAUNTROY,
*U.S. House of Representatives,
Washington, D.C.*

DEAR CONGRESSMAN FAUNTROY: This is to request that the Congress of the United States immediately consider and enact legislation to waive the 30-day Congressional review period for Acts of the Council of the District of Columbia as required by section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act (P.L. 93-198) (hereinafter "Charter") as this requirement pertains to bill 3-172, the "Interest Rate Modification Act of 1979".

Regulation 74-21 currently governs the interest rates which may be charged on certain residential mortgage loans in the District of Columbia. Enacted August 1, 1974, this Regulation was subsequently amended by D.C. Law 2-140 to raise the allowable rates of interest to 11 percent on first mortgage loans on residential real property, 11.5 percent on second and other mortgage loans on residential real property, and 12 percent on cooperative loans. E.A. 3-79, the "Interest Rate Modification Second Emergency Act of 1979", signed by the Mayor on October 5, 1979, amended Regulation 74-21 to raise the interest rate ceiling to 15 percent on all residential mortgage loans. This emergency act will expire on January 3, 1980.

On November 6, 1979, the Council of the District of Columbia passed, on final reading, bill 3-172, the "Interest Rate Modification Act of 1979". This is the permanent legislation for E.A. 3-79 and incorporates Regulation 74-21 into law with the retention of a 15-percent interest rate ceiling on residential mortgage loans and raises the current 8-percent-interest rate ceiling on certain consumer loans to 15 percent. However, because of the Charter requirement of a 30-day Congressional review period, it is not anticipated that this bill will become law before March, 1980.

On October 19, 1979, Judge Revercomb of the District of Columbia Superior Court issued a decision in *The Washington Home Ownership Council, Inc. v. District of Columbia and Metropolitan Washington Planning and Housing Association, Inc.* (C.A. No. 10624-79) which greatly circumscribed the Council of the District of Columbia's power to enact subsequent emergency acts. This order has been stayed by the District of Columbia Court of Appeals. Should this decision subsequently be upheld by the District of Columbia Court of Appeals, there is some question whether the Interest Rate Modification Second Emergency Act of 1979 (E.A. 3-79) would be valid and it would also be questionable whether the Council of the District of Columbia could enact a third emergency to cover the period of time between the expiration of the second emergency and the expiration of the 30 day Congressional review period on bill 3-172.

District of Columbia lending institutions do not have sufficient deposits on hand to finance mortgage loans and so must borrow funds from Federal and out-of-D.C. banks in order to make residential mortgage loans. Residential mortgage loans made in the District are then sold on the secondary market. The Federal National Mortgage Association is one of the major purchasers of these loans.

On November 2, 1979, the Federal National Mortgage Association issued a memorandum (copy attached) to District lending institutions stating that pending resolution of *The Washington Home Ownership Council, Inc. v. District of Columbia and Metropolitan Washington Planning and Housing Association, Inc.* they would not accept any conventional residential mortgages made under E.A. 3-79 with an interest rate in excess of 10.90 percent. This action has the effect of drying up funds for residential mortgage loans in the District until March, 1980 when bill 3-172 may become effective. I cannot overemphasize the catastrophic effect this would have on the housing market in the District of Columbia. It also raises the potential for severely decreasing the availability of mortgage money after March, 1980 since lending institutions forced out of the District of Columbia market may not all be willing to begin servicing the District of Columbia after March, 1980.

For the above reasons, we respectfully request the Congress of the United States to waive the 30 day Congressional review period for bill 3-172 and allow it to become effective after it is signed by the Mayor and upon publication in the District of Columbia Register.

Sincerely,

ARRINGTON DIXON,

Chairman,

JOHN A. WILSON,

Chairperson, Finance and Revenue Committee.

POLLY SHACKLETON,

(Ward 3)

NADINE P. WINTER,

(Ward 6)

WILHELMINA J. ROLARK,

(Ward 8)

CHARLENE DREW JARVIS,

BETTY ANN KANE,

(At Large)

JOHN RAY,

(At Large)

HILDA MASON,

(At Large)

JERRY A. MOORE, Jr.

(At Large)

FEDERAL NATIONAL MORTGAGE ASSOCIATION,
Philadelphia, Pa., November 2, 1979.

To: All sellers of conventional loans (District of Columbia).

Subject: Purchase requirements for conventional loans on single family, owner occupied 2-4 family and owner occupied urban properties.

In view of the recent decision of the D.C. Superior Court in the case of *The Washington Home Ownership Council Inc., v. District of Columbia and Metropolitan Washington Planning and Housing Association, Inc.*, Civil Action No. 10624-79, pertaining to the authority of the Council of the District of Columbia to enact emergency legislation, and pending a resolution of this case on appeal, FNMA will not consider the

purchase of conventional loans on single family, owner occupied 2-4 family and owner occupied urban properties located in the District of Columbia which are made pursuant to the latest Emergency Act 3-79, enacted by the Council of the District of Columbia on October 5, 1979, establishing an interest rate ceiling of 15 percent per annum simple interest for certain residential mortgage loans.

Sellers are reminded to comply with FNMA's special purchase requirements set forth in our previous policy statement dated December 18, 1979, and effective January 2, 1979, which reflects that FNMA will not purchase any such conventional loans where the total of all interest provided on the face of the promissory note, plus all discounts, points, origination fees, and other charges constituting or treated as interest under the applicable law, exceeds 10.90 percent per annum simple interest. A revised policy statement will be issued shortly to reflect the permanent changes in the Regulation Establishing Interest Rates for Certain Loans (74-21) pursuant to Act 2-301, Bill 2-294, enacted by the Council of the District of Columbia on March 2, 1979. Among such changes, Sellers are prohibited from charging the borrower more than one (1) point as defined in Section 503(a) of Regulation 74-21, as amended.

With regard to FNMA's purchase requirements for conventional loans on nonowner occupied 2-4 family and nonowner, occupied urban properties located in the District of Columbia, Sellers should consult the Circular Letter to all Sellers of Conventional Loans dated March 1, 1979.

CHARLES W. HARVEY, JR.,
Regional Vice President.

THE WHITE HOUSE,
Washington, D.C., November 8, 1979.

HON. WALTER E. FAUNTROY,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FAUNTROY: I am deeply concerned that questions raised by a recent District of Columbia Superior Court decision have virtually halted the flow of mortgage credit in the District. It is critically important to District residents that they be able to buy and sell their homes on a normal orderly basis, which in turn requires that secondary market institutions be in a position to purchase mortgages in the District.

Mayor Barry and the City Council under Chairman Dixon have acted promptly in enacting a new permanent mortgage ceiling. I want to express the strong support of the administration for the Federal legislation which is necessary to make this new mortgage ceiling effective quickly.

I look forward to continuing to work closely with Mayor Barry, Chairman Dixon and yourself to assure that the full flow of mortgage credit in the District of Columbia is restored as rapidly as possible.

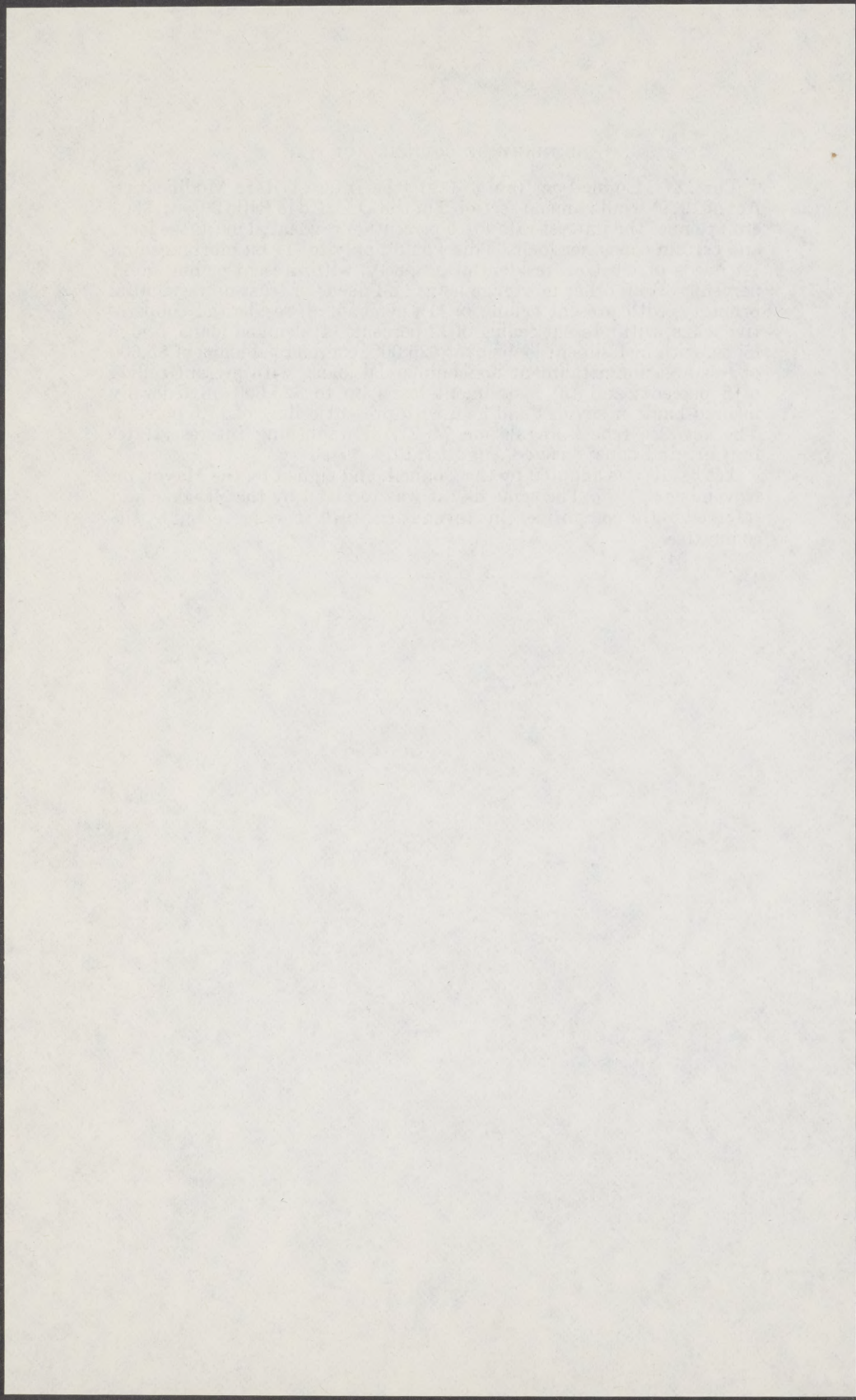
Sincerely,

STUART E. EIZENSTAT,
*Assistant to the President
for Domestic Affairs and Policy.*

SUMMARY OF COUNCIL ACT 3-119

The D.C. Council act (no. 3-119) (the Interest Rate Modification Act of 1979) would amend section 2 of the D.C. Code (title 20, sec. 3301 etc.) to raise the interest rate to 15 percent on residential mortgage loans and certain consumer loans. This would apply to (1) 1st mortgage and 1st deeds of trust on residential property, with present ceiling of 11 percent; (2) all other mortgage loans and deeds of trust on residential property, with present ceiling of 11½ percent; (3) residential cooperative loans, with present ceiling of 12 percent; (4) demand loans, bridge loans, with installment loans over \$25,000, commercial loans of \$5,000 or less and noninstallment noncommercial loans, with present ceiling of 8 percent; and (5) installment loans up to \$25,000 on federally insured bank or savings and loan with present ceiling of 11.5 percent. The act also repeals regulation 74-21, "Establishing Interest Rates for Certain Loans" enacted August 1, 1974.

Act 3-119 was adopted by the Council, and signed by the Mayor, on November 6, 1979. The same day it was received by the Speaker and referred to the committee. On November 8, 1979, it was received by the committee.



APPENDIX

COUNCIL ACT 3-119



COUNCIL OF THE DISTRICT OF COLUMBIA

WASHINGTON, D. C. 20004

NOV 6 1979

2763

RECEIVED

NOV 8 1979

House of Representatives
Committee on the District of Columbia

Honorable Thomas P. O'Neill, Jr.
Speaker of the House
U. S. House of Representatives
Washington, D. C. 20515

Re: Act 3-119, "Interest Rate Modification Act of 1979" and
Report

Date of Council Action November 6, 1979

Dear Mr. Speaker:

The above named act is hereby transmitted in accordance with section 602(c) of the District of Columbia Self-Government and Governmental Reorganization Act, P.L. 93-198.

To begin the count of the 30-day review by Congress, please acknowledge receipt of this document on the copy attached.

Sincerely,

Arrington Dixon
ARRINGTON DIXON
Chairman

Enclosures

Receipt Acknowledged

Date

AN ACT
D.C. ACT 3-119

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

NOV 06 1979

To raise the interest rate ceiling in the District of Columbia on residential mortgage loans and certain consumer loans, and for other purposes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Interest Rate Modification Act of 1979".

Sec. 2. Section 28-3301 of the District of Columbia Code is amended to read as follows:

"(a) Except as otherwise provided in section 28-3308, and chapter 36 of this subtitle, the parties to an instrument in writing for the payment of money at a future time may contract therein for the payment of interest on the principal amount thereof at a rate not exceeding 15 percent per annum.

"(b) Any loan which is secured by a mortgage or deed of trust on residential real property shall be subject to the following requirements:

"(1) the rate of interest thereon, pursuant to an agreement in writing between the borrower and lender, does not exceed simple interest on the unpaid principal balance of the loan at the rate of 15 percent per annum;

"(2) the loan is both contracted for and consumated after October 5, 1979, and no written commitment to make the loan at a lower rate of interest than the maximum rate permitted hereunder was issued by the lender to the borrower prior to the effective date of this act;

"(3) the loan may be prepaid by the borrower at no penalty at any time following the expiration of three years from the execution of the mortgage or deed of trust; and

"(4) any borrower who has made a down payment equaling 20 percent or more of the total purchase price of the property is not required by the lender to make advance payments of real estate taxes or casualty insurance premiums to enable the lender to have funds on hand for disbursement for payment of such taxes or insurance premiums and such borrower is informed in writing of his right to pay such taxes and insurance premiums directly.

"(c) Any loan which is secured directly or indirectly by a mortgage or deed of trust other than a first mortgage or first deed of trust on residential real property in addition.

to meeting the conditions of subsection (b) shall also be subject to the following conditions:

"(1) the loan shall contain a schedule of payments under which each payment shall be equal to, or substantially equal to, the other payments and the intervals between payments shall be substantially equal; and

"(2) the promissory note evidencing the debt shall be, and shall state on its face that it is, not negotiable.

"(d) Notwithstanding any other provision of this chapter any loan having an original principal amount in excess of \$5,000.00 shall not be subject to the provisions of Chapter 33 of Title 28 of the District of Columbia Code, and it shall be lawful to contract for, or receive, any rate of interest thereon, if any of the following conditions are satisfied:

"(1) the borrower is a not for profit corporation, whether organized under the laws of the United States, the District of Columbia or any other jurisdiction; or

"(2) the borrower is an individual, group of individuals, corporation, unincorporated association, partnership, or other entity, and the loan is made for the purpose of acquiring or carrying on a business, professional, or commercial activity; or

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"(3) the borrower is an individual, group of individuals, corporation, unincorporated association, partnership, or any other entity, and the loan is made for the purpose of acquiring any real or personal property as an investment or for carrying on an investment activity; or

"(4) the borrower is a religious society, as referred to in sections 587 through 598 of An Act To establish a code of law for the District of Columbia, approved March 3, 1901 (31 Stat. 1282; D.C. Code, secs. 29-501 through 29-512), and sections 453 through 456 of the Revised Statutes of the District of Columbia (R.S.D.C.) (D.C. Code, secs. 29-513 through 29-516), and the loan is made for the purpose of acquiring or making an improvement on any real or personal property for purposes other than commercial or investment activities.

"(e)(1) 'Point' means a fee, premium, bonus, loan origination fee, service charge or any other charge equal to 1 percent of the principal amount of a loan which is charged by the lender at or before the time the loan is made as additional compensation for the loan.

"(2) Except for loans insured or guaranteed in full or in part by the Federal Housing Administration, Veterans Administration or any other federal agency and loans

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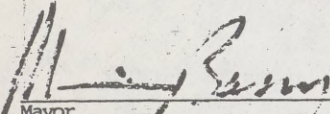
described in subsection (d), a lender may not charge a borrower more than 1 point."

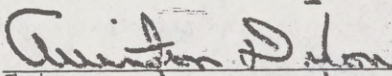
Sec. 3. Section 28-3308 of the District of Columbia Code is amended by striking out the figure "11 1/2" and inserting in lieu thereof the figure "15".

Sec. 4. The "Regulation Establishing Interest Rates for Certain Loans", enacted August 1, 1974 (Regulation 74-21), is hereby repealed.

Sec. 5. If a provision of this act or its application to a particular person or circumstance is held invalid, such invalidity does not affect other provisions or applications.

Sec. 6. This act shall take effect as provided for acts of the Council of the District of Columbia in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act.


 Mayor
 District of Columbia


 Chairman
 Council of the District of Columbia

APPROVED: November 6, 1979

COUNCIL OF THE DISTRICT OF COLUMBIA

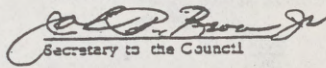
RECORD OF OFFICIAL COUNCIL ACTION

DOCKET NO: Bill 3-172ACTION: To Adopt (10-23-79)☒ VOICE VOTE: UnanimousAbsent: All Present☒ ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.Y.	A.B.	COUNCIL MEMBER	AYE	NAY	N.Y.	A.B.	COUNCIL MEMBER	AYE	NAY	N.Y.	A.B.
DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE					WILSON				
HARDY					RAY									
TARVITS					ROTARK									

X—Roll Call Vote A. 1—Absent N. Y.—Not Voting

CERTIFICATION OF RECORD


 Secretary to the Council
ACTION: To Adopt (11-6-79)☒ VOICE VOTE: _____

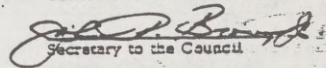
Absent: _____

☒ ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.Y.	A.B.	COUNCIL MEMBER	AYE	NAY	N.Y.	A.B.	COUNCIL MEMBER	AYE	NAY	N.Y.	A.B.
DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE					WILSON				
HARDY					RAY									
TARVITS					ROTARK									

X—Roll Call Vote A. 1—Absent N. Y.—Not Voting

CERTIFICATION OF RECORD


 Secretary to the Council

ACTION: _____

☒ VOICE VOTE: _____

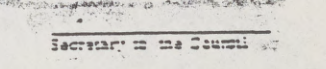
Absent: _____

☒ ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	N.Y.	A.B.	COUNCIL MEMBER	AYE	NAY	N.Y.	A.B.	COUNCIL MEMBER	AYE	NAY	N.Y.	A.B.
DIXON					KANE					SHACKLETON				
WINTER					MASON					SPAULDING				
CLARKE					MOORE					WILSON				
HARDY					RAY									
TARVITS					ROTARK									

X—Roll Call Vote A. 1—Absent N. Y.—Not Voting

CERTIFICATION OF RECORD


 Secretary to the Council

Council of the District of Columbia Report

City Hall, 14th and E Streets, N.W. 20004 Fifth Floor 638-2223 or Government Code 137-3806

To All Councilmembers

From John A. Wilson, Chairperson, Committee on Finance and Revenue

Date September 24, 1979

Subject Report of the Committee on Finance and Revenue on Bill 3-172, "Interest Rate Modification Act of 1979"

This report reflects the view of your Committee on Finance and Revenue, which hereby recommends favorable consideration of Bill 3-172, the "Interest Rate Modification Act of 1979".

I. Summary

Bill 3-172, "Interest Rate Modification Act of 1979", provides for an increase in the interest rate ceiling, for all loans now subject to the ceiling, to 15%. The 15% ceiling would apply to: (1) first mortgage loans and first deeds of trust on residential real property, which presently have a ceiling of 11%, all other mortgage loans and deeds of trust on residential real property, which presently have a ceiling of 11 1/2%; residential cooperative loans, which presently have a ceiling of 12% and demand loans, bridge loans, installment loans over \$25,000, commercial loans of \$5,000 or less, and non-installment non-commercial loans, which presently have a ceiling of 8% and installment loans up to \$25,000.

II. Capsule Legislative History

- introduction of Bill 3-172 by Councilmember Wilson June 19, 1979
- referred to Committee on Finance and Revenue June 21, 1979
- Public Hearing on Bill 3-172 and Bill 3-181 September 4, 1979
- Committee consideration September 21, 1979

III. Committee Vote

In the meeting of September 21, 1979, the Committee on Finance and Revenue voted Bill 3-172 as follows:

IN FAVOR: Councilmembers Wilson, Kane Clarke, Hardy, Shackleton

OPPOSED:

ABSENT:

IV. Committee Reasoning

The District of Columbia currently imposes an interest rate ceiling of:

1. 11% on first mortgage loans and first deeds of trust on residential real property;
2. 11 1/2% on all other mortgage loans and deeds of trust on residential real property;
3. 12% on residential cooperative loans;
4. 8% on demand loans, bridge loans, installment loans over \$25,000, commercial loans of \$5,000 or less, and non-installment non-commercial loans;
5. 11.5% on direct installment loans up to \$25,000 by a federally insured bank or savings and loan.

The following loans are exempt from the District's current interest rate ceiling:

1. loans where the borrower is a not for profit corporation;
2. loans made for acquiring personal or real property for investment;
3. loans made for business or commercial purposes;

4. loans where the borrower is a religious institution and the loan is made for acquiring or improving any real or personal property for other than a commercial or investment purpose.

In August, 1979 the average effective interest rate (including initial fees and charges) for 30 year mortgage loans on previously occupied homes in the Washington, D.C., Metropolitan area with 25% down was 10.95%. This figure is based on an average purchase price of \$102,500. The same loan sold at an interest rate of 9.85% in August, 1978. These figures are deceptively low, however, since a August telephone poll of banks and savings and loans making mortgage loans in the District revealed that the interest rates charged ranged from a low of 11 1/4% to a high of 11 3/4%. The majority of these lending institutions also charged either one point to the purchaser or one point to the purchaser and one point to the seller.

INTEREST RATE ON A \$60,000 HOUSE WITH A \$10,000 DOWNPAYMENT
 Lending Institution Interest Rate Points
 (D.C.)

American Federal Savings and Loan	11.3	1 to buyer 1 to seller
Capital City Federal S&L	11 1/4% with 10% down 11% with 20% down	1 & 1
Columbia Federal S&L	11 3/4%	1 & 1
Community Federal S&L	11 1/2%	1 & 1
Eastern Liberty Federal S&L	no loans given for 30 days	
First Federal S&L of Washington	11 1/4% with settlement by 10-8-79	1 & 1

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Home Federal S&L	11 1/2% current customers only	1 & 1
Independence Federal S&L	11 1/2%	1 & 1
Interstate Federal S&L	11 3/8%	1 to buyer
Jefferson Federal S&L	11 3/4%	1 & 1
Metropolis Federal S&L	11 1/4% with 20% down only	1 to buyer
National Permanent Federal S&L	11 1/4%	1 & 1
Northwestern Federal S&L	11 1/2% with settlement by 9-28-79	1 to buyer
QBA Federal S&L	10 3/4% current customers only	none
Perpetual Federal S&L	11 1/4% with settlement between 9-10 - 9-30-79	1 to buyer
Washington Federal S&L	11 1/2%	1 to buyer

These rates are in effect as of August 13, 1979.

INTEREST RATES ON A \$60,000 HOUSE WITH A \$10,000 DOWNPAYMENT

Lending Institution (VA.)	Interest Rate	Points
Arlington-Fairfax S&L	not lending in D.C.	
Dominion Federal S&L	11 1/4% must have p.m.i.	1 & 1
Northern Va. S&L	off the market - no loans given at present	
First Federal S&L of Arl.	not lending in D.C.	

First Federal of Alexandria	not lending in D.C.	
First Commonwealth	not lending in D.C.	
Suburban S&L	not lending in D.C.	
Providence S&L	not lending in D.C.	
Family S&L of Virginia	not lending in D.C.	
Mount Vernon S&L	not lending in D.C.	
Potomac S&L of Reston (D.C.)	not lending in D.C.	
American Security Bank	11 3/8% current customers only	1 & 1
Industrial Bank of Washington	11 1/2% with 25% down only	1 to buyer
Riggs National Bank	11 1/4% interest rate not affected by downpayment	1 to buyer
Bank of Columbia	down not give mortgage loans	
Madison National Bank	does not give permanent mortgage loans. only gives short term loans	
Diplomat National Bank	does not give mortgage loans	

INTEREST RATES ON A \$60,000 HOUSE WITH A \$10,000 DOWNPAYMENT

Lending Institution (MI)	Interest Rate	Points
Maryland Federal S&L	11 1/2% + 1/4% for p.m.i.	1 to buyer
Chase Chase S&L	11 3/8% + p.m.i.	1 & 1

Equitable S&L	11 1/2% + 1/4% for p.m.i.	1 to buyer
Loyola Federal S&L	does not lend in D.C.	
Suburban Federal S&L	does not lend in D.C.	
Citizens S&L	does not lend in D.C.	
Metropolitan Federal S&L	only gives investor loans at present	
Standard Federal S&L	11 1/2% + p.m.i. with 10% down	1 & 1

The interest rates charged on mortgage loans on District properties are based on two separate factors. First, District based banks and savings and loans do not have sufficient deposits on hand to finance loans and so must borrow funds from Federal and out-of-D.C. banks in order to make mortgage loans. For instance, the current rate at which savings and loans may borrow from the Federal Reserve Bank system is 11% or higher. Therefore, District lending institutions must be able to charge an interest rate above 11 1/2% when they loan out these funds in order to make a profit. For this reason alone the District permanent statutory interest rate ceiling of between 11% and 11 1/2% must be raised.

Second, District banks and savings and loans regularly sell packages of mortgage loans they have already made in order to gain funds for additional mortgage loans. This practice is referred to as sale on the secondary market. The Federal Home Loan Mortgage Corporation holds an auction each week at which loans originated by one party (i.e. a District bank) are sold to a second party (i.e. an out of state investor). The average interest rate at which mortgage loans sold at auction on August 13, 1979, was 10.988%. By the auction on September 17, 1979, the average interest rate had climbed to 11.574%.

Interest rates on the secondary market

Source: Federal Home Loan Mortgage Corporation

Auction dates from the last three months

<u>DATE OF AUCTION</u>	<u>WEIGHTED AVERAGE OF ACCEPTED OFFERS</u>
5-4-79	11.042
5-11-79	11.114
5-18-79	11.133
5-25-79	11.063
7-2-79	11.014
7-9-79	10.939
7-16-79	10.870
7-23-79	10.817
7-30-79	10.883
8-5-79	10.938
8-13-79	11.099
8-20-79	11.195
8-27-79	11.283
9-4-79	11.384
9-10-79	11.485
9-17-79	11.574

Since most lending institutions which sell their loans on the secondary market still continue to service these loans -- collect the payments, handle the bookkeeping, etc. --- they must receive a fee of from 1/4% to 1/2% over and above the interest rate at which the loan was sold. Taking these factors into account it again becomes clear that the District's permanent interest rate ceiling of between 11% and 11 1/2% must be raised.

Given these considerations, your Committee on Finance and Revenue believes that it is imperative that the District's mortgage interest rate ceiling be raised. Not to do so would simply mean that the mortgage market in the

District would dry up. Also, since the vast majority of District banks and savings and loans are federally chartered they may make loans within a 100 mile radius and thus could easily make mortgage loans in Virginia and Maryland where there is no ceiling on mortgage interest rates.

It should also be noted that failure to raise the mortgage interest rate ceiling will not stop conversions of properties to condominiums. Developers usually have sufficient cash on hand to "buy down the loan" by paying one point (1% of the total loan) for each 1/8 of a percent that the lender would lose by making the loan at 11%. For example, if the total loan is for \$5 million then one point equals \$50,000. Assume the lender will resell the loan on the secondary market at 11 1/2%. The lender then needs four points up front (4/8 or the difference between 11% and 11 1/2%) and the developer will pay \$200,000 to "buy down the loan" to an interest rate of 11%. The developer will then merely raise the price of the unit he wants to sell in order to recoup the \$200,000 he had to pay to get the loan at 11%.

The Committee believes that a basic mortgage interest rate ceiling of 15% will give District banks and savings and loans sufficient leeway to plan for the future and make advance loan commitments while still maintaining the Council's role of insuring that residential mortgages loans be made available in an equitable and fair manner. By maintaining a mortgage interest rate ceiling, instead of removing the ceiling entirely, District based lending institutions will be encouraged to be as cost effective as possible in order to maximize their profits under the ceiling instead of simply passing any costs through to the purchaser in the form of higher interest rates.

The Committee on Finance and Revenue also recommends the adoption of a 15% interest rate ceiling on demand loans, bridge loans, installment loans over \$25,000, commercial loans of \$5,000 or less, non-installment non-commercial loans, and direct installment loans up to \$25,000. Direct installment loans up to \$25,000 by a federally insured bank or savings and loan are currently governed by D.C. Code 28-

3308 which sets an interest rate ceiling of 11.5%. All the other loans listed above are governed by D.C. Code 28-3301 which sets an interest rate ceiling of 8%.

Maryland currently has an interest rate ceiling of 18% on loans up to \$3,500 and 12% on loans over that amount. Virginia has an interest rate ceiling of 14.7% on loans for non-consumer goods and 24% on loans for consumer goods. Thus it can be seen that the District's interest rate ceilings of 8% and 11.5% put District citizens at a disadvantage when trying to obtain these types of loans. Additionally, these consumer loans will be more difficult to obtain if the allowable interest rate is below the interest rate allowable on mortgage loans. Clearly, banks and savings and loans will lend their money where they can obtain the highest rate of return. Equalizing consumer loan interest rates with mortgage interest rates will promote uniformity in the loan market and insure that types of loans are not discriminated against in favor of loans with a higher permissible interest rate.

V. Revenue Impact

The Committee expects that there will be no revenue impact as a result of this bill.

VI. Section-by-Section Analysis

Following is a section-by-section analysis of bill 3-172

Sec. 2. Section 2 amends D.C. Code sec. 28-3301 to increase the allowable rate of interest on mortgage loans, demand loans, bridge loans, installment loans over \$25,000, commercial loans of \$5,000 or less and non-installment non-commercial loans to 15%.

Subsection b sets out the following conditions for first mortgages or first deeds of trust on residential real property:

1. the loan must be in writing and the simple interest on the unpaid principal balance of the loan may not exceed 15% per annum;

2. the loan must be contracted for after the effective date of this legislation and there can have been no written commitment for the loan at a lower interest rate prior to the effective date of this legislation;

3. the loan may be prepaid with no penalty after 3 years from the execution of the mortgage or deed of trust; and

4. the lender cannot require the borrower to make advance payments of real property taxes or casualty insurance premiums where the borrower has made a downpayment of 20% or more of the property's total purchase price.

Subsection c requires that all mortgages or deeds of trust, other than first mortgages or first deeds of trust, in addition to meeting the requirements of subsection b must also:

1. contain a schedule of payments with all payments and intervals between payments being substantially equal; and

2. the promissory note for the loan must be, and state that it is, not negotiable.

Subsection d exempts the following loans which are over \$5,000 from any interest rate ceiling:

1. loans where the borrower is a not for profit corporation; or

2. loans made for acquiring personal or real property for investment purposes; or

3. loans made for business, professional or commercial purposes; or

4. loans made where the borrower is a religious institution and the loan is made for acquiring or improving any real or personal property for other than a commercial or investment purpose.

Subsection e defines the term "point" and limits to one the number of points which a lender may charge a borrower unless the loan is guaranteed in full or in part by a federal agency or unless the loan falls under the exemptions in subsection d of this section.

All the provisions of subsections a through e of this section are taken from the current Regulation 74-21 regulating certain types of loans. By incorporating these provisions in Bill 3-172 they will become part of the statutory law of the District and will not expire in 1981 when Regulation 74-21 expires.

Sec. 3. Section 3 amends D.C. Code, sec. 28-3308 to increase the allowable interest rate or finance charge on direct installment loans up to \$25,000 from 11.5% to 15%.

Sec. 4. Section 4 repeals the "Regulation Establishing Interest Rates for Certain Loans" (Regulation 74-21). This Regulation is no longer necessary since its relevant provisions are now incorporated in Bill 3-172.

Sec. 5. Section 5 provides that if any provision of this act or its application is held invalid, such invalidity shall not affect other provisions or applications.

Sec. 6. Section 6 provides that this act shall take effect in accordance with section 502(c) of the District of Columbia Self-Government and Governmental Reorganization Act.

PUBLIC HEARING ON BILLS 3-172 AND 3-181

SUMMARY OF PUBLIC COMMENT

The following is a summary of comments made by public witnesses at the Public Hearing on Bills 3-172 and 3-181 held on September 4, 1979. The summary incorporates written statements, oral statements, and informal remarks of each participant.

ROBERT MOORE, DIRECTOR
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Stated the views of the Mayor in support of raising the ceiling to some higher level. Opposed to eliminating the ceiling altogether because it would place consumers at the mercy of the lending institutions and would do nothing to keep housing costs down. Had no specific recommendation for a ceiling but warned against setting the limit too high.

RICHARD W. TYNES, DEPUTY DIRECTOR

OFFICE OF CONSUMER PROTECTION

VICTOR SIMON, GENERAL ATTORNEY
OFFICE OF CONSUMER PROTECTION

Recommends that the Council defer action on Sections 2.3.5a.c.d.f. of Bill 3-172 and address consumer credit rates in separate legislation. Stated that the 15% ceiling would be too low to attract small loan companies into the District. Ceiling would have to be increased to somewhere in the 20's to compete with Maryland and Virginia. Main concern was the availability of small loan companies to District consumers.

BENNY L. KASS, ATTORNEY
FORMER EXECUTIVE DIRECTOR TO D.C. COUNCIL STUDY COMMISSION
ON INTEREST RATES AND USURY LAWS

Argued for no ceiling on interest rates. Maintained that credit unions, cooperative associations, pawnbrokers, and other businesses and institutions should not be exempt from the present interest rate ceilings.

JOHN E. SUMTER, PRESIDENT
METROPOLITAN WASHINGTON BOARD OF TRADE

Supports Bill 3-172 as relates to non-mortgage loans and Bill 3-181. Pointed out that both bills equalize the interest rate ceiling with those in Maryland and Virginia. Prefers no ceiling on mortgage loans.

GEORGE A. DIDDEN, III
DISTRICT OF COLUMBIA BANKERS

Supported both bills. Said a 15% ceiling would broaden credit opportunities for city residents and improve the local economy and increase tax collections. Stated that bill 3-172 would greatly simplify matters for lenders and borrowers by equalizing all interest rates at 15%.

MARTIN WIEGAND, PRESIDENT
METROPOLITAN SAVINGS AND LOAN LEAGUE

Supports Bill 3-181 to remove the ceiling and agrees with raising the ceiling in 3-172 on non-mortgage loans. Believes that interest rates that are allowed to float will seek market levels and the law of supply and demand will set the rates.

THOMAS J. OWEN, CHAIRMAN AND CHIEF EXECUTIVE OFFICER
PERPETUAL FEDERAL SAVINGS AND LOAN

Urged the Council to remove the usury ceiling in the District as it applies to real estate. Points to success Maryland and Virginia had in lifting their ceilings.

believes District residents deserve the same accessibility to credit as suburban residents.

RAYMOND J. HOWAR, PRESIDENT
WASHINGTON BOARD OF RELATORS

Maintains that interest rates cannot and should not be controlled at the local level. Wants the Council to lift all interest rate limitations and permit the market to determine the rate. States that house sales have fallen off in the District because people are unable to secure funds.

JAMES LOWELL, DIRECTOR
NEIGHBORHOOD HOUSING SERVICES

Supports the lifting of all ceilings on interest rates. Said that mortgage money cannot be controlled locally since it is subject to national economic policies and realities.

WALTER L. MESS, PRESIDENT
MORTGAGE BANKERS ASSOCIATION OF METROPOLITAN WASHINGTON

Urges change in usury laws. States that lenders are unwilling to commit funds under the present temporary legislation in the District. Maintains that the market place should be the control of interest rates.

T. WILLIAM BLUMENAUER, JR., PRESIDENT
COLUMBIA FEDERAL SAVINGS AND LOAN

Wants the Council to eliminate the interest rate ceiling on mortgage loans altogether. Pointed out that a "no ceiling" policy has worked well in Maryland and Virginia. Rates in those states have been competitive and at times those rates have been lower because lenders are more willing to issue advance commitments. If the ceiling were abolished, it would eliminate the need for the Council to periodically consider emergency legislation on the issue.

ANALYSIS OF STATE MORTGAGE INTEREST RATE STATUTES

Alabama - no ceiling

Alaska - 5 percentage points over discount rate charged by 12th Federal Reserve district; no ceiling over \$100,000

Arizona - 12%

Arkansas - 10%

California - 10% non-regulated lenders; no ceiling regulated lenders.

Colorado - 3% until 7/1/81.

Connecticut - no ceiling on any loan by bank or S&L; no ceiling on realty loans over \$5,000.

Delaware - 7 percentage points over Federal Reserve discount rate.

Florida - no ceiling

Georgia - Residential loans 2 1/2 percentage points over monthly index of long term U.S. government (20 years) bond yields; no ceiling on any loan over \$100,000

Hawaii - 12%

Idaho - 13%

Illinois - set monthly by Commissioner of S&L at 2 1/2 percentage points over index of long term U.S. government bond yields.

Indiana - 15%

Iowa - Superintendent sets rate monthly at 2 percentage points over index of 10-year constant maturity U.S. government notes and bonds.

Kansas - 11% 1st mortgage loans

Kentucky - no ceiling

Louisiana - 12%

Maine - no ceiling on first mortgage loans by a supervised financial institution.

Maryland - no ceiling

Massachusetts - no ceiling

Michigan - no ceiling loans on one family dwellings by regulated lenders until 12/31/81; 11% by non-regulated lenders; no ceiling on loans of \$100,000 or more secured by real estate other than a one family home until 12/31/81.

Minnesota - Commissioner sets rate at monthly index of FNMJ auction rate of previous month, rounded to next higher 1/4% until 11/30/82.

Mississippi - 10%

Missouri - Director of Division of Finance sets rate quarterly at 3% over monthly index of long term U.S. government (10 year) bond yields rounded to nearest 1/10%.

Montana - up to \$150,000 greater of 10% or 4 percentage points over the 9th Federal Reserve District 90-day discount rate.

Nebraska - 12 1/2%; no ceiling over \$100,000.

Nevada - 18%

New Jersey - Commissioner may set a rate not to exceed 2 1/2% over long-term U.S. government bond index for loans secured by 1-6 family unit residential property (max. 10 3/4%).

New Mexico - 10%; 7% added on for conventional real estate loans under the Bank Installment Loan Act - banks only.

New York - 10% - may use 1/4% every 3 months until it reaches ceiling of 2 percentage points over monthly index of U.S. government (10 year) bond yield until 12/15/80.

North Carolina - no ceiling on first mortgage or residential real property if lender is bank, S&L, credit union or federally insured mortgage; other lenders - 10% to \$10,000; no ceiling \$10,000 or more.

North Dakota - greater of 7% or 5 1/2 percentage points over rate paid on 30 month Certificates of Deposit (current rate is 12%); 12% loans by S&L.

Ohio - 3 percentage points over the 4th Federal Reserve District 90-day discount rate.

Oklahoma - 13%

Oregon - 12%

Pennsylvania - mortgage rate set monthly at 2 1/2 percentage points over index of long term U.S. government bond yields; no ceiling all loans over \$50,000; no ceiling on all loans secured by real estate lien other than 1 to 2 family residential mortgage.

Rhode Island - 21%

South Carolina - until 6/30/81 first mortgage loans: no ceiling over \$100,000 and no ceiling under \$100,000 if a fixed rate with no prepayment penalty.

South Dakota - rate set at 2 percentage points above the FNMA monthly auction rate (must be 15 years or longer and rate may not exceed 18%).

Tennessee - rate set at 2 percentage points above the FNA monthly auction rate (must be 15 years or longer and rate may not exceed 18%).

Texas - for loans secured by 1-4 unit family residential property, the lesser of (a) 12% or (b) 2% over the long term (10 year) government bond yield rounded to nearest 1/4% (until 9/1/81).

Utah - 18%

Vermont - 1-2 unit family residential property, 1 1/4% over the average yield of long term U.S. government securities and seasoned corporate bonds to be set monthly (until 6/30/81).

Virginia - no ceiling on first mortgage loans; other mortgage loans 8%.

Washington - 12%

West Virginia - Commissioner set rate for mortgage loans at up to 1 1/2 percentage points over the average yield on long term U.S. government bonds.

Wisconsin - 12%

Wyoming - 18%

Information from:

"Analysis of State Usury Statutes", American Bankers Association, August, 1979 version.

COMMITTEE PRINT	1.5
A BILL	1.8
	1.10
IN THE COUNCIL OF THE DISTRICT OF COLUMBIA	1.12
	1.14
Councilmember John A. Wilson introduced the following bill which was referred to the Committee on Finance and Revenue.	1.18
	1.19
BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,	1.22
That this act may be cited as the "Interest Rate Modification Act of 1979".	1.26
Sec. 2. D.C. Code, sec. 28-3301 is amended to read as follows:	1.28
"(a) Except as otherwise provided in section 28-3308, and chapter 36 of this subtitle, the parties to an instrument in writing for the payment of money at a future time may contract therein for the payment of interest on the principal amount thereof at a rate not exceeding 15% per annum;	1.30
	1.31
	1.32

(b) Any loan which is secured by a mortgage or deed of trust on residential real property shall be subject to the following requirements: 1.34 1.35

(1) the rate of interest thereon pursuant to an agreement in writing between the borrower and lender does not exceed simple interest on the unpaid principal balance of the loan at the rate of fifteen percent per annum; 1.37 1.38 1.39

(2) the loan is both contracted for and consumated after the effective date of this act, and no written commitment to make the loan at a lower rate of interest than the maximum rate permitted hereunder was issued by the lender to the borrower prior to the effective date of this act; 1.41 1.42 1.43

(3) the loan may be prepaid by the borrower at no penalty at any time following the expiration of three years from the execution of the mortgage or deed of trust; and 1.45 2.1

(4) any borrower who has made a down payment equaling twenty percent or more of the total purchase price of the property is not required by the lender to make advance payments of real estate taxes or casualty insurance premiums to enable the lender to have funds on hand for 2.3 2.4 2.5

disbursement for payment of such taxes or insurance premiums 2.6
 and such borrower is informed in writing of his right to pay 2.7
 such taxes and insurance premiums directly

(c) Any loan which is secured directly or indirectly by 2.9
 a mortgage or deed of trust other than a first mortgage or 2.10
 first deed of trust on residential real property in addition
 to meeting the conditions of subsection (b) of this section 2.12
 shall also be subject to the following conditions:

(1) the loan shall contain a schedule of payments 2.14
 under which each payment shall be equal to, or substantially 2.15
 equal to, the other payments and the intervals between
 payments shall be substantially equal; and 2.16

(2) the promisory note evidencing the debt shall 2.18
 be, and shall state on its face that it is, not negotiable. 2.19

(d) Notwithstanding any other provision of this act any 2.21
 loan having an original principal amount in excess of 2.22
 \$5,000.00 shall not be subject to the provisions of Title
 28, Chapter 33 of the District of Columbia Code, and it 2.23
 shall be lawful to contract for, or receive, any rate of

interest thereon, if any of the following conditions are satisfied: 2.24

(1) the borrower is a not for profit corporation, 2.26
whether organized under the laws of the United States, the 2.27
District of Columbia or any other jurisdiction; or

(2) the borrower is an individual, group of 2.29
individuals, corporation, unincorporated association,
partnership, or other entity, and the loan is made for the 2.30
purpose of acquiring or carrying on a business, 2.31
professional, or commercial activity; or

(3) the borrower is an individual, group of 2.33
individuals, corporation, unincorporated association,
partnership, or any other entity, and the loan is made for 2.34
the purpose of acquiring any real or personal property as an 2.35
investment or for carrying on an investment activity; or

(4) the borrower is a religious society, as 2.37
provided in Chapter 5 of Title 29 of the District of
Columbia Code, and the loan is made for the purpose of 2.38
acquiring or making an improvement on any real or personal 2.39
property for purposes other than commercial or investment
activities.

(e)(1) "Point" means a fee, premium, bonus, loan origination fee, service charge or any other charge equal to one percent of the principal amount of a loan which is charged by the lender at or before the time the loan is made as additional compensation for the loan.

(2) Except for loans insured or guaranteed in full or in part by the Federal Housing Administration, Veterans Administration or any other federal agency and loans described subsection (d) of this section, a lender may not charge a borrower more than one (1) point."

Sec. 3. D.C. Code, sec. 28-3308 is amended by striking therefrom the figure "11 1/2" and inserting in lieu thereof the figure "15".

Sec. 4. The "Regulation Establishing Interest Rates for Certain Loans", enacted August 1, 1974, as amended, (Regulation 74-21) is hereby repealed.

Sec. 5. If a provision of this act or its application to a particular person or circumstance is held invalid, such invalidity does not affect other provisions or applications.

Sec. 6. This act shall take effect after the thirty (30) day period of Congressional review of acts of the Council of the District of Columbia as provided in section 602(c) of the District of Columbia Self-Government and Governmental Reorganization Act (87 Stat. 814; D.C. Code, sec. 1-147(c)).

U.S. SECRET SERVICE UNIFORMED DIVISION SALARY ADJUSTMENT

TUESDAY, SEPTEMBER 9, 1980

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON FISCAL AFFAIRS AND HEALTH,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The subcommittee met, pursuant to notice, at 9:46 a.m., in room 1310, Longworth House Office Building, Hon. Ronald V. Dellums (chairman of the subcommittee) presiding.

Members present: Representatives Dellums, and McKinney.

Also present: Edward C. Sylvester, Jr., staff director; Elizabeth D. Lunsford, General Counsel; Dale MacIver, staff counsel; Robert B. Brauer, Marilyn Elrod, and Joyce F. Williams, staff assistants; Harry M. Singleton, minority chief counsel; and Barbara Norris-Chaves, minority staff assistant.

Mr. DELLUMS. Good morning. The Subcommittee on Fiscal Affairs and Health of the Committee on the District of Columbia will come to order. We are here this morning to receive testimony on the bill H.R. 7782, legislation that would amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in basic compensation of officers and members of the U.S. Secret Service Uniformed Division as are given to Federal employees under the General Schedule.

[H.R. 7782, introduced by Congressman Zeferetti, follows:]

96TH CONGRESS
2D SESSION

H. R. 7782

To amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the United States Secret Service Uniformed Division as are given to Federal employees under the General Schedule.

IN THE HOUSE OF REPRESENTATIVES

JULY 21, 1980

Mr. ZEFERETTI introduced the following bill; which was referred to the Committee on the District of Columbia

A BILL

To amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the United States Secret Service Uniformed Division as are given to Federal employees under the General Schedule.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That (a) the purpose of this Act is to insure that officers and
- 4 members of the United States Secret Service Uniformed Di-
- 5 vision are entitled to adjustments in basic compensation in
- 6 the same overall percentage as are other Federal employees

1 within the General Schedule under the Federal pay compara-
2 bility system.

3 (b) Section 501 of the District of Columbia Police and
4 Firemen's Salary Act of 1958 (D.C. Code, sec. 4-833) is
5 amended—

6 (1) by striking out "Executive Protective Service"
7 in subsection (a) and inserting in lieu thereof "United
8 States Secret Service Uniformed Division";

9 (2) by inserting "and the annual rate of basic
10 compensation of officers and members of the United
11 States Secret Service Uniformed Division shall be ad-
12 justed by the Secretary of the Treasury," in subsection
13 (b)(1) after "Secretary of the Interior"; and

14 (3) by inserting "or to officers and members of the
15 United States Secret Service Uniformed Division" in
16 subsection (c) after "United States Park Police force".

17 (c) The amendments made by subsection (b) shall take
18 effect on October 1, 1980.

Mr. DELLUMS. To open the hearings, we invite the testimony of Mr. Weinstein, Deputy Director of the U.S. Secret Service; Mr. Harvey Pryor, Chief of the Uniformed Division of the U.S. Secret Service. However, before we receive this testimony, I would ask unanimous consent to place in the record the statement of Representative Leo Zeferetti, sponsor of H.R. 7782, and also a letter from Elijah Rogers, City Administrator, indicating that the City has no objection to the legislation.

[Representative Zeferetti's prepared statement and letter from administrative Rogers follow:]

STATEMENT OF CONGRESSMAN LEO C. ZERFERETTI OF NEW YORK

Mr. Chairman and Members of the Committee, I have the privilege of having introduced H.R. 7782, legislation to grant a much needed salary increase to members of the United States Secret Service Uniformed Division and am indeed grateful for the opportunity to submit testimony on its behalf. I regret that this hearing date falls on primary day in New York and I cannot testify in person. However, I want to express my thanks to you, Mr. Chairman, for your invaluable assistance for making it possible to bring this long overdue measure before the subcommittee today.

Officers and members of the Uniformed Division are employees of the Federal Government. This legislation is needed to insure that the members of the Uniformed Division, like the U.S. Park Police, are provided pay comparable with other employees of the Federal Government. Without the timely passage of this bill, these men will be excluded from the Federal pay comparability raise that will take effect on October 1, 1980.

For many years the pay of the U.S. Secret Service Uniformed Division has been governed by the D.C. Police and Firemen's Salary Act of 1958. Prior to full implementation of the Home Rule Act on January 2, 1975 it was logical to deal with salaries for the Secret Service Uniformed Division, the U.S. Park Police and the D.C. Metropolitan Police in a single piece of legislation because prior to this time the District Government had been considered a Federal agency and Congress had the direct responsibility for compensation of all three forces.

Now that the Council of the District of Columbia had the direct responsibility, it appears reasonable to take the Uniformed Division out of the compensation adjustment provisions of the D.C. Police and Firemen's Act and bring them under the relevant provisions of the United State Code. The U.S. Park Police were removed from the pay adjustment provision of the D.C. Police and Firemen's Salary Act as a result of legislation I introduced in 1976 which subsequently became Public Law 94-533 in October 1976.

I believe you would have to agree, Mr. Chairman, that it is ridiculous to have the City Council of the District of Columbia control the pay of the U.S. Secret Service Uniformed Division; and independent federal agency apart from the control of the U.S. Government.

Mr. Chariman, the 800 or so officers and members of this prestigious force are regarded as being one of the very finest—only one applicant out of every twenty-five is selected for appointment because of the high standards required to perform the necessary duties and rigorous training. Those selected must be of the highest caliber, mentally and physically. All Secret Service Uniformed Division personnel must possess Top Secret security clearances because of their access to conversations between the President and high officials, both U.S. and foreign, which frequently involve critically sensitive information relating to national security and foreign affairs. This clearance is also necessary because of their critically important responsibility of protecting the President, the Vice President, their families and high U.S. Government officials. Frequently, this protective responsibility involves access to sensitive documents and sophisticated communications equipment.

To assure the effective performance in maintaining the security of the Executive Residence, all employees are trained in modern methods of security and police procedures. They are also skilled in crowd control, handling the mentally disturbed, firefighting and public speaking.

Since the Service also has responsibility for assuring the safety of foreign diplomats and foreign embassies within the Washington, D.C. area, the employees have been trained in up-to-date crime fighting and techniques designed to prevent criminal acts against the diplomatic community and, where necessary, apprehend perpe-

trators. This often entails their assignment to fixed posts within the community, as well as foot, scooter and cruiser patrols, and a specialized crime strike force.

Mr. Chairman, the Uniformed Division of the Secret Service exemplifies the best and most admirable qualities of our various law enforcement personnel. I respectfully ask for your support of H.R. 7782 which does the very minimum—it simply provides, as I previously discussed, that future pay increases for officers and members of the Uniformed Division of the Secret Service be governed by the Federal Pay Comparability Act.

Again, Mr. Chairman, I want to extend my very, very hearty and heartfelt thanks to you for your efforts on their behalf.

GOVERNMENT OF THE DISTRICT OF COLUMBIA,
OFFICE OF THE CITY ADMINISTRATOR,
Washington, D.C., August 8, 1980.

Hon. RONALD V. DELLUMS,
Chairman, Committee on the District of Columbia,
U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the comments of the District of Columbia Government on H.R. 7782. The bill would amend Section 501 of the District of Columbia Police and Firemen's Salary Act of 1958 to eliminate, beginning with Fiscal Year 1981, comparability in basic compensation rates between officers serving in the United States Secret Service Uniformed Division and officers serving in the District of Columbia Metropolitan Police force.

The bill would have no impact on the District of Columbia Government. Accordingly, we have no objection to the enactment of H.R. 7782.

Sincerely,

ELIJAH B. ROGERS,
City Administrator.

Mr. DELLUMS. Also, without objection, I will include the statement of Mr. Harris.

[The statement referred to follows:]

STATEMENT OF HON. HERBERT E. HARRIS II

Mr. Chairman, I appreciate this opportunity to present my views in support of H.R. 7782, a bill which I am pleased to cosponsor. Initially, I would like to commend the members of the Subcommittee on Fiscal Affairs and Health for their prompt action on this important matter.

I believe some background is necessary in order to understand the problem which H.R. 7782 will correct. Prior to the enactment of the Home Rule Act employees of the District of Columbia were considered Federal employees and their pay and benefits were the same as those of similarly employed Federal personnel. Because of this, some Federal employees, including the Uniformed Division, have their pay adjusted in accordance with the District's Police and Firemen's Salary Act of 1958. As a result of Home Rule, the District has instituted its own personnel system similar to those of other municipalities. The system provides for collective bargaining over terms and conditions of employment between the city and unions representing D.C. employees.

Because of this change, employees of the Uniformed Division of the Secret Service find themselves in an anomalous position. Although they are Federal employees, their pay adjustment continues to be made in accordance with the D.C. Police and Fireman's Salary Act. Yet these employees are not represented by the unions which will negotiate a pay adjustment on behalf of city employees.

When the GAO examined this problem in 1978, it made the following recommendation:

Excluding existing Executive Protective Service employees from the District's police and fireman's annual pay adjustment process and providing them annual pay adjustments equal to the average percentage increase in Federal General Schedule salaries.

Although the name of the Service has been changed since the GAO report was issued, the anomalous pay situation remains the same. In fact, the problem has become even more pressing because this is the first year that the pay adjustment for District employees will be made under the authority of the new personnel system.

The legislation we are considering today is not unprecedented. In 1976 Congress enacted legislation providing that the pay adjustments for Federal Park Police be

equal to the average percentage pay increase under the General Schedule. These employees were formerly in the same situation which now confronts Uniformed Division employees.

Mr. Chairman, the time has come for this Congress to act upon the GAO recommendation. Accordingly, I urge the Committee to report this legislation to the House for its consideration.

I appreciate the opportunity to present my views on H.R. 7782, and I commend the Chairman for his prompt attention to this important issue.

Mr. DELLUMS. Mr. Weinstein and Chief Pryor, if you will come forward, please, we would like to welcome you before the committee. Before we begin, the Chair would like to yield briefly to my colleague.

Mr. McKINNEY. I have no opening statement. I would like to welcome both of the gentlemen.

Mr. DELLUMS. Thank you.

You may proceed in any fashion you choose.

STATEMENT OF MYRON WEINSTEIN, DEPUTY DIRECTOR, U.S. SECRET SERVICE, DEPARTMENT OF THE TREASURY, ACCOMPANIED BY HARVEY E. PRYOR, CHIEF, U.S. SECRET SERVICE UNIFORMED DIVISION

Mr. WEINSTEIN. Thank you, Mr. Chairman. I would like to read my opening statement, if I may.

Mr. Chairman, I would like to thank you and the members of this committee for the opportunity to appear here before you this morning. It is with great pride and pleasure that I take this opportunity to express the support of the Secret Service for the Uniformed Division's quest for pay comparability. The Uniformed Division has an outstanding record of professional police service dating back to its creation as the original White House Police Force in 1922.

TREASURY SUPPORTS H.R. 7782

I am appearing before your committee to urge favorable consideration of H.R. 7782, which would provide for the same annual pay adjustments in the basic compensation of officers and members of the U.S. Secret Service Uniformed Division as are given to other Federal employees under the Federal Pay Comparability System. Further, H.R. 7782 would protect the compensation rights of these Federal employees.

As you know, the Department of the Treasury's report to the committee on H.R. 7782 strongly supports its enactment. The Department also submitted a copy of the letter of July 22, 1980, to Representative Zeferetti, the sponsor of H.R. 7782, indicating our support for the bill. In addition, that letter states the administration's attempt to submit legislation to apply the reforms enacted in the D.C. Police Firemen's Retirement Systems to the Secret Service Uniformed Division, the Park Police, and others to whom the unmodified D.C. Police retirement law still applies. We plan to submit the legislation early in the next session of Congress and look forward to working with your committee toward its expeditious enactment.

While I have mentioned our purpose in appearing here this morning, Chief Pryor, who has provided able leadership of the Uniformed Division since 1978, will provide a more detailed expla-

nation of the need for this legislation in his remarks. I would now like to present to you Chief Harvey E. Pryor.

Mr. DELLUMS. Chief Pryor?

STATEMENT OF MR. PRYOR

Chief PRYOR. Thank you, Mr. Chairman. Mr. Chairman, I would also like to read into the record my opening statement.

Mr. Chairman, I would like to thank you and the members of the committee for the privilege of appearing here before you this morning. On behalf of the men and women of the U.S. Secret Service Uniformed Division, I would like to express our deep appreciation for the expeditious manner in which the committee has handled this bill. As you well know, this legislation is of extreme importance to every man and woman within the Uniformed Division and would insure and protect the compensation rights of these Federal employees. In view of today's inflationary economy, particularly in the Washington, D.C., area, this bill is a matter of paramount importance to these employees.

As Chief of the Uniformed Division of the Secret Service, one of my responsibilities is the welfare of my employees. In this connection, I am appearing before your committee to urge favorable consideration of H.R. 7782, which would provide for the same pay adjustments in the basic compensation of officers and members of the U.S. Secret Service Uniformed Division as are given to Federal employees under the General Schedule.

NECESSITY FOR LEGISLATION

It is our position that members of the Uniformed Division, as Federal employees, should be entitled to Federal pay adjustments, and not be dependent upon a local government agency for such adjustments.

The passage of the bill which is presently before this committee is considered essential by the Department in order to safeguard and insure the integrity of the pay system of this group of Federal employees. It will also serve to sever the dependence of these Federal employees on local decisions of the District Government respecting pay of D.C. government employees.

WHITE HOUSE POLICE

When the original White House Police Force was created in 1922, members were selected from lists provided by the Chief of the Metropolitan Police Force and the Chief of the U.S. Park Police. All three police services were eventually placed on the same pay scale and shared a common benefits system. From that time, until the advent of home rule for the District of Columbia in 1975, Congress established the pay and benefits of these employees in common legislation. This was logical because all three agencies were basically Federal agencies.

The advent of home rule for the District of Columbia in 1975 raised the question of whether or not pay raises legislated by the mayor and Council of the District would apply to the Uniformed Division and the U.S. Park Police, which has historically been the case. The Comptroller General's decision, B-156550, dated April 7,

1976, has provided a temporary remedy to the predicament of how members of the Uniformed Division can expect pay adjustments. In this decision, the Comptroller General ruled that members of the Uniformed Division and the Park Police would continue to be eligible for pay adjustments granted for the Metropolitan Police of the District of Columbia until such time as Congress enacted new legislation on this subject.

GAO FAVORS THIS LEGISLATION

Since 1975, the General Accounting Office—GAO—has urged that this longstanding relationship between the District Police and Federal Police agencies be ended. This was the subject of Report No. PFC-77-71 to the Congress by the Comptroller General of the United States, dated January 12, 1978, entitled, "Federal and District of Columbia Employees Need to be in Separate Pay and Benefit Systems." Enactment of H.R. 7782 would be an important step toward that goal.

In the statement of H. L. Krieger, Director of the Federal Personnel and Compensation Division—U.S. General Accounting Office, before the Subcommittee on Compensation and Employee Benefits of the Committee on Post Office and Civil Service on May 25, 1979, the GAO's position was again restated. Mr. Krieger stated, "We believe the Federal Government should control these Federal employees' compensation so that it is equitable, affordable, and consistent with that provided to similarly employed Federal law enforcement personnel." He was referring, of course, to the Uniformed Division.

The Uniformed Division is in a very unique situation, particularly in view of the fact that beginning this year, the International Brotherhood of Police Officers will represent the Metropolitan Police Department in salary negotiations with the Mayor and City Council. As Federal employees, members of the Uniformed Division have no input in these negotiations, yet they are affected by the decisions.

SIMILAR LEGISLATION FOR PARK POLICE

In 1976, the Park Police were successful in their pursuit to end their dependence upon the District government for pay adjustments. Public Law 94-533, dated October 17, 1976, insured that members of the U.S. Park Police Force would be entitled to adjustments in basic compensation in the same overall percentage as are other Federal employees within the General Schedule under the Federal Pay Comparability System. H.R. 7782 would make these same provisions applicable to members of the U.S. Secret Service Uniformed Division.

Mr. Chairman, that concludes my prepared text. I want to thank you again for the opportunity to appear before this committee and will try and answer any questions the committee may have relative to H.R. 7782 and the Uniformed Division.

Mr. DELLUMS. Thank you, Mr. Weinstein and Chief Pryor. We would like to thank you very much for your opening statements. I have only a couple of questions.

Mr. Weinstein, I would indicate to you that the committee looks forward to receiving the proposed legislation that you referred to

in your opening remarks, that addressed the larger question of separate pay and retirement system for both the Uniformed as well as the Park Police. We look forward to that. We would certainly be willing to move as expeditiously as possible, once we get the legislation.

Chief Pryor, to better understand the situation, presently the District of Columbia government authorizes the cost-of-living increase, yet the funding for it comes from the U.S. Treasury; is that correct?

Chief PRYOR. That is right.

Mr. DELLUMS. What you are saying then is that the government that pays the tab ought to be the one that authorizes the cost-of-living increase?

Chief PRYOR. That is correct.

Mr. DELLUMS. That seems rather straightforward to me. I just have one informational item I would like to raise. Why didn't the Uniformed Division ask to be included along with the Park Police in the legislation that passed this body in 1976?

Chief PRYOR. Mr. Chairman, it is my understanding that at that time it was management's decision to remain associated with the Metropolitan Police since it was historically and traditionally tied to it, and that it did not feel it wanted to splinter away strictly on the basis of the pay issue at that time. It was simply a matter of timing. I think they felt that the issue would be addressed later, which this is the first opportunity, I guess, they have had to address it.

Mr. DELLUMS. Thank you very much.

The gentleman from Connecticut.

Mr. MCKINNEY. I have no questions, Mr. Chairman.

Mr. DELLUMS. I would like to thank both of you for your contribution to these proceedings.

Chief PRYOR. Thank you.

Mr. WEINSTEIN. Thank you.

Mr. DELLUMS. The Chair would now like to invite before the committee Mr. Douglas Carnival, legal counsel, D.C. Police Association; Mr. Melvin Lindley, legislative representative, D.C. Police Association; and Mr. Robert Gordon, secretary-treasurer, International Union of Police Associations, AFL-CIO, to present their testimony on behalf of the legislation before us. I would like to welcome you before the committee. It is my hope that you would present your testimony in the order that you have been called on, and, after that, we would ask questions.

Before you proceed, I understand Mr. McGill is here.

STATEMENT OF DOUGLAS M. CARNIVAL, ESQ., COUNSEL TO THE POLICE ASSOCIATION OF THE DISTRICT OF COLUMBIA, ACCOMPANIED BY MELVIN LINDSLEY, MEMBER, UNIFORMED DIVISION, AND LEGISLATIVE REPRESENTATIVE, D.C. POLICE ASSOCIATION; ROBERT GORDON, SECRETARY-TREASURER, INTERNATIONAL UNION OF POLICE ASSOCIATIONS AFL-CIO; AND WILLIAM MCGILL, PRESIDENT, POLICE ASSOCIATION OF THE DISTRICT OF COLUMBIA

Mr. CARNIVAL. Mr. Gill just arrived. We will submit his testimony for the record.

Mr. DELLUMS. Without objection, it will become part of the permanent record.

[The prepared statement of Mr. McGill follows:]

PREPARED STATEMENT OF WILLIAM MCGILL

Mr. Chairman and distinguished members of the Subcommittee, my name is William McGill, and I am the President of the Police Association of the District of Columbia. The Police Association is a professional association of police officers whose membership includes many men and women of the Uniformed Division of the Secret Service.

U.S. SECRET SERVICE UNIFORMED DIVISION

I am sure that all of you can appreciate the tremendous amount of responsibility that the members of the United States Secret Service Uniformed Division feel towards their positions. They are charged with the responsibility of insuring the safety of the President of the United States, the Vice President, the White House, the Vice Presidential residence and most of the diplomatic missions in the United States. These responsibilities are not taken lightly by any members of the Uniformed Division.

Yet, at the present time they are troubled by the situation they find themselves in. The issue that is presently before this distinguished Subcommittee today is of grave importance to them. That issue involves, of course, comparability of pay with other Federal employees.

Members of the Uniformed Division unquestionably think of themselves as key personnel in the national security of this country. There is no doubt in their minds that they are bona-fide Federal employees performing functions that are truly national in scope and importance. However, with respect to an extremely important issue, they are governed by a local municipal government. In a sense they are innocent victims of circumstances beyond their control. Were it not for the unique legal status of the District of Columbia prior to the enactment of the Home Rule Act, they would be treated the same as all other Federal employees.

IMPACT OF LOCAL GOVERNMENT ON UNIFORMED DIVISION

Because of this unfortunate circumstance, they have no true pay comparability with other Federal employees. Those employees receive raises based upon decisions made by the President of the United States. Members of the Uniformed Division on the other hand, are given raises based upon the decisions made by the District of Columbia's municipal government, even though they are Federal employees and receive paychecks from the Federal treasury. This inequitable and incongruous situation undoubtedly works towards their disadvantage in several ways.

Most importantly, under the way of the District of Columbia arrives at annual salary adjustment determinations, members of the Uniformed Division have no input whatsoever into that decision making process. Whatever salary and cost of living adjustments are made by the District of Columbia government for its employees come about through collective bargaining between the local municipal government and the duly elected unions representing those local municipal employees. At no point are the opinions and needs of the Uniformed Divisions taken into consideration. In reality, local government officials and the representatives of D.C. municipal workers have no reason to be concerned about the Uniformed Divisions's interests because the members of the Uniformed Division are not paid out of local D.C. funds.

UNIFORMED DIVISION PERSONNEL

Another key area in which the system adversely impacts upon the Uniformed Division is in the area of retaining and recruiting highly qualified personnel. Due to the unique nature of their duties, members of the Uniformed Division are, and indeed, must, be highly trained law enforcement officials. Their training encompasses much more than is recommended for regular policemen in their training programs. Recruits to the Uniformed Division receive more than 640 hours of training in both Federal and District of Columbia law, legal procedures, basic police skills, specialized White House procedures and specialized foreign mission procedures. Moreover, Uniformed Division personnel receive training in legal rules of evidence, arrest techniques, first aide, abnormal and deviant behavior, social processes, court room demeanor, weapons training, and physical fitness training. The 640 hours of training that they receive is approximately 50 percent greater than the

400 hours of training recommended by the National Advisory Committee on Criminal Justice Standards and Goals for regular policemen.

In addition, Uniformed Division personnel receive approximately 40 hours per year or general in-service training and approximately 36 hours per year of firearms training in the use of service revolvers and automatic and shoulder weapons. There are also specialized classes for instruction in fire rescue and, in a reflection of the worldwide increase in international terrorism, canine explosive detection and counter sniper procedures.

The importance of the Uniformed Division's role in the national security structure of the United States and its need to be supplied with highly qualified personnel is also reflected in the educational requirements its demands of its recruits. On the national level, approximately 10 percent of police recruits entering law enforcement have completed four or more years of college.¹ Since 1975, however, the Uniformed Division has maintained a 24 percent recruitment rate of applicants with four or more years of college.

I cannot overemphasize to the members of this distinguished Subcommittee the importance of this bill. We sincerely need to continue to recruit the highest qualified personnel into the Uniformed Division, given the heavy responsibility of its duties. H.R. 7782 will go a long way toward insuring that we are able to continue this type of recruitment. It is only when highly qualified personnel realize that they will be duly compensated for their activities will they join the force. If the annual salary adjustments for the Uniformed Division are not made comparable to those of other Federal employees, the Uniformed Division may not be able to maintain the level of recruitment that it needs. With your favorable consideration of this bill, the members of this Committee will emphasize to our country the deep commitment that we all share toward maintaining the security of the President, the White House, and the international diplomatic community.

Thank you very much for the time you have given me to urge support of H.R. 7782 on behalf of the members of the Police Association of the District of Columbia employed by the United States Secret Service Uniformed Division.

Mr. CARNIVAL. On my right is Sgt. Melvin Lindsley, a member of the Uniformed Division, and member of the legislative board of the Police Association of the District of Columbia. To his right is Mr. Edward Thomas, associate vice president for the Police Association, and also a member of the Uniformed Division.

Mr. DELLUMS. You may proceed.

Mr. CARNIVAL. Mr. Chairman and distinguished members of the subcommittee, my name is Douglas Carnival, and I am appearing before you today as counsel for the Police Association for the District of Columbia. The Police Association is a professional association consisting of members of the U.S. Secret Service Uniformed Division, the U.S. Park Police, the U.S. Capitol Police, and the Metropolitan Police Department of the District of Columbia. At the present time, the Police Association is the exclusive bargaining agent for members of the U.S. Park Police.

H.R. 7782

The bill under consideration today, H.R. 7782, is a relatively simple but much-needed piece of legislation. The purpose of the bill is to amend the District of Columbia Police and Firemen's Salary Act of 1958 so that members of the U.S. Secret Service Uniformed Division are brought within the Federal pay comparability system. This will be accomplished by giving the Federal Government jurisdiction over Uniformed Division annual pay raises. Jurisdiction over these raises is presently exercised by the District of Columbia government.

¹Police Education Characteristics and Curricula, U.S. Department of Justice, LEAA, July 1975, at 31.

As I am sure you are all aware, since the advent of home rule in the District of Columbia, the basic salary, fringe benefits, retirement and disability systems, and annual cost-of-living salary adjustments for the Uniformed Division have been determined by the District of Columbia government. This is so despite the fact that Uniformed Division personnel are Federal employees performing work that is entirely national in scope and in importance. This statutory incongruity has resulted in several unintended negative consequences that have been borne by the Uniformed Division. H.R. 7782 is designed to correct these negative consequences by simply providing that annual cost-of-living salary adjustments for members of the Uniformed Division will henceforth be determined by the Federal Government as if under the General Schedule. Similar legislation was enacted in 1976 for the members of the U.S. Park Police in the form of Public Law 94-533.

HISTORY OF WHITE HOUSE POLICE

During the last decade, there has been a tremendous increase in both the size and the responsibilities of the Uniformed Division. The Division was originally created in 1922, as the White House Police, by then President Warren G. Harding. Its primary purpose was, and still is, to protect the President of the United States and the White House from any and all dangers. Officers on the force were selected from lists of highly qualified personnel from both the Metropolitan Police Department and the U.S. Park Police.

From 1922 until 1970, this means of recruitment was essentially the only avenue by which White House Policemen were chosen. In 1970, Public Law 91-217 changed the name of the White House Police to the Executive Protective Service and expanded its authority so as to include the protection of foreign diplomatic missions in the Washington, D.C., area and elsewhere in the country. In order to insure that there was a sufficient supply of manpower in order to carry out its new responsibilities, the statute also provided for the expansion of the Uniformed Division from 250 to 850 persons.

ROLE OF UNIFORMED DIVISION

During the 1970's, the responsibilities of the Uniformed Division continued to grow. These responsibilities today encompass protection of the President of the United States and his immediate family; the Vice President and his immediate family; the White House and surrounding grounds; the official residence of the Vice President in Washington, D.C.; other buildings in which Presidential offices are located; and foreign diplomatic missions located in the Metropolitan District of Columbia area and in other selected parts of the United States, including its territories and possessions. In November 1977, the President signed into law Public Law 95-179, which changed the name of the force from the Executive Protective Service to its present title of the U.S. Secret Service Uniformed Division.

HISTORY OF PAY PROVISIONS

As noted above, for a number of years the pay of the Uniformed Division has been governed by the District of Columbia Police and

Firemen's Act of 1958—District of Columbia Code title 4, chapter 8. Prior to the enactment of the District of Columbia Home Rule Act—Public Law 93-198—in January 1975, it made sense to cover the Uniformed Division and the Metropolitan Police Department concurrently in the same legislation since the District of Columbia government was considered a Federal agency at that time and Congress was responsible for determining the compensation for both police forces.

Another factor contributing to this practice was the aforementioned recruitment policy of the Uniformed Division whereby most of its members were drawn from the Metropolitan Police Department. Since the enactment of the Home Rule Act and the establishment of nationwide recruiting for the Uniformed Division, however, it no longer is sensible to continue to combine both forces for pay purposes. The local District of Columbia government should have authority over salary adjustments for members of the Metropolitan Police Department—its local police force—and the Federal Government should have authority over the annual salary adjustments of the Uniformed Division, since members of the Division are, in fact, Federal employees. Only in this way can the pay for the Uniformed Division always be comparable to that of other Federal employees.

LEGISLATION FOR PARK POLICE

This is precisely what was done for the U.S. Park Police when Public Law 94-533 was enacted 4 years ago. All of the reasons which compelled the enactment of that legislation, as well as several factors unique to the Uniformed Division, argue forcefully for the enactment of this bill as well.

IMPACT OF LOCAL GOVERNMENT ON UNIFORMED DIVISION

First and foremost, it is undoubtedly incongruous for Federal employees to have their pay raises determined by a local city government. Assuredly, the present troubles stem from the unique legal status of the District of Columbia. Since the enactment of the Home Rule Act, the District of Columbia's status has been that of a local municipal government. However, as the matters now stand, this local municipal government, itself beset with many local problems, dictates the annual cost-of-living pay raises for a selected group of Federal employees. Obviously, this system is manifestly unfair and untenable to members of the Uniformed Division.

An example of the manifest unfairness of the present system can be discerned from an analysis of this year's budgetary problems that the District of Columbia government is experiencing. As a result of these troubles, the Mayor has proposed that city workers receive no cost-of-living pay raises for the next 2 years. This is a local decision made by the city's Chief Executive, which should have impact solely upon the city's municipal employees. Without this legislation, that purely local decision affects Federal employees—members of the Uniformed Division—as well. The effects of the budgetary crisis of the District of Columbia local government should not be borne by members of the Uniformed Division. It is important to bear in mind that these men are paid by the Depart-

ment of Treasury. They are not paid by the District of Columbia municipal government. Therefore, members of the Uniformed Division are bearing the brunt of conditions imposed upon them by one government, because of its fiscal problems, when, in fact, the members receive their checks from another sovereign Government—the United States.

POLICE ASSOCIATION RECOMMENDATIONS

By contrast, the President has stated that Federal employees are to receive a 9.1-percent pay increase for the next year. Yet, members of the Uniformed Division will not share in this salary adjustment without this legislation.

The police association wants to stress to this committee that its members are not seeking this bill solely because the District of Columbia municipal government's financial difficulties this year. The police association would seek the enactment of H.R. 7782 or any other similar legislation regardless of whether the Federal pay raises are higher than the local District of Columbia pay raises for the upcoming year.

It is the basic position of the association that having Federal employees governed, for pay purposes, by a local city government is unfair and unjust and should be corrected. Federal employees should neither benefit nor be penalized by local decisions on pay issues which are made for local employees. Thus, it is the principle that Uniformed Division members as Federal employees must be treated as Federal employees in all respects that is motivating the Uniformed Division members and the police association to support this bill.

GENERAL LEGISLATION ALSO REQUIRED

The police association and its members are in favor of the removal of all provisions pertaining to the Uniformed Division and the U.S. Park Police from the District of Columbia Code and a shifting and recodification of those provisions into the U.S. Code. Public Law 94-553, which insured the pay comparability of the U.S. Park Police with that of other Federal employees, was the first step toward attaining this goal. The enactment of H.R. 7782 will be another important step toward the achievement of this goal as well.

It is obvious that the recodification process cannot take place without much thoughtful analysis and careful planning. Since the Secret Service Uniformed Division and the U.S. Park Police are unique Federal police establishments, care must be taken during the recodification process to insure that their integration into the U.S. Code takes into account this unusual situation. More time for study is needed than the present session of Congress affords. However, H.R. 7782, as a relatively simple and effective measure, will complete this phase of the job and serve as an impetus for the full-scale effort to follow.

IMPORTANCE OF UNIFORMED DIVISION

In conclusion, I would like to remind the members of this distinguished subcommittee of the importance of the duties carried out by members of the Uniformed Division. They are charged with

perhaps the most important protective task in this country—the protection of the President of the United States and his official residence, the White House. It is extremely important that the Uniformed Division be able to attract and retain highly qualified personnel to perform this mission. The only way that this will be accomplished is if members of the Uniformed Division receive adequate compensation for their services. As members of a force that is an integral part of our national security, members of the Uniformed Division must be thought of and treated as Federal employees in every sense of the meaning of the phrase. They must receive all the benefits that flow to Federal employment. Enactment of H.R. 7782 will undoubtedly go a long way toward achieving this goal.

I want to thank the members of the subcommittee for giving me this opportunity to come before you and urge your support for H.R. 7782. On behalf of the Police Association of the District of Columbia, I respectfully ask that you report this bill favorably.

Mr. DELLUMS. Thank you very much for your testimony. Sergeant Lindsley?

STATEMENT OF SERGEANT LINDSLEY

Sgt. LINDSLEY. Thank you, Mr. Chairman.

Mr. Chairman and distinguished members of this subcommittee, my name is Melvin E. Lindsley, and I am a member of the U.S. Secret Service Uniformed Division. I am testifying before you today as the legislative representative of the Police Association of the District of Columbia. At the present time, our association is comprised of members of the U.S. Secret Service Uniformed Division, U.S. Park Police, U.S. Capitol Police, and the Metropolitan Police Department of the District of Columbia. I appear before you today to urge your approval of H.R. 7782.

Our association has been serving members of the Federal protective system for over 70 years. In all that time we have always received courteous and sincere treatment by Members of Congress on the various matters that we have come before them on. The legislation that you have in front of you today is indeed one of great concern and importance to the men and women of the Uniformed Division.

H.R. 7782

As the prepared statement of our counsel, Douglas M. Carnival, points out, the basic thrust of H.R. 7782 is to insure that members of the U.S. Secret Service Uniformed Division are brought within the pay comparability system provided for Federal employees. At the present time, as far as we are aware, members of the Uniformed Division are the last Federal employees who do not have their annual salary adjustments governed by the Federal Government. We wish to correct this inequality as quickly as possible.

SIMILAR LEGISLATION FOR PARK POLICE

In 1976, the D.C. Police Association attempted to do the same thing for members of the U.S. Park Police. Because of your support, we were successful in the enactment of Public Law 94-533, which achieved that goal.

That statute represented a much-needed first step toward the necessary goal of shifting and recodifying into the U.S. Code all of the laws pertaining to Federal law enforcement personnel that are now contained in the District of Columbia Code. This situation has existed because of the unique legal status of the District of Columbia prior to its attainment of home rule in 1975. H.R. 7782 will be another large step toward fulfilling the recodification goal. Members of the Federal law enforcement system who live and work in Washington, D.C., and elsewhere are Federal employees and must have all of the benefits attendant to Federal employment. It makes no sense whatsoever to treat them like District of Columbia employees for some purposes and as Federal employees for other purposes.

GENERAL LEGISLATION REQUIRED

Unfortunately, the time is not yet ripe for a full-scale shifting and recodification of the relevant statutory provisions. The time left in this Congress and the complexity of the job prevent action at this time. Therefore, before a wholesale recodification of the statutory provisions applicable to the U.S. Uniformed Division and Park Police can take place, a thoughtful study must be made so that when the recodification eventually does occur, it is done properly and completely. However, in order to insure basic fairness to members of the Uniformed Division, annual salary adjustments for them must be brought under the Federal domain immediately so that members of the Uniformed Division do not suffer adversely from their inclusion in the statutory framework of the District of Columbia Code. H.R. 7782 will accomplish this in a simple, straightforward fashion.

BACKGROUND OF UNIFORMED DIVISION

The U.S. Secret Service Uniformed Division has been and continues to be a remarkably unique police force. Unlike many other police forces in the country, during the last 10 years the Uniformed Division has expanded at a most rapid rate. This expansion was a direct result of the tremendous increase in its responsibilities brought about by the enactment of Public Law 91-217 in 1970. That statute increased the size of the force from 250 to 850 persons and assigned it the responsibility of protecting the Vice President and foreign diplomatic missions in the United States. This was in addition to its primary purpose of protecting the President and the White House.

Perhaps no other police work in the United States carries as much responsibility as does the Uniformed Division. It is assigned the responsibility of protecting the most important person in our country: the President of the United States. In order to carry out this duty, I am sure the members of this subcommittee will agree the Uniformed Division needs the most highly qualified personnel that it can obtain. H.R. 7782 will help insure this by making the pay increases received by the Uniformed Division comparable to those received by other Federal employees.

The rigors of being in the Uniformed Division are also greatly exacerbated by the degree of public exposure that members of the Uniformed Division experience. They are, in essence, informal rep-

representatives of our Federal Government to countless foreign and domestic visitors and dignitaries who come to the White House each year. I am sure you will all agree that it is imperative that our great country puts its best foot forward at all times and we can help accomplish this by insuring that we have the most competent people staffing the positions of the Uniformed Division. H.R. 7782 will, again, contribute to meeting this goal.

NEED FOR THIS LEGISLATION

It is essential that members of the Uniformed Division enjoy the same benefits and salary adjustments as other Federal employees. There is no conceivable reason to distinguish them from other Federal employees in this regard. It is only through a quirk of the statutory structure of the District of Columbia government, in which the District retained jurisdiction over a few Federal law enforcement agencies after enactment of home rule in 1975, that the local government makes annual salary determinations for the Uniformed Division. Such a system is totally incongruous and thoroughly inequitable.

Uniformed Division members are paid by the Department of the Treasury. They do not receive their checks, nor do they receive any money whatsoever from the District of Columbia government. And yet, their salary increases, or lack thereof, are determined by the District of Columbia government. The lack of sense in this system is obvious. When one takes into account the fact that members of the Uniformed Division are the last Federal employees whose compensation is governed by a government other than the Federal Government, the need for corrective legislation is all the more apparent. I urge members of this committee to support H.R. 7782 and to bring members of the Uniformed Division into the Federal pay comparability system. Only by this means will this gross inequity now afflicting them be corrected and the high quality of the force insured, to the benefit of all of us.

Moreover, enactment of this bill will bring the members of the Uniformed Division into line with members of the U.S. Secret Service. Both the Secret Service and the Uniformed Division of the Secret Service are part of the Department of Treasury. The Uniformed Division provides much needed tactical support to the Secret Service. Secret Service agents are now often drawn from the ranks of the Uniformed Division. But yet, members of the two groups are presently treated differently with respect to their annual cost-of-living salary adjustments. Such a distinction is illogical, especially considering that the two organizations are part of the same Federal department, work very closely together, and are organizationally related to each other. Enactment of H.R. 7782 would correct the senseless discrepancy in compensation between the two forces.

I wish to thank the members of the subcommittee for giving me the opportunity to appear before you today, and I hope that you will do what is just with respect to this most important issue by supporting H.R. 7782.

Thank you.

Mr. DELLUMS. Thank you very much, Mr. Lindsley.

Mr. Gordon?

STATEMENT OF MR. GORDON

Mr. GORDON. Thank you, sir.

Mr. Chairman and members of the committee, for the record my name is Robert Gordon, and I am the secretary-treasurer of the International Union of Police Associations, AFL-CIO, representing Federal, State, and local police officers throughout the country.

I appear here today of behalf of our members, Local No. 17, of the U.S. Secret Service Uniformed Division and urge the members of this committee to act favorably on H.R. 7782, introduced on their behalf at our request by our good friend and former law enforcement officer, Congressman Leo Zeferetti, of New York.

As you are aware, this legislation, if approved by Congress and signed into law by the President, will provide the members of the Uniformed Division with the same cost-of-living adjustment and basic compensation presently enjoyed by other Federal employees under the general schedule.

My former international union played a major role in 1976 in having similar legislation introduced and passed by Congress for the members of the U.S. Park Police. Unfortunately, the members of the Secret Service Uniformed Division were not included in that legislation, which has now brought about the need for special legislation on their behalf.

We find it most disturbing that the members of the U.S. Secret Service Uniformed Division are and have been excluded by directives from the Secretary of the Treasury from the collective bargaining process, whereby they would have been able to sit down and negotiate basic working conditions and other benefits which are presently afforded their counterparts in the U.S. Park Police, the Metropolitan Police, and numerous Federal law enforcement agencies. These officers are seeking no more than other Federal offices in their need to obtain an equitable cost-of-living increase which is desperately needed in our present economic situation.

I am sure it is no secret to the members of this committee that it is indeed costly for any working man or woman to live in the Washington metropolitan area.

These officers are charged with the responsibility of protecting the President of the United States, members of his family, members of foreign missions and, on numerous occasions, Members of the U.S. Congress who may visit the White House.

On September 1, 1980, I had the pleasure of attending the annual Labor Day picnic for organized labor at the White House. Hundreds of labor leaders and their families were present and had a good time. As I looked around the perimeter, I found it ironic for the Secret Service Uniformed Division to be protecting union leaders while these same officers are afforded no protection under the collective bargaining laws of this country. The only recourse left to these officers is to petition the U.S. Congress for effective legislation that will provide them with the necessities of life.

This international urges the members of this committee to approve H.R. 7782, which at least guarantees the same cost-of-living adjustment that is now provided for other Federal employees.

While the President of the United States has, on numerous occasions, praised and recognized these officers as professionals, the truth of the matter is that these officers cannot support themselves

and their families on professionalism and dedication. We hope we see favorable passage.

Thank you for allowing me the opportunity to present our views at this time.

Mr. DELLUMS. Thank you very much, Mr. Carnival, Mr. Lindsley, and Mr. Gordon. We appreciate your opening statements. I would like first to indicate to you, as I indicated to the two previous witnesses, that we will be more than happy to receive the legislation discussed earlier. I think it addresses the larger question that ought to be dealt with. I only have one question. It seems to me that this legislation is, to use Mr. Lindsley's statement, very straightforward and addresses an obvious problem. The only question I would have of all of you who are representative of various associations, the same question I asked Chief Pryor; that is, why didn't you get yourselves involved in the legislation passed in 1976?

Mr. LINDSLEY. In 1976, at that time, I was not an active member of the Police Association. As Chief Pryor has indicated, at that time the management of the Secret Service Uniformed Division did not think that it was imperative to push legislation for the Uniformed Division. Because of the unique ties with the Metropolitan Police Department, as far as pay and other benefits for a long period of time, we had received until that time no problem as far as pay. We did not envision the circumstances that have come about today. I am sure if we had, we would have pushed it at that time.

Mr. GORDAN. Mr. Chairman, I believe also at that time OMB was vehemently opposed to including the U.S. Secret Service Uniformed force in that legislation. If I recall correctly, I believe the administration of the U.S. Secret Service was opposed at that time as well. That is why they were excluded.

Mr. DELLUMS. Thank you very much.

The gentleman from Connecticut?

Mr. MCKINNEY. We have a historic disregard for OMB on this committee, anyway.

Mr. DELLUMS. Does that conclude any statement you may have?

Mr. MCKINNEY. Yes.

Mr. DELLUMS. I would like to thank all of you gentlemen for your contribution to these proceedings.

Mr. CARNIVAL. Thank you.

Mr. DELLUMS. That concludes the hearing phase of these hearings.

MARKUP OF H.R. 7782

We will now move to consideration of the bill, H.R. 7782, a bill to amend the District of Columbia's Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the U.S. Secret Service Uniformed Division as are given to Federal employees under the general schedule. The Chair will now entertain a motion to consider the bill, H.R. 7782.

Mr. MCKINNEY. I so move.

Mr. DELLUMS. Thank you.

Without objection, H.R. 7782 will be considered as read and open for amendment at any point. Are there any amendments?

If not, the Chair would entertain a motion to favorably report the bill, H.R. 7782, to the full committee.

Mr. McKINNEY. I so move.

Mr. DELLUMS. Without objection, it is so ordered. The bill, H.R. 7782, will be favorably reported to the full committee. I would say for myself and Mr. McKinney, the ranking minority member, we associated ourselves with the bill and join as cosponsors with our distinguished colleague, Representative Zeferetti.

The subcommittee stands in recess, subject to the call of the Chair.

[Whereupon, at 10:29 a.m., the subcommittee recessed, to reconvene subject to the call of the Chair.]

COMMITTEE MARK UP OF H.R. 7782

TUESDAY, SEPTEMBER 16, 1980

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The committee met, pursuant to notice, at 12 noon, Hon. Ronald V. Dellums (chairman of the committee) presiding.

Present: Representative Dellums, Delegate Fauntroy, Representatives Harris, Barnes, McKinney, and Fenwick.

Also Present: Edward C. Sylvester, Jr., Staff Director, Elizabeth D. Lunford, General Counsel, Marilyn Elrod, Staff Assistant, James T. Clark, Legislative Counsel, Harry M. Singleton, Minority Chief Counsel and Robert Cover, Legislative Counsel's Office.

Mr. DELLUMS. The full committee will come to order.

The Committee on the District of Columbia will come to order. We are here this morning to consider H.R. 7782, a bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost of living adjustments in the basic compensation of officers and members of the United States Secret Service Uniformed Division as are given to Federal employees under the General Schedule.

Following a hearing on the bill before us, the subcommittee on Fiscal Affairs and Health, unanimously reported the bill out of markup on September 9, 1980.

Briefly, H.R. 7782 is a technical amendment which will insure that the officers and members of the U.S. Secret Service Uniformed Division are entitled to the same adjustments in their basic compensation, in the same overall percentage, as are all other Federal employees under the Federal pay comparability system. It provides that annual cost-of-living salary adjustments for these Secret Service members will be determined by the Federal Government as if under the General Schedule.

Currently, these annual increases are based upon the decisions made by the District of Columbia's municipal government, even though they are Federal employees and receive their paychecks from the Federal Treasury. All other Federal employees receive adjustments in their basic compensation based upon decisions made by the President of the United States.

Since 1958, the pay of the Secret Service Uniformed Division has been governed by the D.C. Police and Firemen's Salary Act. This was appropriate since, prior to home rule for the District, all police forces within the District were considered Federal forces. Even the District government was considered as a Federal agency and Congress was responsible for determining the pay and compensation of all these employees.

However, after passage of the Home Rule Act in 1973, the situation changed and the U.S. Park Police and the U.S. Secret Service Uniformed Division found themselves, as Federal Police Forces, with their pay governed by the decision of the local District of Columbia government even though they are paid by U.S. Government.

The Uniformed Division is a very unique situation, particularly since, beginning this year, the International Brotherhood of Police Officers represents the Metropolitan Police Department in salary negotiations with the Mayor and District Council. As Federal employees, members of the Uniformed Division have no input in these negotiations, yet, now they are affected by these decisions.

As a precedent, I should point out that similar action was taken on behalf of the Park Police in 1976. Public Law 94-533 insured that members of the U.S. Park Police Force would be entitled to adjustments in basic compensation in the same overall percentage as are other Federal employees within the General Schedule under the Federal Pay Comparability System.

The subcommittee on Fiscal Affairs and Health found that members of the Uniformed Division are the last Federal employees who do not have their annual salary adjustments governed by the Federal Government. Without this legislation, the U.S. Secret Service Uniformed Division will be the only Federal employees who will not receive a cost of living increase for fiscal year 1981.

I would now call up the bill H.R. 7782, and without objection, the bill would be considered as read and open to amendment at any point.

The Chair would like to, before yielding to Mr. Fauntroy, for an amendment, offer an amendment to the title of the bill. At the present time, the title reads:

To amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost of living adjustments in the basic compensation of officers and members of the United States Secret Service Uniform Division as are given to Federal employees under the General Schedule.

In order to reduce the possibility of misinterpretation, the Chair would like to amend the title to strike the words "cost-of-living" adjustments, because these annual adjustments technically, really, are comparability adjustments rather than cost-of-living adjustments and we would like to clarify that, and the Chair would think that simply striking the words "cost of living" from the title would clarify that situation.

Is there any discussion?

Without objection then, the amendment passes and the title has been amended by striking the words "cost of living".

The Chair would now yield to my distinguished colleague, Mr. Fauntroy.

Mr. FAUNTROY. Thank you, Mr. Chairman.

AMENDMENT BY MR. FAUNTROY

I would like to offer an amendment which has been checked with both the Treasury Department and with the author or the sponsor of the legislation, Mr. Zeferetti, and to which they have no objection.

It is an amendment on page 2, line 11, strike out "shall" and insert in lieu thereof "may." While it is certainly our preference, in the interest of the affected group and the drafting of good legislation, to create entitlement through the use of the word "shall", time in this instance is of the essence, and we seek to get this bill to the floor on the next District day, which is Monday, September 22, which is also the last District day before the October pay increase.

For this reason, I offer this amendment which would eliminate the necessity for us really requiring spending beyond what has already been budgeted.

Mr. DELLUMS. There has been a motion. All in favor, say aye. All opposed.

The amendment carries.

VOTE ON H.R. 7782

The Chair will now entertain a motion to favorably report the bill, H.R. 7782 as amended.

Mr. HARRIS. I would be happy to move we report the bill favorably to the full House as amended.

Mr. DELLUMS. Is there a second? It has been moved and seconded that the bill H.R. 7782 be favorably reported to the full House. All in favor say aye.

All opposed.

The ayes have it and the motion is agreed to and the bill, H.R. 7782 will be favorably reported to the full House.

Unless there is new business, the committee stands in recess subject to the call of the Chair.

[Whereupon, at 12:05 p.m., the committee was adjourned, subject to the call of the Chair.]

[Excerpts from committee report follows:]

[EXCERPTS FROM COMMITTEE REPORT]

96TH CONGRESS } HOUSE OF REPRESENTATIVES } REPORT
 2d Session } } No. 96-1323

UNITED STATES SECRET SERVICE UNIFORMED DIVISION SALARY ADJUSTMENTS

SEPTEMBER 16, 1980.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DELLUMS, from the Committee on the District of Columbia, submitted the following

REPORT

[To accompany H.R. 7782]

[Including cost estimate of the Congressional Budget Office]

The Committee on the District of Columbia, to whom was referred the bill (H.R. 7782) to amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the U.S. Secret Service Uniformed Division as are given to Federal employees under the General Schedule, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments (stated in terms of the page and line numbers of the introduced bill) are as follows:

Page 2, line 11, strike out "shall" and insert in lieu thereof "may".
 Amend the title so as to read:

A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same adjustments in the basic compensation of officers and members of the United States Secret Service Uniformed Division as are given to Federal employees under the General Schedule.

PURPOSE OF THE BILL

The purpose of the bill (H.R. 7782) is to insure that the officers and members of the U.S. Secret Service Uniformed Division are entitled to the same adjustments in their basic compensation in the same overall percentage as are all other Federal employees under the Federal pay comparability system. (Section 5305 of Title 5, United States Code.)

Simply, H.R. 7782 provides that the salary adjustments for members of the Uniformed Division will henceforth be determined by the Federal Government as if under the General Schedule. Similar legislation was enacted on October 17, 1976 (Public Law 94-533; 94 Stat. 2493) for members of the United States Park Police.

NEED FOR THE LEGISLATION

The Committee finds that members of the Uniformed Division are the last Federal employees who do not have their annual salary adjustments governed by the Federal Government. Without this legislation, the U.S. Secret Service Uniformed Division will be the only Federal employees who will not receive the annual salary adjustment for Fiscal Year 1981.

All other Federal employees receive raises and salary adjustments based upon decisions made by the President of the United States. On the other hand, members of the Secret Service Uniformed Division are given raises based upon the decisions made by the District of Columbia's municipal government, even though they are Federal employees and receive their paychecks from the Federal Treasury. They do not receive any money whatsoever from the District of Columbia Government. And yet, their salary increases, or lack thereof, are determined by the District of Columbia Government. This is an inequitable and incongruous situation. When one takes into account the fact that members of the Uniformed Division are the last Federal employees whose compensation is governed by a government other than the Federal Government, the need for corrective legislation is all the more apparent.

It is essential that members of the Uniformed Division enjoy the same benefits and salary adjustments as other Federal employees. There is no conceivable reason to distinguish them from other Federal employees in this regard. It is only through a quirk of the statutory structure of the District of Columbia Government, in which the District retained jurisdiction over a few Federal law enforcement agencies after enactment of Home Rule in 1975, that now the local government makes annual salary determinations for the Uniformed Division. Such a system is totally incongruous and thoroughly inequitable.

Most importantly, under the way the District of Columbia arrives at annual salary adjustment determinations, members of the Uniformed Division have no input whatsoever into that decision-making process. Testimony before the Committee showed that whatever salary adjustments are made by the District of Columbia Government for its employees come about through collective bargaining between the local municipal government and the duly elected unions representing those local municipal employees. At no point are the opinions and needs of the Uniformed Division taken into consideration. In reality, local government officials and the representatives of D.C. municipal workers have no reason to be concerned about the Uniformed Division's interests because the members of the Uniformed Division are not paid out of local District Government funds.

BACKGROUND OF U.S. SECRET SERVICE UNIFORMED DIVISION

The original White House Secret Service was created in 1922 as the White House Police by President Warren G. Harding. Its primary purpose was to protect the President of the United States and the White House and surrounding grounds from any and all dangers. Officers on the force were selected from lists of highly qualified personnel from both the Metropolitan Police Department and the U.S. Park Police. All three police services were eventually placed on the same pay scale and shared a common benefits system. From that time, until the advent of Home Rule for the District of Columbia in 1975, Congress established the pay and benefits of these employees in common legislation, which was logical because all three agencies were Federal agencies.

In 1970 legislation (Public Law 91-212) changed the name of the White House Police to the Executive Protective Service; its authority was expanded and it was given the additional responsibility of protecting the Vice President and foreign diplomatic missions in the United States and its territories and possessions, the official residence of the Vice President in Washington, and other buildings in which Presidential offices are located. The force was also expanded from 250 to 850 persons, to enable it to carry out its added duties. In November, 1977 its name was again changed (by Public Law 95-179) to the U.S. Secret Service Uniformed Division.

HISTORY OF PAY LEGISLATION

Since 1958 the pay of the Secret Service Uniformed Division has been governed by the D.C. Police and Firemen's Salary Act (D.C. Code, Title 4, Sec. 833). This was appropriate prior to Home Rule for the District when all police forces within the District were considered Federal forces. Even the District Government was considered as a Federal agency and Congress was responsible for determining the pay and compensation of all these employees. However, as stated after the passage of the Home Rule Act in 1973, the situation changed and the U.S. Park Police and the U.S. Secret Service Uniformed Division found themselves, as Federal police forces, under the authority of the decisions by the local District of Columbia government although their pay comes from the U.S. Government.

The Uniformed Division is in a very unique situation, particularly in view of the fact that beginning this year, the International Brotherhood of Police Officers will represent the Metropolitan Police Department in salary negotiations with the Mayor and City Council. As Federal employees, members of the Uniformed Division have no input in these negotiations, yet now they are affected by the decisions.

In 1976, as stated, the Park Police were successful in their pursuit to end their dependence upon the District government for pay adjustments. Public Law 94-533, dated October 17, 1976, insured that members of the United States Park Police Force would be entitled to adjustments in basic compensation in the same overall percentage as are other Federal employees within the General Schedule under the Fed-

eral Pay Comparability System. H.R. 7782 would make these same provisions applicable to members of the United States Secret Service Uniformed Division.

COMPTROLLER GENERAL FAVORS LEGISLATION

The Comptroller General, in his decision (B-156550) dated April 7, 1976, ruled that members of the Uniformed Division and of the U.S. Park Police would continue to be eligible for pay adjustments granted for the Metropolitan Police of the District of Columbia until such time as Congress enacted new legislation on this subject.

Since 1975, the General Accounting Office (GAO) has urged that this long standing relationship between the District Police and Federal Police agencies be ended. This was the subject of Report No. PFC-D-77-71 to the Congress by the Comptroller General of the United States, dated January 12, 1978, entitled: "Federal and District of Columbia Employees Need to be in Separate Pay and Benefit Systems." Enactment of H.R. 7782 would be an important step towards that goal.

In the statement of H.L. Krieger, Director of the Federal Personnel and Compensation Division, U.S. General Accounting Office, before the Subcommittee on Compensation and Employee Benefits of the Committee on Post Office and Civil Service on May 25, 1979, the GAO's position was again restated. Mr. Krieger stated:

We believe the Federal Government should control these Federal employees' compensation so that it is equitable, affordable, and consistent with that provided to similarly employed Federal law enforcement personnel.

He was referring, of course, to the Uniformed Division.

HEARING

The Subcommittee on Fiscal Affairs and Health held a hearing on H.R. 7782 on September 9, 1980.

Testimony was received from the Department of the Treasury, U.S. Secret Service Uniformed Division, and various representatives of the D.C. Police Association, and the International Union of Police Association, AFL-CIO, expressing their approval of this legislation and immediate action thereon.

Supporting letters were received from Congressman Leo C. Zeferetti, sponsor of this bill, the Office of Management and Budget, the Department of the Treasury, and the U.S. Secret Service Uniformed Division.

D.C. City Administrator, Elijah Rogers also replied on behalf of the city government that they had no objection to the passage of this bill.

No testimony was presented or received in opposition to H.R. 7783.

The Subcommittee voted to report it favorably to the Full Committee.

COMMITTEE VOTE

On September 16, 1980, the Committee considered and amended H.R. 7783, and ordered the bill, as amended, favorably reported by voice vote to the House.

PROVISIONS OF THE BILL

This legislation amends Section 501 of the D.C. Police and Firemen's Salary Act of 1958 (D.C. Code, Title 4, Sec. 833) in order to change the name therein of the Executive Protective Service to that of U.S. Secret Service Uniformed Division.

It also changes the authority for granting salary increases and adjustments to the United States Secret Service Uniformed Division from the Government of the District of Columbia to the Secretary of the Treasury.

COMMITTEE AMENDMENTS

The Committee adopted an amendment to the bill which on page 2, line 11 changed the word "shall" to "may".

While it is certainly the Committee's preference, in the interests of the Uniformed Division and the drafting of good legislation, to create an entitlement through the use of the word "shall", time in this instance is "of the essence". The Committee seeks to get this bill to the floor on the next District Day, which is expected to be the last District Day before the October 1 pay increase goes into effect.

The Committee also deleted the words "cost-of-living" from the title of the bill.

DEPARTMENTAL RECOMMENDATIONS

Following are various Departmental reports filed with the Committee in support of this legislation :

DEPARTMENT OF THE TREASURY,
Washington, D.C., July 22, 1980.

HON. LEO C. ZEFERETTI,
House of Representatives,
Washington, D.C.

DEAR MR. ZEFERETTI: We appreciate the opportunity to comment on your draft of a legislative proposal to amend those provisions of the D.C. Police and Firemen's Salary Act of 1958 which relate to pay adjustments for officers and members of the U.S. Secret Service Uniformed Division. The proposed amendment would make the annual pay adjustment mechanism for the Uniformed Division compatible with that of other Federal employees under Section 5305 of Title 5, United States Code, in the same manner as provided by Public Law 94-533 for the United States Park Police.

Achieving consistency in the compensation and benefit system for these employees with that of other Federal employees is a goal of this Administration. The proposed legislation would contribute to that goal and would be a significant step in ensuring that payroll and personnel decisions of the government of the District of Columbia, that there are directed at employees of the District, do not adversely affect the Federal workforce. We do not believe such results were intended by Congress in enacting the Home Rule law for the District.

The issue of consistent treatment of both groups of Federal employees necessarily raises questions about the propriety of their continued coverage under the old D.C. Police and Firemen's Retirement

System, unmodified by recently enacted reforms, such as the repeal of the 1 percent add-on to cost-of-living adjustments for survivors. As you may know, the U.S. Park Police and the Secret Service are the only Federal employees to whom that costly and unjustified feature of law continues to apply. It has been repealed for all others—Members of Congress, military and civilian personnel in all branches of Government, as well as those in the District of Columbia.

Accordingly, the Administration believes these Federal employees should participate in the D.C. Police and Firemen's Retirement System under the same terms and conditions as their Metropolitan police counterparts, until such time as a different retirement program, severing them from the D.C. system, can be developed. The Administration expects to submit legislation to apply the revised D.C. Police retirement law to these Federal groups, and will enlist your support for that effort.

We are sending copies of this letter to the Chairmen of the House Committee on the District of Columbia, the House Post Office and Civil Service Committee, the House Interior and Insular Affairs Committee, and the Senate Governmental Affairs Committee, in view of their responsibilities for the Federal employees concerned.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the submission of this report.

Sincerely,

RICHARD J. DAVIS,
*Assistant Secretary,
Enforcement and Operations.*

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., August 22, 1980.

Hon. RONALD V. DELLUMS,
*Chairman, Committee on the District of Columbia,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to your request of August 1, 1980, for the views of this Office on H.R. 7782, a bill "To amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the United States Secret Service Uniformed Division as are given to Federal employees under the General Schedule."

We believe it is appropriate, as provided in H.R. 7782, that members of the Uniformed Division, as Federal employees, be granted the same percentage pay increases as other Federal employees. The bill would also have the effect of treating pay adjustments for the Uniformed Division members in the same manner as for the U.S. Park Police. Accordingly, we favor enactment of H.R. 7782.

As indicated in the July 22, 1980, letter from the Treasury Department to Representative Zeferetti, a copy of which has been sent to you,

the Administration believes that as long as these two groups of Federal employees remain covered under the D.C. Police and Firemen's Retirement System, the recently-enacted reforms of that System should be made applicable to them. Legislation to that end is expected to be submitted to the Congress, and we hope your Committee will consider and act on it favorably.

Sincerely,

JAMES M. FREY,
*Assistant Director
for Legislative Reference.*

DEPARTMENT OF THE TREASURY,
U.S. SECRET SERVICE,
UNIFORMED DIVISION,
Washington, D.C., August 27, 1980.

HON. RONALD V. DELLUMS,
*Chairman, Committee on the District of Columbia,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: As you are aware, H.R. 7782, a bill that would amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost of living adjustments in the basic compensation of officers and members of the United States Secret Service Uniformed Division as are given Federal employees under the Federal pay comparability system, has been referred to your Committee.

I would like to take this opportunity to emphasize the importance of this proposed amendment. Without the timely passage of this bill, members of the Uniformed Division (Federal employees) will be excluded from the Federal pay comparability raise that will take effect on October 1, 1980. This situation has been brought about by the historical ties between the Metropolitan Police, U.S. Park Police, and the Uniformed Division. The General Accounting Office has, for several years, urged the severance of this relationship (refer to the Comptroller General's Report to Congress, dated January 12, 1978, entitled, "Federal and District of Columbia Employees Need to be in Separate Pay and Benefit Systems"). The U.S. Park Police acted to sever their dependence upon the District of Columbia for pay raises in 1976, Public Law 94-533. The Uniformed Division, the U.S. Secret Service, the Department of the Treasury, and the Office of Management and Budget all concur that this legislation is needed and that a Federal agency should not be dependent upon a local government to determine pay raises for its employees.

The October 1, 1980, deadline is nearly upon us. For this reason, I strongly urge you, on behalf of the 800 members of the U.S. Secret Service Uniformed Division, to convene hearings on this bill as soon as possible. Your timely consideration of this bill is of extreme importance to us all and would be deeply appreciated.

Sincerely,

HARVEY E. PRYOR, *Chief.*

DEPARTMENT OF THE TREASURY,
OFFICE OF THE GENERAL COUNSEL,
Washington, D.C., September 2, 1980.

HON. RONALD V. DELLUMS,
*Chairman, Committee on the District of Columbia,
House of Representatives,
Washington, D.C.*

DEAR MR. CHAIRMAN: This responds to your request for the Department's views on H.R. 7782 "To amend the District of Columbia Police and Fireman's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the United States Secret Service Uniformed Division as are given to Federal employees under the General Schedule."

The proposed legislation would insure that the personnel of the Uniformed Division would receive the same pay adjustments as other Federal employees in the future. A copy of our letter of July 22, 1980, to Congressman Zeferetti, the bill's sponsor, concerning this proposal and related matters was sent to you earlier by the Department. Another copy of that letter is enclosed for your use.

The Department strongly supports this legislation, and is eager to see this measure enacted by this Congress. If there is any assistance you or your staff need in the enactment process, please call us. The Department would also be happy to have a representative appear as a witness at any hearing on the bill.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the submission of this report to your Committee.

Sincerely yours,

Deputy General Counsel.

GOVERNMENT OF THE DISTRICT OF COLUMBIA,
OFFICE OF THE CITY ADMINISTRATOR,
Washington, D.C., August 8, 1980.

HON. RONALD V. DELLUMS,
*Chairman, Committee on the District of Columbia,
House of Representatives,
Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your request for the comments of the District of Columbia Government on H.R. 7782. The bill would amend Section 501 of the District of Columbia Police and Firemen's Salary Act of 1958 to eliminate, beginning with Fiscal Year 1981, comparability in basic compensation rates between officers serving in the United States Secret Service Uniformed Division and officers serving in the District of Columbia Metropolitan Police force.

The bill would have no impact on the District of Columbia Government. Accordingly, we have no objection to the enactment of H.R. 7782.

Sincerely,

ELIJAH B. ROGERS,
City Administrator.

COUNCIL OF THE DISTRICT OF COLUMBIA,
Washington, D.C., September 9, 1980.

HON. RONALD V. DELLUMS,
Subcommittee on Fiscal Affairs and Health, Committee on the Dis-
trict of Columbia, U.S. House of Representatives, Washington,
D.C.

DEAR CHAIRMAN DELLUMS: I am pleased to submit these comments with respect of H.R. 7782, To amend the District of Columbia Police and Firemen's Salary Act of 1958 to provide for the same cost-of-living adjustments in the basic compensation of officers and members of the United States Secret Service Uniformed Division as are given to Federal employees under the General Schedule, scheduled for subcommittee consideration on Tuesday, September 9, 1980.

In adopting the District of Columbia Government Compensation Merit Personnel Act of 1980, effective with respect to compensation matters of January 1, 1980, the Council of the District of Columbia was sensitive to the inclusion of certain federal protective service employees under provisions of the 1958 Police and Firemen's Salary Act. Section 3203 (c) of the District's merit personnel act specifically noted that no local legislative action should affect federal officers (D.C. Code, sec. 1-362.3 (c)).

I note, however, that this Congressional action points up again an earlier conclusion of the Congress that codification of laws in the District of Columbia Code affecting federal officers might be more appropriate in the United States Code. Such a series of clarifying amendments would make clear those matters under the control of the Council. I would also urge the Committee to consider clarifying and confirming amendments to the provisions of title 5 of the United States Code to implement the supercession provisions of the Merit Personnel Act.

The Council staff is ready to assist you in this regard. May I apologize for not personally appearing before the Committee, but I am actively engaged in the local primary election in the District of Columbia today.

Yours cordially,

ARRINGTON DIXON, *Chairman.*

CONCLUSION

It is not only just but it is essential that members of the Uniformed Division of the Secret Service as Federal employees enjoy the same benefits and salary adjustments as other Federal employees.

Members of the Federal law enforcement system who live and work in Washington, D.C. and elsewhere are Federal employees and should have all the benefits attendant to Federal employment. It makes no sense whatsoever to treat them like District of Columbia employees for some purposes and as Federal employees for other purposes.

The Committee urges immediate favorable action by the House on H.R. 7882. Without its timely passage, members of the U.S. Secret Service Uniformed Division will be excluded from the Federal pay comparability raise that will take effect on October 1, 1980.

STATEMENTS REQUIRED BY RULE X(1)(3) OF HOUSE RULES

OVERSIGHT FINDINGS AND RECOMMENDATIONS

The committee's oversight findings with respect to the matters with which the legislation is concerned remain as a part of its continuing congressional oversight required by the Constitution and specifically provided for in the Home Rule Act (sections 601, 602, 604, and 731 of Public Law 93-198).

COMMITTEE ON GOVERNMENT OPERATIONS SUMMARY

No oversight findings and recommendations have been received which relate to the measure from the Committee on Government Operations under clause 2(b)(2) of rule X.

INFLATIONARY IMPACT

The bill, if enacted into law, will have no foreseeable inflationary impact on prices or costs in the operation of the national economy.

BUDGET AUTHORITY

The legislation creates no new budget authority or tax expenditure by the Federal Government. Therefore, a statement required by section 308(a) of the Congressional Budget and Impoundment Control Act of 1974 is not necessary.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

An estimate of costs has been received by the committee from the Director of the Congressional Budget Office, pursuant to section 403 of the Congressional Budget and Impoundment Control Act of 1974. The enactment of the proposed authorizing legislation will involve added costs only when appropriated by the Federal Government, as shown in the Director's letter with which the Committee on the District of Columbia concurs.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., September 16, 1980.

HON. RONALD V. DELLUMS,
Chairman, Committee on District of Columbia,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has reviewed H.R. 7782, a bill to amend the District of Columbia Police and Fireman's Salary Act of 1958 to provide for the same adjustment in the basic compensation of officers and members of the United States Secret Service Uniform Division as are given to federal employees under the General Schedule, as ordered reported by the House Committee on the District of Columbia on September 16, 1980.

The bill would give the Secretary of the Treasury authority to adjust the pay of officers and members of the United States Secret Service Uniformed Division by the same overall percentage applied to the pay of other federal employees within the general schedule, effective October 1, 1980. Currently, pay increases for members of the Uniformed Division fall within the authority of the government of the District of Columbia.

Based on information provided by the District of Columbia Government, it is estimated that enactment of this bill will cost \$1.4 million in fiscal year 1981, \$3.1 million in 1982, \$3.4 million in 1983, \$3.7 million in 1984, and \$3.9 million in 1985. These estimates assume that the current staffing level, mix of staff, and average grade levels remain constant through fiscal year 1985. It is assumed that if this bill is enacted, officers and members of the Uniformed Division would receive the same increase as other federal employees in each of the fiscal years 1981 through 1985. Also it has been assumed that, under current law, no annual pay increase would be granted in fiscal years 1981 and 1982 (pursuant to current plans of the District of Columbia government), and that the pay increase would be the same as for federal employees in fiscal years 1983 through 1985.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

ALICE M. RIVLIN, *Director.*

AMEND THE NATIONAL CAPITAL TRANSPORTATION ACT OF 1969

WEDNESDAY, SEPTEMBER 17, 1980

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON METROPOLITAN AFFAIRS,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m. in room 1310 of the Longworth House Office Building, Hon. Herbert Harris presiding.

Present: Representatives Harris, Barnes, and McKinney.

Also Present: James T. Clark, legislative counsel; Hugh Calkin, staff; Harry M. Singleton, minority chief counsel and Barbara Norris-Chaves, minority staff assistant.

Mr. HARRIS [presiding]. The subcommittee will come to order. Chairman Stark is going to be here in just a few moments. He had some constituents arrive just a few minutes ago and he has asked me to open the hearings so as not to delay the very important public officials we have called into the hearing room this morning.

STATEMENT OF REPRESENTATIVE HARRIS

I appreciate very much having the opportunity today to address this committee on H.R. 7658, legislation that I have introduced, along with the Chairman of the subcommittee, Mr. Stark; Mr. McKinney, Mr. Barnes, Mr. Fisher, Mr. Fauntroy, and Mrs. Spellman. This legislation authorizes funding for an economic feasibility study of extending the national capital area's Metrorail system to Burke, the Dulles Airport in Virginia, by way of Reston; to Bowie, and the Gaithersburg/Germantown area of Maryland and an appropriate corridor within the District of Columbia. I well remember when we adopted the 101 mile Metro system in 1969, we took into consideration future extension into growth areas of the National Capital Region, especially those we viewed as potential growth areas in the various quarters. 1968 maps are still available and you can see the extensions we talked about then.

And now is the time to start considering rapid rail transit corridors to relieve increasing congestion on Virginia's Interstate 95 and Route 7 along with Maryland's Route 50 and Interstate 270.

H.R. 7658

This bill provides for the study of 47-plus miles of possible Metro-rail extension and will enable Metro to begin planning for the Washington area's future rail transit needs. I do not want to preju-

dice any future witness. I can understand somebody being for this program and I can understand somebody being against this program, but if any witness testifies the program is premature they will have trouble with me because the construction we are doing now on Metro was planned 20 years ago. The notion that you can move from planning to construction of a system like Metro in short order is a terribly naive notion.

This bill would authorize \$1.5 million in Federal funds to the Washington Metropolitan Area Transit Authority for an 18-month study of possible route extensions, each of which were included as future extensions in the region's master transportation plan adopted in 1968, as well as consideration of routes within the District of Columbia. State or local governments would provide \$375,000 as their share of the study.

Metro is serving the area well, but as we know, the area is growing rapidly and new transportation needs must be faced. There has been tremendous suburban growth since we first began planning Metro 20 years ago. Today's communities go well beyond the beltway and are becoming home to thousands of people who commute to Washington daily.

An above-ground Metrorail extension on existing right-of-ways could prove to be an extremely cost-efficient method of saving energy and preserving the environment. Metro has proven its worth both as an energy-saving transportation system and as a boon to regional economic growth. It is time we began to plan for the transportation needs of the 1980's by considering the extension of Metro to Burke and Dulles Airport in Virginia as well as the fast-growth areas in Prince Georges and Montgomery Counties.

In addition to the routes to be studied under this bill, there are other extensions, which, I believe, merit consideration. I am particularly interested in the possible extension of Metro beyond the Franconia station south to Lorton area in Fairfax County. As is the case with the other routes, there is an existing right-of-way along this possible extension, and the need for rapid rail service in this corridor is growing steadily.

Last week, I sponsored a special public forum for Prince William County commuters so that the people who travel daily between Prince William and Washington, D.C., would have an opportunity to talk with Metro officials and Federal and State highway planners.

The concept of a link between the I-95 express lanes and Metrorail in the Lorton area received overwhelming support at this forum, which had over 100 people in attendance on a beautiful Saturday morning.

There is explosive commercial and residential development in the Lorton area and in Prince William County. Metrorail service to this area—linked to carpool and bus express lanes on I-95—could be an ideal solution.

I must say I have lived in the area and worked on the Metro plans for years, and naturally I have keen interest in it since my district is right here. But I have to give credit where credit is due. Mr. McKinney's interest has been as great as mine and he has been relentless in his pursuit of this and I want to express my

thanks to him at this point and to recognize him for any comments.

[The bill referred to H.R. 7658, introduced by the Members listed above on June 25, 1980, follows:]

IN THE HOUSE OF REPRESENTATIVES

June 25, 1980

Mr. Harris (for himself, Mr. Starn, Mr. Harkin, Mr. Parnell, Mr. Rostenkowski, and Mr. Westerman) introduced the following bill, which was referred to the Committee on the District of Columbia

A BILL

To amend the National Capital Transportation Act of 1969 to require the Secretary of Transportation to contract with the Washington Metropolitan Area Transit Authority for a comprehensive study of extending the rail rapid transit line specified in the Adopted Regional System.

- 1 Be it enacted by the Senate and House of Representatives
- 2 of the United States of America in Congress assembled,
- 3 That the National Capital Transportation Act of 1969 (D.C.
- 4 Code, sec. 1-1141 et seq.) is amended by adding after sec-
- 5 tion 16 the following new section:

96TH CONGRESS
2D SESSION

H. R. 7658

To amend the National Capital Transportation Act of 1969 to require the Secretary of Transportation to contract with the Washington Metropolitan Area Transit Authority for a comprehensive study of extending the rail rapid transit line specified in the Adopted Regional System.

IN THE HOUSE OF REPRESENTATIVES

JUNE 25, 1980

Mr. HARRIS (for himself, Mr. STARK, Mr. BARNES, Mr. FISHER, Mr. FAUNTROY, and Mrs. SPELLMAN) introduced the following bill; which was referred to the Committee on the District of Columbia

A BILL

To amend the National Capital Transportation Act of 1969 to require the Secretary of Transportation to contract with the Washington Metropolitan Area Transit Authority for a comprehensive study of extending the rail rapid transit line specified in the Adopted Regional System.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the National Capital Transportation Act of 1969 (D.C.
- 4 Code, sec. 1-1441 et seq.) is amended by adding after sec-
- 5 tion 16 the following new section:

1 "STUDY OF EXTENSIONS OF TRANSIT LINES

2 "SEC. 17. (a)(1) The Secretary of Transportation shall
3 contract with the Transit Authority for a comprehensive
4 study of the feasibility, including preliminary engineering, of
5 extending rail rapid transit lines—

6 "(A) from the vicinity of Virginia Route 7 on the
7 Virginia Interstate 66 Route of the Adopted Regional
8 System to the Dulles International Airport;

9 "(B) from the vicinity of Virginia Interstate Route
10 95 and the proposed Springfield rail rapid transit sta-
11 tion of the Adopted Regional System to the vicinity of
12 Virginia Route 645 in Burke, Virginia;

13 "(C) from the proposed Addison Road rail rapid
14 transit station of the Adopted Regional System to the
15 Capital Centre in Largo, Maryland and on to the vicin-
16 ity of Bowie, Maryland;

17 "(D) from the proposed Shady Grove rail rapid
18 transit station of the Adopted Regional System to the
19 vicinity of Gaithersburg, Maryland, and Germantown,
20 Maryland; and

21 "(E) within the District of Columbia on routes de-
22 termined by the Transit Authority to be practicable
23 after consultation with the Mayor and the Council of
24 the District of Columbia.

1 “(2) The contract entered into pursuant to paragraph (1)
2 shall require the Transit Authority in conducting the study to
3 take into consideration estimated demand for each proposed
4 rail rapid transit line extension, projected population growth
5 along each proposed rail rapid transit line extension, and the
6 engineering feasibility of each proposed rail rapid transit line
7 extension.

8 “(b) The contract entered into pursuant to subsection
9 (a)(1) shall require the Transit Authority to submit to the
10 Secretary of Transportation and the Congress, not later than
11 18 months after the date the contract is entered into pursuant
12 to subsection (a)(1), a report on the study conducted under
13 such contract, which report shall contain proposed routes for
14 each proposed rail rapid transit line extension specified in
15 subsection (a)(1).

16 “(c)(1) The contract entered into pursuant to subsection
17 (a)(1) shall provide for a Federal contribution to be paid by
18 the Secretary of Transportation to the Transit Authority to
19 pay for the costs of carrying out the contract.

20 “(2) The amount of the Federal contribution paid pursu-
21 ant to paragraph (1) shall not exceed an amount equal to 80
22 percent of the costs of carrying out the contract entered into
23 pursuant to subsection (a)(1).

24 “(d) Effective October 1, 1981, there is authorized to be
25 appropriated to the Secretary of Transportation to carry out
26 this section \$1,500,000.”.

Mr. HARRIS. Mr. McKinney.

STATEMENT OF REPRESENTATIVE McKINNEY

Mr. McKINNEY. Mr. Chairman: I am obviously pleased to join with my colleagues from the Washington metropolitan area and from this committee in endorsing the legislation which is before us today. During the past 10 years of my service on this committee, we have often confronted the Metro issue. We have spent many hours debating the intricacies of funding, construction, and service. Rarely during this time did we question what has come to be accepted fact—Metro is essential to the well-being of the entire Washington area.

Today, we seek to go one step further and approve legislation which is aimed at studying additional extensions of the subway system. Considering our past commitment to Metro, I truly feel that H.R. 7658 is a logical next step.

DULLES EXTENSION

One of the extensions envisioned in H.R. 7658 would bring Metro's rapid rail service to Dulles International Airport on the border of Fairfax and Loudon Counties in Virginia. I have long been an advocate of this extension. As far back as the 94th Congress, well before the first subway car rolled, I felt that the original planners had erred in not incorporating the Dulles link into the original plans for this system. When you consider that the Dulles International Airport was built as the airport of the future, to sit on the fringe of the Washington metropolitan area in the year 2000, it seems illogical that our mass transit system designed for that same area totally ignored the importance of linking the major ground and air transportation networks. I might add parenthetically discussions with officials concerning why Dulles Airport carriers are leaving show clearly the fact that Dulles' inaccessibility is one of its major problems.

Without question, I feel this oversight has been allowed to exist for far too long. In fact, I feel that the rationale for a Metro extension to Dulles is so logical that it does not warrant further study. Thus, not to detract from my colleague's bill which is before us today, I plan to introduce legislation in the House today or tomorrow which will authorize the necessary funds for the Metro extension to Dulles.

I do not take this action irresponsibly. It is my belief that of all the extension studies authorized in H.R. 7658, the report that will come back to us in 2 years, will in all probability give full endorsement to the Dulles extension. Thus once again, we will have wasted valuable time which I feel could be better expended in planning and design.

Mr. Chairman, I have long been a strong advocate of mass transit. Considering the growth of the D.C. suburbs in recent years, the need for bringing Metro to the people is as relevant today as it was when Congress first faced this issue.

I think that H.R. 7658 and a separate bill aimed at moving forward with the Dulles extension immediately can coexist. I sincerely hope that my colleague on the committee and from the

Washington metropolitan region will join with me in my efforts to get Metro to Dulles as soon as possible.

It seems that it is almost impossible to believe that the FAA has just finished expanding Dulles Airport and yet now the airport is in very real jeopardy of having to be closed because people cannot get to it. The major carriers will not use it. In the last 3 months we have seen Eastern Airlines move out of Dulles completely.

In discussing this the major reason for this pullout is the inaccessibility for passengers to get to the airport.

Mr. HARRIS. I thank the gentleman for his comments which I think are extremely relevant.

Mr. MCKINNEY. I might also add if Amtrak can see the rationale of connecting the District of Columbia with Baltimore-Washington Airport with their financial problems, it would certainly seem to me there should not be any trouble finding the rationale for connecting the District of Columbia with what is meant to be its major airport.

Mr. HARRIS. I could not agree more.

Without objection we will include in the record the statement of Mr. Fauntroy.

[The statement referred to follows:]

STATEMENT OF HON. WALTER E. FAUNTROY

Mr. Chairman, It is certainly a pleasure to appear before the Committee this morning to testify in strong support of H.R. 7658, legislation which I am sponsoring, to authorize a study of various extensions of the Metro Transit System. I want to thank the Chairman for calling today's hearing.

I believe that it is indeed timely for us to initiate a study of future public transit needs in the Metropolitan Area. It is far better to act now to try to prevent future transportation problems than to wait until severe problems occur and react to them. Responsible public officials must do what they can to anticipate and plan to meet future needs. It is not at all too early for us to take a close look at possible extensions of the Metro system to learn what might be essential to meet the future transportation needs of this region.

The legislation before the Committee specifies certain extensions in Maryland and Virginia for study and further directs that a route or routes within the District of Columbia be studied. Those routes would be selected only after consultation with the City government. Several areas of the City could be better served by public transportation. One route which has been mentioned would run across town from Fort Lincoln New Town to the Georgetown area. Other possibilities exist as well and I know that the District's Department of Transportation is giving careful thought to possible routes for study and will be making specific suggestions in that connection.

Mr. Chairman, H.R. 7658, if approved, would give us the opportunity to take a calm and careful look at the future transit needs of the area. It will help us to get out ahead of a situation before major problems develop. That is good public policy. That is good sense.

I again thank you for holding this hearing and I can only reiterate my support for getting on with this valuable effort.

Mr. HARRIS. I notice that my colleague, Congressman Fisher, has come to the room. I would like to recognize him now for his statement with respect to this legislation and of course welcome him.

I know something about your schedule and important matters of state that are calling for your attention. I appreciate very much your coming here today and the support you have given toward this legislation. Please proceed as you see fit.

STATEMENT OF HON. JOSEPH L. FISHER, REPRESENTATIVE IN CONGRESS FROM THE STATE OF VIRGINIA

Mr. FISHER. Thank you very much, Mr. Chairman, I do appreciate the opportunity to testify on this legislation calling for a comprehensive study of proposals to extend Metrorail beyond the original 101-mile system. I was pleased to join with my colleagues from the Washington metrorail area in cosponsoring H.R. 7658. Right at the outset I want to compliment and salute you, Mr. Chairman, for the effective leadership you have given to this. It is most appreciated and it is an important service to northern Virginia and to the whole region, and I want to call attention to that very clearly.

DULLES EXTENSION

Of course this is an important matter to my congressional district as it is to yours and others, and especially the study of the proposed extension of Metro to Dulles Airport.

Of major importance to my congressional district is the proposed extension of Metro to Dulles Airport.

I have long worked toward developing Dulles Airport to its full potential. The prospect of speedy and convenient access through rapid mass transit would be a big boost to the airport. And it needs a big boost. In addition, the line to Dulles would benefit commuters, business people, and others in the vicinity of Tyson's Corner, Wolf Trap Farm Park, Reston, Herndon, and other places along the Dulles corridor.

More than a year ago I wrote to the chairman of the Washington Metropolitan Area Transit Authority (Metro board) asking that Metro update a 1971 feasibility study for extending Metro to Dulles. In fact, I can remember as chairman of Metro in 1971 testifying before a Senate committee, chaired I think by Senator Spong of Virginia, on this whole subject. At that time or shortly after the Senate actually voted to provide funds for studying a Metro extension to Dulles. It was not acted on in the House and some years later under your guidance and leadership, Mr. Chairman, I hope we are about to do that.

The 1971 study concluded that "the Dulles Airport rail service merits further study as a vital link with what will be the area's most important airport and as an important branch of the metropolitan Washington rapid transit system." At the time of my request, the top priority for Metro was to perfect the financing that would guarantee completion of the planned 101-mile Metro system. Lack of funding prevented immediate initiation of the study. Now the financing is nearly perfected. In the meantime, this bill, H.R. 7658, is a good beginning for debate on Metro's second generation of transportation service to the people of the Washington metropolitan region.

OTHER POSSIBLE ROUTES

The possible routes laid out in this bill are a good starting point for considering extensions of Metro rail. Other routes have been proposed and are worth consideration also. I would like to mention one additional possibility which would extend the K line, the one that runs out through northern Virginia to Vienna. At present, the line is planned to run for some distance along the I-66 median

strip, terminating in Vienna. It seems reasonable to consider extending this line along the median strip, perhaps to the intersection of I-66 and Route 50 where a major new shopping mall, Fair Oaks, has already been built. It lies just into the Eighth Congressional District which is the one the chairman serves. Additional communities would receive direct service and a different termination point would be provided. I am submitting to the committee a good letter on this point by the mayor of the town of Vienna which goes into greater detail on an extension of the so-called Vienna line. I ask that his letter be included in the record following my statement.

To sum up, Metro would do well to study extensions of its planned routes at an early date, and well before the planned system is complete. In the portion of Virginia that I represent, two potential extensions in particular have attracted interest, (1) The principal one, as provided in this bill, would run to Dulles Airport. Another would continue further along I-66 from Vienna. Others are also possible and I hope that Metro will not be limited to only the routes specified in this bill for study. I think the ones laid out in this bill are the leading candidates at this time.

I strongly urge the committee to approve this bill. Now is the timely moment to do it. Sooner or later we will have to extend the Metro system, and it is important that it be studied carefully well ahead of time.

Mr. HARRIS. Thank you very much for your excellent statement and for your support of this legislation, not only support of this legislation, not only support of it legislatively but helping in the design of it.

METRO'S INVOLVEMENT

One of the questions that needs to be made clear is the bill would call for Metro to study the extension of these lines. I think most of us know the work Metro and VTC has done with respect to these lines and which to some extent reflect extensions we originally talked about some 20 years ago.

Mr. FISHER. That is right.

Mr. HARRIS. Do you feel that Metro is the appropriate agency to go ahead and conduct this study and to get it underway?

Mr. FISHER. It is the logical agency. They have the information. They have given attention to this in the past. They have in a modest way kind of updated previous studies made, so it seems to me that Metro is the logical agency to carry out the studies and to do them efficiently and promptly.

I would have no objection myself to otherwise looking into the matter.

Mr. HARRIS. The question of course relates specifically to this legislation. Do you feel this legislation should call for Metro to do the study?

Mr. FISHER. Yes.

Mr. HARRIS. Does minority counsel have a question?

Mr. SINGLETON. Yes; the ranking minority member was curious to know what might have been the resulting job loss at Dulles International Airport as a result of the cutbacks that have been made there.

Mr. FISHER. I think the Dulles management group could supply them—could probably get estimates for you.

But it is noticeable and if the trend goes on will become severe. It will not only be loss of jobs right at the airport in connection with the handling of flights but it is going to be a depressing factor on a variety of commercial and research and light industrial activities in that region.

Mr. SINGLETON. Thank you, Mr. Fisher. I have no further questions.

Mr. FISHER. Again thank you for your help and support on this. I think a lot of folks may not agree but I do not see any reason why this legislation should not get through this Congress; do you?

Mr. FISHER. Not at all. It is a meritorious bill. I support you and the bill all the way, and I hope we can achieve something in this Congress.

Mr. HARRIS. Without objection, we will insert in the record at this point recommendations of the town of Vienna on H.R. 7658. [The letter of the Mayor referred to follows:]

OFFICE OF THE MAYOR,
Vienna, Va., September 16, 1980.

Re H.R. 7658.

Hon. FORTNEY H. STARK,

*Chairman, Subcommittee on Metropolitan Affairs,
Committee on District of Columbia, Washington, D.C.*

DEAR MR. CHAIRMAN: The Town of Vienna, Virginia is very much interested in the Metro Rail System Study proposal contained in the above mentioned legislation on which your Subcommittee has scheduled hearings for September 17, 1980.

The K line of the WMATA Rapid Rail Transit System is presently planned to terminate at the Vienna station, which will be located within the median strip of Interstate Route I-66, a few hundred feet west of its intersection with Nutley Street (Route 243), just outside of Vienna's corporate limit.

A great many people in Vienna are looking forward to rapid rail transit for our community, and we are most appreciative to the Congress for providing a major portion of the funding which will make it possible to complete the K Line to our community. Those of us who commute to Washington, D.C. will really enjoy the convenience which Metro rail will provide.

Along with its benefits, however, we also have some concerns about Metro's impact on our community. The Vienna station will include the largest parking lot on the entire Metro system and will be the focal point of very heavy motor-vehicle traffic to and from the station, especially during rush hours. It is contemplated the many hundreds of feeder buses will transport people to this station from all of the suburban areas in Virginia lying to the west and north of the Town of Vienna, including such locations as Reston, Herndon, the City of Fairfax, the City of Manassas, the Town of Culpeper, the Town of Leesburg, and similar areas. We are apprehensive about this traffic because virtually all of the land within the Town of Vienna which lies close to the station is occupied by single-family residential housing units, which are mostly of the detached variety, but also include one subdivision of townhouse units. These homes range in price from very modest to rather expensive. Many of the occupants and owners of these homes have expressed to me their feeling that it would be very desirable if the K Line could be extended so that the terminal station, which will of necessity include a very large parking lot, could be located in an area where the surrounding land is already zoned or planned for high-density commercial or office use, or for high-density residential use, rather than at the Nutley Road site which is so close to so much low-density residential development.

These apprehensions are shared by my Town Council colleagues; and, although the extension of the rapid rail transit line to the Dulles Airport, as provide for in Line 6 through 8 on Page 2 of H.R. 7658, would in my judgement be entirely appropriate and beneficial, the Town of Vienna respectfully requests that there be added to the legislation a Paragraph (F) which would add to those routes to be studied by the Washington Metropolitan Area Transit Authority the extension of the K Line from its presently planned terminus at the Vienna station along the median strip of Interstate Route 66 to either the intersection of Route 66 and

Virginia Route 50—the location of the new regional shopping center known as Fair Oaks Mall.

The Town of Vienna has constituted a blue-ribbon panel of citizens and business people into a Vienna Metro Station Task Force to study and make recommendations to the Town Council as to how best Metrorail can be accommodated into the Vienna community. This Task Force, as one of its first suggestions, has recommended that the Town seek extension of the K Line to the intersection of I-66 and Virginia Route 50 (Fair Oaks Mall).

Allow me to most respectfully point out that the K Line is already planned for location in the median strip of Interstate 66 as it passes adjacent to the Town of Vienna, and that, therefore, the extension which we propose would presumably not involve the acquisition of additional right-of-way except, perhaps, for parking areas at the new station. Land located adjacent to the intersection of Interstate Route 66 and Virginia Route 123, and land located adjacent to the intersection of Interstate Route 66 and Virginia Route 50 is already planned or zoned for high-density use, and in both cases partially occupied by such use at the present time. Let me also point out that the extension of the K Line to either of these two new proposed terminal points would make that line far more accessible to residents and business people who live or work in the western portion of Fairfax County and in the cities of Fairfax, Manassas Park, and Manassas, and in Prince William County, Loudoun County, and the Town of Culpeper and surrounding area.

We, of course, understand the financial restrictions under which WMATA is presently constructing the basic 100-mile system. We respectfully urge upon you, however, the benefits to be derived by future extensions of the basic system, and we believe that the extension of the K Line which we propose is fully warranted by demographic considerations, especially the very rapid pattern of development emerging in western Fairfax County.

I have discussed this proposal with Congressman Joseph L. Fisher, who represents the Tenth District of Virginia, including the Town of Vienna, and I have requested Congressman Fisher to present this letter for inclusion in the record of the hearings on this matter to be held by your Subcommittee on September 17. My Town Council colleagues and I will deeply appreciate your help in this matter.

Very sincerely yours,

CHARLES A. ROBINSON, Jr., *Mayor*.

Mr. HARRIS. We have a statement by the Honorable Marjorie S. Holt which without objection I will place in the record at this time.
[The statement referred to follows:]

STATEMENT BY HON. MARJORIE S. HOLT

Mr. Chairman, the development of the existing rail rapid-transit system for the District of Columbia has proven to be an extremely valuable asset to transport thousands of commuters, students, shoppers, tourists, and others needing to move about the city for one purpose or another.

To a degree that is hard to measure, it has reduced automobile trips, saved gasoline, helped in the struggle to abate air pollution, and relieved traffic congestion.

MARYLAND EXTENSION URGED

However, it does not serve much of the metropolitan market. To the southeast, the area of Southern Prince George's County and Charles County has large numbers of Washington-oriented citizens who would become regular riders of the Metro if the system were available to them. An extension of the New Carrollton line to Bowie would serve another large concentration of Washington-oriented citizens in both Prince George's and Anne Arundel Counties. Other extensions are discussed, including those into areas of Virginia.

I believe, Mr. Chairman, that we need a competent professional study of the feasibility of extending the Metro system. At this point, we can talk forever on the subject without having the data that could bring us to a responsible decision.

STUDIES REQUIRED

What would be the cost of the various extensions that are suggested? What percentage of the population of any area would ride the system if it were available? Are there better mass transit alternatives, such as light rail or exclusive busways, to serve some of these areas?

I do not know the answers to these questions, and I could not commit myself to any plan without knowing the answers.

The Washington metropolitan area has serious transportation problems and needs that we should not ignore. The existing rail rapid-transit system has started to solve some of the problems and address some of the needs, but let us not consider it a final answer.

In any study that is undertaken, I believe our objective must be determining how to serve the transportation needs of the largest number of people at the least possible cost. It should not concentrate only on the question of whether to extend the existing rail rapid-transit system, but should also consider other modes and how they might meet the needs of specific areas.

That is the kind of thinking I want done on this subject, Mr. Chairman, and I hope your Subcommittee will initiate action for such a study.

Mr. HARRIS. In her statement Mrs. Holt says:

The Washington metropolitan area has serious transportation problems and needs that we should not ignore. The existing rail rapid-transit system has started to solve some of the problems and address some of the needs, but let us not consider it a final answer.

In any study that is undertaken, I believe our objective must be determining how to serve the transportation needs of the largest number of people at the least possible cost. It should not concentrate only on the questions of whether to extend the existing rail rapid-transit system, but should also consider other modes and how they might meet the needs of specific areas.

I am advised Congressman Barnes is on his way to the hearing.

I would like to recognize at this time Richard S. Page, the general manager of the Washington Metropolitan Area Transit Authority. We want to welcome you again to the witness table. I want to indicate how pleased we are with the leadership you are providing to Metro and the progress we are making as far as constructing this system. We are anxious to get your reaction to the proposed legislation as it reflect your opinion and as I reflect the Metro Board's opinion.

We are particularly anxious to know if Metro Transit Authority feels competent to conduct the study and feels that it is the one that should conduct the study.

With that, we are pleased to have your statement before us. We know at this time it is a relatively short statement with attachments and you may proceed any way you want.

**STATEMENT OF RICHARD S. PAGE, GENERAL MANAGER,
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**

Mr. PAGE. Thank you, Mr. Chairman, it is a pleasure to be here and to meet again with this committee who have been so helpful to the Metropolitan Washington Area Transportation System, particularly the funding of the legislation.

I am here to support this bill. We think it is a good idea. We think we are prepared to undertake the study that it would authorize in cooperation with the local governments and the Washington Council of Governments.

The board of directors of Metro have discussed this. You were kind enough to hold a special meeting to consult with certain members of our board in this room a month ago, so they feel they have had time to meet and advise with you on the bill.

I would appreciate it if the statement could be printed in the record as submitted.

Mr. HARRIS. Without objection, we will place the whole statement in the record.

[The complete statement referred to follows Mr. Page's oral testimony.]

Mr. PAGE. Thank you.

The bill would direct the secretary to contract with WMATA for a comprehensive feasibility study of extending rail rapid transit lines in several corridors. You have mentioned these.

It is intended that the study take into consideration estimated demand for each extension, projected population growth along each corridor, and the engineering feasibility of each extension.

I would hope that it would also include preliminary estimates of capital costs, if possible, within the scope of the study.

BACKGROUND

Mr. Chairman, there is a long history behind proposals for extensions of the Metro System, as you and Mr. Fisher have noted. The maps that are still hanging on our office walls show that in 1969 the planners of the sixties did contemplate extensions of several of these lines—I think it is more than just contemplating, I think the local governments have in their long-range plans some expectation of the possible extension of rapid rail in some of these corridors.

Growing populations in the Gaithersburg and Germantown, Bowie, Largo, and Burke areas make it increasingly important for us to look at public transportation needs in those areas.

Although several transit lines are in place or planned within the District of Columbia, several portions of the city could be far better served.

One suggestion offered is to look at a crosstown line serving Georgetown at one end and Fort Lincoln New Town at the other.

I apologize, Mr. Chairman. I went from page 1 to page 3 but I did not mean to skip over page 2 which does comment on the Dulles extension.

Mr. HARRIS. I would like to compliment you on using both sides of the paper. I think that kind of economy in Metro should be commended.

Mr. PAGE. Thank you, but it is so new that it threw me off.

On page 2, I would like to pick up there, the National Capital Transportation Act of 1969 (Pub. L. 91-143) directed that a study be undertaken to show the feasibility of a Dulles extension. That study, done by the U.S. Department of Transportation, was completed in July, 1971.

ALTERNATIVES

Several alternatives for service were contemplated, but the basic conclusion was that there were no engineering obstacles to construction of such a line, and that a line to Dulles would be a "... vital link with what will be the area's most important airport and an important branch of the Metropolitan Washington rapid transit" system.

I have a copy of that study to submit for the record. (See appendix hereof).

Indeed, on October 4, 1972, the Senate passed S. 2952, legislation which authorized \$10 million to fund design of a Dulles line. Although approved by the Senate, time did not remain for House consideration during that session.

Since a great deal of study effort has been expended on the Dulles extension, WMATA would propose, under the terms of this

study, to update population and ridership estimates made by the 1971 study. We would not duplicate work already done.

A question was raised as to whether the study authorized by H.R. 7658 could serve to meet any Federal requirement for alternatives analysis for the extensions to be studied. The answer to that must ultimately be given by Federal officials. It is a matter for us to discuss with the Department of Transportation in our work in setting up the study.

In some instances we may be in a position to proceed with a look at alternatives while in others, more preliminary, feasibility work needs to be done.

I can assure the committee, however, that we will closely coordinate our efforts with the Department so as to avoid duplication and delays.

WMATA RESPONSIBILITY

I believe based on our knowledge and our statutory authorization the WMATA is the appropriate agency to undertake such a study.

We are willing and prepared to do so.

The Washington Metropolitan Area Transit Authority Compact, approved by the Congress, clearly places responsibility for planning transit facilities for the region with WMATA.

Article II, paragraph 2 of the Compact states:

The purpose of this Title is to create a regional instrumentality * * * empowered * * * to plan, develop, finance and cause to be operated improved transit facilities * * *

Article VI, paragraph 13(a), entitled "Planning", states:

The Board (WMATA's Board of Directors) shall develop and adopt, and may from time to time review and revise, a mass transit plan for the immediate and long range needs of the Transit Zone.

That article goes on in great detail spelling out the specific planning responsibilities of the Transit Authority. A copy of article VI is appended to my statement for the committee's review.

Mr. Chairman, ultimately, WMATA and its State and local constituent governments will be responsible for operating and paying for any extension to the system which may be approved.

We feel strongly that we should have ultimate responsibility for the study and planning of those extensions. Of course, any such study effort would be in close coordination and cooperation with all the jurisdictions in the region and with the Metropolitan Washington Council of Governments.

SENATE LEGISLATION

I would further call the committee's attention to Senate Report 96-932, the report on the Department of Transportation Appropriations for fiscal 1981. Page 11 of that report contains language which directs the Secretary of Transportation "to immediately initiate with WMATA a comprehensive feasibility study of possible extensions of rail routes beyond the Adopted Regional System."

The routes enumerated are identical to those specified in H.R. 7658. While the Senate report (a copy of which is attached) does not specify a particular sum of money, it could result in a study along the lines of that proposed in H.R. 7658, if it is approved by the Senate and then the conferees.

Mr. Chairman, it is most appropriate for us to get started now in this process of looking toward the future of the region and studying ways of ensuring that its future transportation needs are met.

Good planning demands that we not wait until a crisis is upon us before acting and then making hasty decisions.

Good planning must begin early, especially because the lead time required to construct and equip any new rail extension is several years.

In view of Metro rail's proven success, its benefits to the region and America's need to conserve energy and land, it is wise and prudent to take a close look now at future rapid transit needs in this region and I wholeheartedly support this effort.

Again, Mr. Chairman, thank you for providing us the opportunity to testify this morning. I would be pleased to respond to any questions you may have.

Mr. HARRIS. Thank you, Mr. Page, for your statement. I consider the statement brilliant, which means I agree with it. I think you have answered the basic questions that I felt the committee should establish as a matter of record.

If in fact you conducted your study it would be your approach, to cooperate with the Council of Governments, the Transportation Planning Board and the National Capital Planning Commission.

Mr. PAGE. That is correct.

Mr. HARRIS. As you have in the past.

Mr. PAGE. Yes, sir.

Mr. HARRIS. Does the minority have any questions?

Mr. SINGLETON. I do have a couple of questions, Mr. Chairman.

Mr. HARRIS. Proceed.

Mr. SINGLETON. Thank you.

DULLES STUDY (1971)

Mr. Page, in your statement you referred to the study of July, 1971, regarding the extension of the Metro line to Dulles. What was the conclusion of that study?

Mr. PAGE. It found no engineering obstacles to the construction of the line. It identified five or six different types of rail service. It assumed an extension of rapid rail of the same type and the same cars and the same performance characteristics that the rest of the system has.

It said the median in the Dulles road was adequate. It made some efforts of capital costs. It made some rough estimates of rough patronage but emphasized that patronage would be dependent upon the activity at the airport.

It indicated at one point a rough estimate of some 16 percent of the airport passengers could be expected to utilize a rapid rail link to Dulles.

Assuming a 15-minute headway for the trains to Dulles, it estimated about 30- or 33-minute trip from Dulles to Metro center in downtown Washington.

So the study has a great deal of information in it both technical and of a policy nature. As I indicated in the statement, I think it would not be sensible to replot all that old ground but if this study in this bill were to be undertaken we would adapt and update and incorporate what is useful and relevant in that study today.

[For details of this study, see appendix hereof.]

Mr. SINGLETON. From an engineering standpoint, do you know of any major changes that would prove to be an obstacle to construction?

Mr. PAGE. No, I am not aware of any changes. In fact, there have been a few things decided since 1971 that would make it easier to build that rail link. With our cooperative agreement with the Virginia Department of Highway and Transportation the turnout for the extension from the K line as we are now building it, the ability to make that turnout to Dulles, is being installed and is in the ground today out at the appropriate junction.

That work has been performed by VDH&T.

The right-of-way is available, the ground support and pilings are in place for that turnout to be made.

Mr. SINGLETON. Mr. Page, this is a tough one. How much do you say we are increasing the costs of an extension to Dulles by each year's delay?

Mr. PAGE. I can't calculate that quickly.

Mr. SINGLETON. I thought that might be the case but I thought I would ask you that anyway.

Mr. HARRIS. Start out by telling us how much it would cost to run it to Dulles.

COST OF EXTENSION TO DULLES

Mr. PAGE. The 1971 study assumes counting cars and possibly a little for right-of-way but mostly for design and construction of cars, about \$139 million, assuming that construction began in 1975 and the rail link would be open in 1978, which would have been a very valuable boost to Dulles International Airport.

Today I think the minimum for constructing surface link of the K route to Dulles is probably at least \$500 million. I haven't made a study and I haven't consulted our engineers but I use that as a round figure and it is consistent with the current construction of the rapid rail link to O'Hare International Airport in Chicago, which is 8 miles at grade and the median strip which is about \$180 million.

Mr. HARRIS. That would not include any intermediate stations?

Mr. PAGE. Nor would it include cars. The O'Hare number does not include cars. The \$500 million is construction of the line to Dulles, the station at Dulles and cars but not any intermediate stations.

Mr. SINGLETON. Thank you.

Mr. HARRIS. We appreciate your guess which we will place a great deal of reliance upon.

Mr. PAGE. I will disavow it later.

Mr. HARRIS. If I may point out with regard to Dulles, because we alluded to it, we have, of course, talked about different routes to Dulles in the past. We have talked about right-of-way, we have talked about median strip. We have also talked about the possibility of intermediate stations especially to serve people in the Reston area.

I would presume, and I think the legislation contemplates, that those elements would be studied in a feasibility study; is that correct?

Mr. PAGE. Yes, I think they would. I would like to add an additional statement about Dulles of this nature. If it were to be studied and built, I would hope that it would not supersede or come ahead of or take money away from any of the present adopted segments of the 101-mile system.

Mr. HARRIS. You can bet your boots on that one.

Mr. PAGE. Good.

Mr. HARRIS. It better not.

Mr. PAGE. It is important to the eight local governments and two States that are our constituent members of WMATA. They have developed a funding plan for the 101 miles. There is a schedule to build that for cars and right-of-way and design and construction.

Most people support the idea of an extension to Dulles but they don't want it to jump ahead in the construction schedule over and above one of those other segments which has been long expected and wanted by those neighborhoods.

Mr. HARRIS. I certainly agree with the comment. Metro has been the political miracle of balancing needs and demands, and when you start disrupting that kind of balance you jeopardize Metro.

Thank you again for your testimony.

[Mr. Page's prepared statement follows:]

PREPARED STATEMENT OF RICHARD S. PAGE, GENERAL MANAGER, WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

Mr. Chairman, It is certainly a pleasure to appear before the Committee this morning in support of a study of possible extension of rapid rail transit lines in the Washington Metropolitan Area.

H.R. 7658

H.R. 7658 directs the Secretary of Transportation to contract with the Washington Metropolitan Area Transit Authority (WMATA) for a comprehensive feasibility study of extending rail rapid transit lines in several corridors. Specifically, studies of extensions to Dulles International Airport; Burke, Virginia; Gaithersburg and Germantown, Maryland; Largo and Bowie, Maryland, and a route or routes in the District of Columbia are suggested. It directs that the study take into consideration estimated demand for each extension, projected population growth along each corridor, and the engineering feasibility of each extension. Also, estimates of capital costs should be made.

The legislation provides an 18 month time limit for such a study and authorizes \$1.5 million, to be shared on an 80 percent Federal/20 percent local basis.

BACKGROUND FOR METRO EXTENSIONS STUDY

Mr. Chairman, as you well know, there is a long history behind proposals for extensions of the Metro system. Planning in the mid-sixties, which culminated in the 1968 approval of the then 98 mile Adopted Regional System (ARS), envisioned future extensions to serve growing parts of the region. Maps of the system from 1969 show dotted lines where planners and area officials felt future consideration should be given to extensions. One such extension, a line to Dulles International Airport, was given particular attention.

The National Capital Transportation Act of 1969 (P.L. 91-143) directed that a study be undertaken to show the feasibility of a Dulles Extension. That study, done by the U.S. Department of Transportation, was completed in July, 1971. Several alternatives for service were contemplated, but the basic conclusion was that there were no engineering obstacles to construction of such a line, and that a line to Dulles would be a "... vital link with what will be the area's most important airport and an important branch of the Metropolitan Washington rapid transit" system. I have a copy of that study to submit for the record.

Indeed, on October 4, 1972, the Senate passed S. 2952, legislation which authorized \$10,000,000 to fund design of a Dulles line. Although approved by the Senate, time did not remain for House consideration during that session.

Since a great deal of study effort has been expended on the Dulles extension, WMATA would propose, under the terms of this study, to update population and

ridership estimates made by the 1971 study. We would not duplicate work already done.

A question was raised as to alternatives whether the study authorized by H.R. 7658 could serve to meet any Federal requirement for alternatives analysis for the extensions to be studied. The answer to that must ultimately be given by Federal officials. It is a matter for us to discuss with the Department of Transportation in our work in setting up the study. In some instances we may be in a position to proceed with a look at alternatives while in others, more preliminary, feasibility work needs to be done. I can assure the Committee, however, that we will closely coordinate our efforts with the Department so as to avoid duplication and delays.

Growing populations in the Gaithersburg and Germantown, Bowie, Largo and Burke areas make it increasingly important for us to look at public transportation needs in those areas. Although several transit lines are in place or planned within the District of Columbia, several portions of the City could be far better served. One suggestion offered is to look at a crosstown line serving Georgetown at one end and Fort Lincoln New Town at the other.

WMATA RESPONSIBILITY

WMATA is the appropriate agency to undertake such a study and is willing and prepared to do so. The Washington Metropolitan Area Transit Authority Compact, approved by the Congress, clearly places responsibility for planning transit facilities for the region with WMATA. Article II, paragraph 2 of the Compact states:

"The purpose of this Title is to create a regional instrumentality . . . to plan, develop, finance and cause to be operated improved transit facilities . . ."

Article VI, paragraph 13(a), entitled "Planning", states:

"The board (WMATA's Board of Directors) shall develop and adopt, and may from time to time review and revise, a mass transit plan for the immediate and long range needs of the Transit Zone."

That Article goes on in great detail spelling out the specific planning responsibilities of the Transit Authority. A copy of Article VI is appended to my statement for the Committee's review. Mr. Chairman, ultimately, WMATA and its state and local constituent governments will be responsible for operating and paying for any extensions to the system which may be approved. We feel strongly that we should have ultimate responsibility for the study and planning of those extensions. Of course, any such study effort would be in close coordination and cooperation with all the jurisdictions in the region and with the Metropolitan Washington Council of Governments.

SENATE LEGISLATION

I would call the Committee's attention to Senate Report 96-932, the Report on the Department of Transportation Appropriations for Fiscal 1981. Page 11 of that report contains language which directs the Secretary of Transportation "to immediately initiate with WMATA a comprehensive feasibility study of possible extensions of rail routes beyond the Adopted Regional System". The routes enumerated are identical to those specified in H.R. 7658. While the Senate Report (a copy of which is attached) does not specify a particular sum of money, it could result in a study along the lines of that proposed in H.R. 7658, if it is approved by the Senate and then the conferees.

Mr. Chairman, it is most appropriate for us to get started now in this process of looking toward the future of the region and studying ways of ensuring that we not wait until a crisis is upon us before acting and then making hasty decisions. Good planning must begin early, especially because the lead time required to construct and equip any new rail extension is several years. I believe that it is wise indeed for us to take a close look at future rapid needs in this region and I wholeheartedly support this effort.

Again, Mr. Chairman, thank you for providing us the opportunity to testify this morning. I would be pleased to respond to any questions you may have.

Attachment.

ARTICLE VI—PLANNING

MASS TRANSIT PLAN¹

13. (a) The Board shall develop and adopt, and may from time to time review and revise, a mass transit plan for the immediate and long-range needs of the Zone. The mass transit plan shall include one or more plans designating (1) the transit facilities to be provided by the Authority, including the locations of terminals, stations,

¹ See addendum B, page 48.

platforms, parking facilities and the character and nature thereof: (2) the design and location of such facilities: (3) whether such facilities are to be constructed or acquired by lease, purchase, or condemnation: (4) a timetable for the provision of such facilities: (5) the anticipated capital costs: (6) estimated operating expenses and revenues relating thereto: and (7) the various other factors and considerations, which, in the opinion of the Board, justify and require the projects therein proposed. Such plan shall specify the type of equipment to be utilized, the areas to be served, the routes and schedules of service expected to be provided and the probable fares and charges therefor.

(b) In preparing the mass transit plan, and in any review of (SIC) revision thereof, the Board shall make full utilization of all data, studies, reports and information available from the National Capital Transportation Agency and from any other agencies of the federal government and from signatories and the political subdivisions thereof.

PLANNING PROCESS

14. (a) The mass transit plan, and any revisions, alterations or amendments thereof, shall be coordinated, through the procedures set forth, with

(1) other plans and programs affecting transportation in the Zone in order to achieve a balanced system of transportation, utilizing each mode to its best advantage.

(2) the general plan or plans for the development of the Zone; and

(3) the development plans of the various political subdivisions embraced within the Zone.

(b) It shall be the duty and responsibility of each member of the Board to serve as liaison between the Board and the body which appointed him to the Board. To provide a framework for regional participation in the planning process, the Board shall create technical committees concerned with planning and collection and analyses of data relative to decisionmaking in the transportation planning process and the Commissioners of the District of Columbia, the component governments of the Northern Virginia Transportation District and the Washington Suburban Transit District shall appoint representatives to such technical committees and otherwise cooperate with the Board in the formulation of a mass transit plan, or in revisions, alterations or amendments thereof.

(c) The Board, in the preparation, revision, alteration or amendment of a mass transit plan, shall

(1) consider data with respect to current and prospective conditions in the Zone, including, without limitation, land use, population, economic factors affecting development plans, goals or objectives for the development of the Zone and the separate political subdivisions, transit demands to be generated by such development, travel patterns, existing and proposed transportation and transit facilities, impact of transit plans on the dislocation of families and businesses, preservation of the beauty and dignity of the Nation's Capital, factors affecting environmental amenities and aesthetics and financial resources;

(2) cooperate with and participate in any continuous, comprehensive transportation planning process cooperatively established by the highway agencies of the signatories and the local political subdivisions in the Zone to meet the planning standards now or hereafter prescribed by the Federal-Aid Highway Acts; and

(3) to the extent not inconsistent with or duplicative of the planning process specified in subparagraph (2) of this paragraph (c), cooperate with the National Capital Planning Commission, the National Capital Regional Planning Council, the Washington Metropolitan Council of Governments, the Washington Metropolitan Area Transit Commission, the highway agencies of the Signatories, the Maryland-National Capital Park and Planning Commission, the Northern Virginia Regional Planning and Economic Development Commission, the Maryland State Planning Department and the Commission of Fine Arts. Such cooperation shall include the creation, as necessary, of technical committees composed of personnel, appointed by such agencies, concerned with planning and collection and analysis of data relative to decision-making in the transportation planning process.

ADOPTION OF MASS TRANSIT PLAN

15. (a) Before a mass transit plan is adopted, altered, revised or amended, the Board shall transmit such proposed plan, alteration, revision or amendment for comment to the following and to such other agencies as the Board shall determine:

(1) the Commissioners of the District of Columbia, the Northern Virginia Transportation Commission and the Washington Suburban Transit Commission:

(2) the governing bodies of the Counties and Cities embraced within the Zone:

(3) the highway agencies of the Signatories;

- (4) the Washington Metropolitan Area Transit Commission;
- (5) the Washington Metropolitan Council of Governments;
- (6) the National Capital Planning Commission;
- (7) the National Capital Planning Council;
- (8) the Maryland-National Capital Park and Planning Commission;
- (9) the Northern Virginia Regional Planning and Economic Development Commission;
- (10) the Maryland State Planning Department; and
- (11) the private transit companies operating in the Zone and the Labor Unions representing the employees of such companies and employees of contractors providing service under operating contracts.

Information with respect thereto shall be released to the public. A copy of the proposed mass transit plan, amendment or revision, shall be kept at the office of the Board and shall be available for public inspection. After thirty days' notice published once a week for two successive weeks in one or more newspapers of general circulation within the Zone, a public hearing shall be held with respect to the proposed plan, alteration, revision or amendment. The thirty days' notice shall begin to run on the first day the notice appears in any such newspaper. The Board shall consider the evidence submitted and statements and comments made at such hearing and may make any changes in the proposed plan, amendment or revision which it deems appropriate and such changes may be made without further hearing.

ARTICLE VII—FINANCING

POLICY

16. With due regard for the policy of Congress for financing a mass transit plan for the Zone set forth in Section 204(g) of the National Capital Transportation Act of 1960 (74 Stat. 537), it is hereby declared to be the policy of this Title that, as far as possible, the payment of all costs shall be borne by the persons using or benefiting from the Authority's facilities and services and any remaining costs shall be equitably shared among the federal, District of Columbia and participating local governments in the Zone. The allocation among such governments of such remaining costs shall be determined by agreement among them and shall be provided in the manner hereinafter specified.

PLAN OF FINANCING

17. (a) The Authority, in conformance with said policy, shall prepare and adopt a plan for financing the construction, acquisition, and operation of facilities specified in a mass transit plan adopted pursuant to Article VI hereof, or in any alteration, revision or amendment thereof. Such plan of financing shall specify the facilities to be constructed or acquired, the cost thereof, the principal amount of revenue bonds, equipment trust certificates, and other evidences of debt proposed to be issued, the principal terms and provisions of all loans and underlying agreements and indentures, estimated operating expenses and revenues, and the proposed allocation among the federal, District of Columbia, and participating local governments of the remaining costs and deficits, if any, and such other information as the Commission may consider appropriate.

TITLE I
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

Appropriation, 1980	\$36,088,000
Budget estimate, 1981	36,300,000
House allowance	35,680,000
Committee recommendation	35,740,000

The Committee recommends \$35,740,000 for the salaries and expenses of the Office of Secretary of Transportation. This amount is \$60,000 above the House allowance and \$560,000 below the budget request.

This appropriation provides for activities involved in the formulation and direction of transportation policy and programs which are carried out by the various organizations within the Office of the Secretary. It includes 625 positions, an increase of 12 over the fiscal year 1980 level. The new positions include five for the Office of Civil Rights; six for the Office of Small and Disadvantaged Business Utilization and one for the Board for Correction of Military Records. It is expected that the required savings will be accomplished through reductions in lower priority programs.

The Federal Aid Highway Act of 1976, Public Law 94-280, and the Airport and Airway Development Act Amendments of 1970, as amended, assist public agencies in the development of transportation systems which are often built upon agricultural land. Conversion and loss of agricultural land, particularly prime farmland, has significantly diminished the Nation's cropland base, and affects the viability of family farms and the agriculture industry in general. Therefore, the Committee directs the Department to review its programs and policies which affect agricultural lands, identify potential conflicts or inconsistencies among them, and recommend improvements and constructive steps within the Department that could be taken to reduce the trend of agricultural land conversion.

Within the funds appropriated throughout the Department for such purposes the Committee intends that the National Transportation Research Center shall be established in Cambridge, Mass., and funding shall be provided for the Motor Vehicle Industry Research Center within the National Transportation Research Center to perform comprehensive assessments of the state of the motor vehicle industry and its interaction in an integrated economy, including the preparation of the annual report required under section 12 of the Chrysler Corporation Loan Guarantee Act of 1979. Such funds for the Motor Vehicle

Industry Research Center shall be in addition to the funds regularly received by the National Transportation Research Center for research in transportation planning and analysis.

Funding for the Motor Vehicle Industry Research Center shall come from the funds made available for automobile vehicle and industry research within the Department of Transportation's budget.

The Secretary is directed to immediately initiate with WMATA a comprehensive feasibility study, of possible extensions of rail routes beyond the adopted regional system to include: from the proposed Addison Road station to the vicinity of Bowie, Md., including access to the Capital Centre in Largo, Md.; from the proposed Shady Grove station to the vicinity of Gaithersburg and Germantown, Md., from the vicinity of Virginia Route 7 on I-66 to Dulles International Airport; from the vicinity of Virginia Interstate 95 and the proposed Springfield station to the vicinity of Virginia Route 645 near Burke, Va.; within the District of Columbia on routes to be determined by the WMATA in consultation with the Mayor and City Council of the District of Columbia; and such other routes as deemed appropriate by the WMATA Board of Directors.

The projected costs and timetable for accomplishing such route extensions, along with projected cost sharing burdens for the Federal, State, and local governments shall be included in such study. The WMATA is directed to submit such feasibility study to the Secretary and the appropriate Committees not later than 12 months after the study has been initiated.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

Appropriation, 1980.....	\$9,425,000
Budget estimate, 1981.....	12,000,000
House allowance.....	11,100,000
Committee recommendation.....	10,788,699

The Committee recommends \$10,788,699 for those research activities and studies concerned with planning, analysis, and information development needed to support the Secretary's responsibilities in the formulation of national transportation policy.

Within the sum provided, the Committee has included \$1,000,000 to undertake a continuing comprehensive series of studies to assess the domestic automobile industry. These studies include forecasts of automobile demand, the role of new technology, interaction between the industry and its primary suppliers, energy trends, safety and environmental requirements and the auto industry impact on other economic and employment conditions.

The Committee strongly urges the Department and the Interstate Commerce Commission to give priority emphasis and consideration to proposals arising under their respective jurisdictions concerning the development and construction of new transportation facilities designed to increase the utilization of coal and other domestic energy sources. Increased emphasis in this area is particularly needed if established national policy calling for increased reliance on coal energy is to be implemented on an expeditious and competitive basis.

The Congresswoman from Maryland, Mrs. Spellman, came into the room in the middle of the testimony. I would have recognized her right away but I knew she would only be embarrassed by such recognition.

I ask her to come to the table at this time.

I would like to indicate, first of all, that I personally appreciate your support of this legislation and cosponsorship but more importantly, the insight and help you gave in designing the legislation in the first place, especially with perspectives on service to Maryland.

I am sure that the whole world knows of your leadership role in Metro in the past years, leadership in development of Metro, and we are proud to have you as a witness.

STATEMENT OF HON. GLADYS NOON SPELLMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

Mrs. SPELLMAN. I thank you, Mr. Chairman. Working with the chairman and Metro is not a new experience. We spent many years sitting side-by-side on the Metro Board.

I must tell you that almost the whole world remembers but when I was in Russia, I found they had forgotten. So we must remind them every now and then.

I am really very grateful for the opportunity to testify here today on behalf of H.R. 7658 which would amend the National Capital Transportation Act and require DOT to contract with the Washington Metropolitan Area Transit Authority for a comprehensive study of extending the region's rapid rail system.

It is interesting as I talked with some people that they are amazed that we don't feel our job has been completed in that with the chairman's leadership we have enacted Public Law 96-184.

NEED TO STUDY NOW

I have to remind them that it took 30 years from the time we first planned this system to the time that things really started to happen. So we can't be sitting around saying, well, we will wait until this is completed, then we will think ahead.

So, I am delighted that the chairman is moving in this direction. It is good to have Mike Barnes on board on this committee because I know the kind of work that he does when something comes along and we need help on the floor.

So here we are with Metro now little more than one-third complete, and the complexities in terms of financing, intergovernmental cooperation, land use planning still monumental and yet we know that it is none too soon to investigate the feasibility of the additions that are being discussed here today.

I am in full agreement with authorizing a study of extending the Addison Road down through Largo to Bowie. Incorporating the large Bowie community within the transit system would on its face seem to be a logical development. The significant population center should be integrated into the region's rapid rail system. Including a Capital Centre station on the line significantly adds to the utility of the proposed link.

One has only to be on the beltway at the time there are games at the Capital Centre to know how many use that Centre, to know

how much fuel would be saved if they didn't have to sit there on that beltway waiting to make the turns off to get to the Centre.

The Metro has certainly demonstrated its ability to handle the crush of large crowds at the Washington Redskin games, and I am sure that the fuel saving from the Capital Centre stop for the longer Bullet basketball and Capital hockey sessions would really be very impressive.

ADDITIONAL MARYLAND EXTENSIONS URGED

I would urge the committee to consider a number of additions to the proposed study. As you know, the Prince Georges County government has endorsed the concept of an extension from Rosecroft to the Charles County line. Southern Prince Georges is undergoing rapid development and I believe that now is the time to determine the feasibility of such a route extension.

Then I especially want to call attention to one of the most promising extensions that should be studied and that is from Greenbelt to Laurel. From the very, very early days when I was in county government and we were beginning to discuss Metro, we had a vision of a Washington-Baltimore interurban rapid rail system. As a matter of fact, we met with the Baltimore people as they were designing their system so that it would be compatible to linking up with ours.

We felt that in Laurel was the proper place for us to get together and join in a sense the ridership between the two systems.

That corridor is one of the fastest growing, and about 100,000 people will be settling there in the area from the beltway through Laurel to the Prince Georges County line in the next 20 years.

So I believe wholeheartedly that the committee should endorse inclusion of a preliminary assessment of the feasibility of a Laurel extension that would serve as the transfer point for the Baltimore subway which is now under construction.

I want to thank the chairman and the members of this subcommittee for the work that is being done here today for looking ahead in a timely fashion so that some years down the road we don't have people wondering why we overlooked the planning that was necessary and so vital today.

I know that this project is in good hands.

Mr. HARRIS. Thank you very much, Gladys. I appreciate especially the recommendations that you have made. As we put those together with Congressman Fisher and the others, I believe this legislation will fill all the needs and can get passed expeditiously.

I would ask you as I did Congressman Fisher, do you see any reason why we shouldn't go ahead and pass legislation this Congress?

NEED FOR LEGISLATION NOW

Mrs. SPELLMAN. I think absolutely it ought to be done. Last time I was in the hospital and made my telephone calls from a hospital bed, and found it most effective. Most people said, I can't turn you down.

Mr. HARRIS. I thought those calls from the hospital bed really pulled in a lot of people.

Mrs. SPELLMAN. I want you to know I am so strongly committed to this I might do anything. If you think I need to be sent off to a hospital—or probably to a mental institution—I will really consider doing that.

Mr. HARRIS. I would like to recognize a Congressman who just came in, Congressman Barnes from Maryland, who has been an important factor in designing this legislation.

STATEMENT OF REPRESENTATIVE BARNES

Mr. BARNES. Thank you very much, Mr. Chairman.

I just want to join in saluting Mrs. Spellman for her leadership on this issue. Gladys represents a tiny corner of Montgomery County, Md., and we know that Metro is going to be the principal factor in the future growth of Montgomery County as well as Prince Georges County.

The exciting possibility of making the Metro system available to even more citizens in the farther out areas is one that should be looked into very carefully.

I am delighted to join with the chairman and Mrs. Spellman and other supporters of this legislation to see to it we get started early on the analysis that is needed to give the first-class transportation system we need.

As the price of gasoline rises on through the eighties, and as other forms of transportation become less available, the Metro system and public transportation generally will be more and more attractive.

I think those who are arguing that it is premature—we have heard that—to look beyond the 101-mile system, will have substantial cause to rethink that point of view as we see the economics of public transportation in the nineties.

I salute Mrs. Spellman and the others who are providing leadership to get this bill through. I want to give my wholehearted support. I thank you for coming this morning.

Mrs. SPELLMAN. Mr. Chairman, if I may, Mr. Barnes just referred to the economics. It reminds me of the time I went to New York. I was then Chairman of the Board of Commissioners in our county. I went to New York to talk with folks on the bond market to say to them, can we afford to get involved in a metro system?

The answer was: "You can't afford not to get involved in a metro system."

So the economics indeed are there and a factor that we ought to be considering. That is a factor on our side of the equation.

VIRGINIA EXTENSIONS

Mr. HARRIS. Thank you very much. Related to that, one of the extensions in this bill is to Burke, Va., and to get from Alexandria, the Van Dorn Street Station, to Burke means you have to get underneath the cloverleaf of the Capitol Beltway and I-95, Shirley Highway. I do not know if anybody has recently looked at that piece of spaghetti work or not. But you would say, how in the world can you get Metro through those ramps and overpasses and what-have-you. The answer is: No problem. Because in 1974 when they were expanding the beltway and Shirley Highway, Metro invested \$9,000 to make sure that the underpass was sufficient to

carry Metro—a \$9,000 investment 7 or 8 years ahead of time. How much would it have cost today? How easy it was with some foresight to keep the answer of an immediate extension from being: It is impossible.

I think it is that type of economic action we were talking about that they recognized a few years back.

Mr. BARNES. May I add as we have been considering this legislation I have been hearing from the County Council and County Executive of Montgomery County and others and they are not arguing we should not do this. What they are arguing is we should look at more; just as Mrs. Spellman says she is hearing from Prince Georges. They say, "Why stop at Germantown, let us take a look at Clarksburg because that is where we will see the growth and that is where we will need the transportation."

Mr. HARRIS. I would say to my colleagues from Maryland I have had a request to extend it to Fredericksburg also. While I was considering it I had the additional request, as long as we are getting Fredericksburg, we ought to get on down to Richmond.

We may not achieve that right away but you do have to understand the type of pressures that will build up with respect to such studies.

The next witness is Ms. Lillian C. Liburdi, Deputy Administrator, Urban Mass Transportation Authority, Department of Transportation.

Welcome again to the committee, Ms. Liburdi. We appreciate receiving your statement ahead of time. We have gone over it but we would welcome you and ask you to proceed in any manner you may wish, either briefing it or reading the whole statement.

STATEMENT OF LILLIAN C. LIBURDI, DEPUTY ADMINISTRATOR, URBAN MASS TRANSPORTATION AUTHORITY, DEPARTMENT OF TRANSPORTATION

Ms. LIBURDI. Thank you, Mr. Chairman. Good morning. I would propose to read the statement in its entirety since it is brief.

Mr. HARRIS. That is often the quickest way to do it.

Ms. LIBURDI. It is my pleasure to be here today to provide UMTA's comments on H.R. 7658, a bill that would require a comprehensive study of specified extensions to Metrorail, the Washington Metropolitan Area Transit Authority's rail rapid transit system.

ADMINISTRATION'S SUPPORT

Let me begin by emphasizing that this administration strongly supports public transportation as a means to improve the quality of life in the United States and to lessen our dependence on foreign oil. We have put that support into economic terms. President Carter's legislative program for this Congress included a reauthorization of the UMTA program that would add \$24 billion to the transit grant program over the next 5 years. We anticipate that the Congress will act favorably on that proposal before adjourning. We certainly hope that the members of this subcommittee can support this proposal.

The administration reaffirmed its commitment to the construction of the Metrorail system earlier this year in the National Capital Transportation Amendments of 1979. When President

Carter signed that bill, he pledged the Federal Government's help in developing and implementing the most efficient forms of urban mass transportation possible. Your leadership, Mr. Chairman, and the work of your subcommittee were fundamental to the development of that bill.

H.R. 7658

The proposed legislation before this subcommittee would amend the National Capital Transportation Act of 1969 to require a comprehensive study of rail rapid transit line extensions to the Dulles International Airport, to Burke, Va., to Largo and Bowie, Md., to Gaithersburg and Germantown, Md., and within the District of Columbia. Pursuant to H.R. 7658, the Secretary of Transportation would contract directly with WMATA for the required study. The bill authorizes \$1.5 million to be appropriated to initiate this study.

The proposed study is related to other studies that are currently being proposed. The fiscal year 1981 Senate Appropriations Committee report would direct the Secretary to contract with WMATA for a comprehensive study of the proposed rail rapid line extensions. The committee report stipulates that the proposed study would be initiated by the Office of the Secretary.

Secretary Goldschmidt has also recognized the need to study the metropolitan area mass transportation system. In his August 15 policy statement on Metropolitan Washington airports, he specifically called for a study of increased high-speed ground transportation to Dulles International Airport. UMTA believes that this study would provide a valuable opportunity to examine the feasibility of increased mass transit in the Washington metropolitan area. If I might depart from the prepared text, I believe that we do not think it is a premature effort. We do feel it is appropriate to initiate studies at this time.

WMATA AND COG INPUT

In its present form, H.R. 7658 causes some concern to the administration. By stipulating that the Secretary contract directly with WMATA, the bill fails to recognize the expertise of the Metropolitan Washington Council of Governments, the recognized regional planning agency in the affected study area. The Metropolitan Washington Council of Governments is responsible for carrying out the urban transportation planning process in the greater metropolitan area and serve as a forum for cooperative decisionmaking by elected officials in Maryland, Virginia, and in the District of Columbia.

AMENDMENTS PROPOSED

We believe that to achieve the kind of consensus and program recognition necessary to assure a successful conclusion to the study effort, the Secretary should contract with the Metropolitan Washington Council of Governments and rely on them to obtain the expertise of WMATA and the local jurisdictions. I would include the National Planning Commission as one of those jurisdictions. We also believe that extending the deadline for the study would further guarantee a successful effort.

STUDY FUNDING AUTHORIZATION

We recommend that the separate funding authorization be deleted from H.R. 7658. The separate authorization of \$1.5 million for the proposed study serves to fragment the national mass transportation program by singling out one transit authority for special treatment. Section 8 of the Urban Mass Transportation Act of 1964 permits our agency to fund planning and technical studies to encourage and promote the development of the greater metropolitan area transportation system. We believe that the proposed study should be financed with section 8 program funds. If the bill were silent on the authorization issue, we could fund the proposed study with section 8 program funds on a multiyear basis. I might also and if the bill does pass in this session—and we certainly see the support you have received from your colleagues in the Congress and we would hope to initiate these studies in fiscal year 1981 if there is no appropriation line item available to us it perhaps would be in our mutual best interest to initiate it under the regular UMTA program in any case.

TRANSIT ALTERNATIVES

The bill proposes a study of rail rapid transit extensions but does not provide for the study of other transit alternatives such as light rail or high occupancy vehicle lanes. We wish to fund the most cost-effective means of transit. Consequently, any comprehensive study of the transit demand in the corridors must include an analysis of alternative methods of serving that demand.

UMTA is firmly committed to completion of the Adopted Regional System. However it must be recognized that any extension to this system should be analyzed as thoroughly as projects elsewhere in the Nation. The decision to build any of the extensions would have to include an alternatives analysis of various options. The utility and ridership of the locally preferred alternative would be compared by UMTA to other transit projects in the Nation seeking our funding as well.

OPERATING EXPENSES SUBSIDY

Thanks to the foresight of this subcommittee, there is a statutory requirement that the local jurisdictions provide stable and reliable funding for operating expenses for the Adopted Regional System. A continuation of this requirement for any extensions would be consistent with this congressional concern and is good management practice. Before UMTA can make a commitment to construct any extensions that may result from the proposed study, the local governments should have to assure us that they could provide a stable and reliable source for operating expenses for those extensions. Of course we would have to have sufficient Federal funds available before we could make commitments to those extensions.

We have no objection to this bill provided that these changes are made. This concludes my prepared statement. I would be happy to respond to any questions you might have.

Mr. HARRIS. Thank you very much for your testimony. Let me say I personally appreciate a great deal the progress that the administration and the Department of Transportation and this

committee have made in gaining better understanding of the transportation needs of the National Capital Area.

We may not be totally together on recognizing the very special needs of the Capital as far as special programing and legislation is concerned, and I think that sort of understanding will come about as we work more and more on these types of problems.

I do feel, and I think Congress has made it clear it feels, that the transportation system for the National Capital Area is something apart from regular programing and should be handled through special legislation. That decision was made in the National Capital Transportation Act and is really reaffirmed by Congress last year in the special funding of Metro.

I think Congress position is very clear.

As to the question of whether Congress or WMATA are together or what have you, I think it is a relatively unimportant question. Those studies have always been carried out together before including the National Capital Planning Commission. As a matter of fact, article 6 of the mass transit plan makes it clear that sort of cooperation is necessary.

I want to again express my appreciation. I feel that the general support for this type of farsighted activity we are receiving from UMTA is very helpful.

I recognize the gentleman from Maryland, Mr. Barnes.

Mr. BARNES. Thank you, Mr. Chairman. Does UMTA have any statistics or do you have them with you today, with respect to how much the proposed system is likely in the Washington area to reduce gasoline consumption?

Ms. LIBURDI. Mr. Barnes, we do have numbers but I do not have them with me today. But we would be pleased to provide them for the committee record.

Mr. HARRIS. Without objection it will be placed in the record at this point. Hearing no objection it is so ordered.

[The information follows:]

Mr. BARNES. Thank you, Mr. Chairman.

Along the same lines, I serve on the Foreign Affairs Committee and the Subcommittee on the Middle East which is having a lot of hearings and considering very carefully the situation with respect to oil supply from the Middle East and policies of OPEC which have been in some disarray in the last couple of days.

AVAILABLE PUBLIC TRANSPORTATION

Is there any planning being done at UMTA with respect to very rapid increases in availability of public transportation in the event of major disruptions in oil supply that would make it possible for us to upgrade the present standard of transportation?

Ms. LIBURDI. We have over the last 2 years and most particularly intensively since the oil problems that we suffered last spring undertaken what I would call a very active and crash effort with Metro planning organizations around the country to initiate the kinds of studies that we believe are necessary to develop at the local level and in cooperation with the States those kinds of plans that would allow a community like the Washington metropolitan area to determine what kinds of transportation service it could

provide in the event of a severe crisis and just how they would go about doing that.

We have also been working with the Department of Energy on evaluations of supplies and what projected resource might be available and where we might suffer serious impacts and try to provide that kind of information to particular jurisdictions such as States or cities as we see evidence to susceptibility to disruption in the oil supply.

EMERGENCY NEEDS

We also have been working with local communities in asking them to focus on rehabilitating or stockpiling existing equipment that might be available which could be utilized in the case of an emergency were one to occur.

We are still working within the Department of Transportation on projects which the Congress did ask us about when we went through our appropriation hearings earlier this year. We have not conducted those studies. They do involve the task force of the Department of Transportation and the Department of Energy so we do not have a national comprehensive transportation disruption plan at this point in time.

Mr. BARNES. Thank you. I am very encouraged by the answer because I think unfortunately this is something we have to plan for very carefully. The possibilities are there.

Thank you very much, Mr. Chairman.

Mr. HARRIS. Thank you, Mr. Barnes.

Does the minority have any questions?

Again my thanks to the Department of Transportation. Legislation may not be exactly what the Department of Transportation wants but we are sure we are going to reach accommodation to meet the ultimate goal, as suggested by the Department of Transportation.

Would you tell the Secretary something that is I think really interesting. I remember Secretary of Transportation Volpe talking to me when he was Secretary in 1971. He wanted a study to be made of an air cushion transportation to Dulles and was quite excited about the idea. I remember his excitement about the idea. The notion of various alternate forms to Dulles has been long standing as far as the Secretary of Transportation is concerned.

Ms. LIBURDI. It is still a great concern.

We are planning something similar in Alaska this fiscal year so we will be taking a look at that kind of technology.

Mr. HARRIS. I am sure Secretary Volpe would be very happy.

Ms. LIBURDI. I am sure he will.

Mr. HARRIS. I notice my colleague from Connecticut is in the room. If he would care to make a statement he is more than welcome.

Mr. MOFFETT. I am here as a Metro rider only. You are doing a fine job, Mr. Chairman.

Mr. HARRIS. Without the support of my colleague from Connecticut we could never have accomplished what we have.

The next witness is Mr. G. Duane Vieth, Chairman of the Transportation Committee, Federal City Council. I would like to take a special moment, Mr. Vieth, to welcome you to the committee. My relationship with the Federal City Council goes back many years

and certainly back to a meeting in which we planned an educational plan to coordinate the Metro area and to recognize the need for a bond referendum in the late sixties. Had it not been for the cooperation of the Federal City Council I am not sure that we would have accomplished that initial funding and start with Metro when we did.

It is with that recognition that I am pleased to recognize you at this committee meeting.

**STATEMENT OF G. DUANE VIETH, CHAIRMAN,
TRANSPORTATION COMMITTEE, FEDERAL CITY COUNCIL**

Mr. VIETH. Thank you, Mr. Chairman. I appreciate those kind remarks and also appreciate the opportunity to appear before you today to express support for H.R. 7658.

As the Federal City Council's Transportation Committee Chairman for the past 8 years, I have followed the tortuous development path that our regional Metro system has taken. Each month during that period seemed to bring some new crisis—some new obstacle to completing the full 100-mile system.

That is why it is a particular pleasure to be here today taking the long view, planning the next steps once the already authorized system is in place.

After more than a decade of excruciating effort by Federal, State, and local officials, the system is well underway and operating relatively smoothly.

The previous Federal, State, and local investment of time, money, and energy appears to be starting to pay dividends.

On that point, Mr. Chairman, I would like to note for the record that among this past year's most remarkable accomplishments was passage of your bill to provide additional financial support necessary for the completion of the basic 100-mile system.

It was largely through the leadership and perseverance of the District Committee, and the members of the Washington area congressional delegation that this important legislation was approved.

FEDERAL CITY COUNCIL'S INPUT

As you know, Mr. Chairman, the Federal City Council is a non-profit, nonpartisan organization dedicated to the improvement of the Nation's Capital. Composed of approximately 100 business, professional, and civic leaders, the Council has been active since 1954 in promoting community development in the Washington area.

One of the primary issues toward which the Council has devoted its resources for the past two decades has been the development of an adequate public transportation system.

The chairman was kind enough to refer to our activities in 1967 when we organized the Citizens for Better Regional Transportation to assure passage of the authorizing legislation and the necessary referenda.

In the early 1970's, the Council assisted with plans for the public takeover of the area bus systems by WMATA.

In 1974, the Council funded a study of public attitudes toward Metro and documented the enormous reservoir of support for rapid transit in the region.

In 1977, when only 60 miles of the system was assured, a task force of our members undertook a reexamination of Metro, including both its physical and operational dimensions. We concluded that not only should the full system be constructed, but also that: First, a new system of earmarked local taxes should be used to finance its operating costs; second, local and Federal Government land use policy should take greater advantage of the accessibility afforded by the system and; third, improvements should be made in the way WMATA is governed and the way in which it markets its services to the general public.

Since our report was issued, a number of our recommendations have received favorable consideration by the various public agencies involved, and we were pleased to have been able to join in support of your financing legislation last year which, incidentally, included the idea of earmarking local taxes for a share of the revenue bond debt service.

SUPPORT H.R. 7658

With this background, we are also pleased to appear here today in support of this piece of new legislation to authorize the Secretary of Transportation and WMATA to undertake preliminary engineering studies of several route extensions of the Metro rail system.

The history of urban development in general, and public transportation systems in particular, indicates that it is never too early to begin looking ahead to anticipate where and how public investment may best be programed to meet future needs.

Although construction of the currently approved Metro routes is not expected to be completed until the end of this decade, we agree that it is both necessary and appropriate to start planning now for whether and where future expansion should take place.

ROUTES FOR STUDY

The Council is not prepared to endorse specific routes at this time. H.R. 7856 calls for further detailed study in several corridors. Each seem to us to be logical and reasonable, given foreseeable population and economic growth patterns and possible future demand for transit service.

Even though there continues to be room for improvement in the way Metro is currently governed and financed, there is no doubt that it is attempting to meet a vital public need. As energy costs continue to increase, and as the Washington metropolitan area continues to develop, the need for an expanded public transportation system serving concentrated residential and employment clusters in an effective manner will become even greater.

Passage of this legislation will help us begin to determine the relative cost-effectiveness of various alternatives, not just Metro alternatives but a variety of alternatives, and to study how additional costs may be met.

The Federal City Council stands ready to assist you in whatever we can in this effort. Thank you.

Mr. HARRIS. Thank you very much for your statement, for your support of the legislation, and for your continued interest in Metro.

I think your support is significant and very helpful. To be quite frank, from your testimony, you can tell those who have been connected with Metro understand the problems and understand the community and say there are certain Gordian knots you are simply going to have to cut if you are going to get anything done in a problem area like this and to go ahead and do it.

You can argue about this corridor or that corridor but somebody has to make the decision to go ahead to do it.

I used to have the thesis the only place to have an adequate transportation system was in a country run by a dictator.

We have a good one in Moscow, and a good one in Portugal, and an excellent one in Chicago.

Does minority counsel have questions?

Mr. SINGLETON. I have no questions, Mr. Chairman.

Mr. HARRIS. I recognize my colleague from Maryland.

Mr. BARNES. I don't have any questions, Mr. Chairman. I just want to join in welcoming Mr. Vieth today to the committee and to this subcommittee.

I have the honor of being Mr. Vieth's Congressman and he is one of my most distinguished constituents and one of the reasons he is so distinguished is he takes time out of a very demanding legal career to contribute to our community by serving as Chairman of the Federal City Council.

I want to take this opportunity on the record on behalf of all the citizens of Montgomery County and this area to thank you for your work in this and other areas. This is not the only contribution you make to our community through your own efforts and involvement.

We are very grateful to you and I am honored to have a chance to welcome you this morning.

Mr. VIETH. Mr. Congressman, I am overwhelmed. Thank you very much.

Mr. STARK. We appreciate you taking the time to come before us. Thank you very much.

Mr. David M. Childs, National Capital Planning Commission.

Apparently he was delayed. We will keep the record open for his statement.

[Mr. Childs' statement follows:]

STATEMENT OF DAVID M. CHILDS, CHAIRMAN ON H.R. 7658 METRO EXTENSIONS

Mr. Chairman and members of the Committee, I am David Childs, Chairman of the National Capital Planning Commission. I appreciate the opportunity to testify today on H.R. 7658 which would provide for a comprehensive study of extending the Washington metropolitan area rail rapid transit system beyond those lines already authorized in the Adopted Regional System. The Commission strongly endorses such a study.

The Commission has a long record of plan initiation and support for a rail rapid transit system in the National Capital Region. It originally proposed such a system in its Mass Transportation Study, published in 1959. The recommendations in that study led to the system we now have in operation and under construction. I would like to offer for the record the Commission's 1959 Transportation Plan for the National Capital Region, with the accompanying Mass Transportation Survey, which is the basis for the current 100 mile system.

As the central planning agency for the Federal government in the Region, the Commission would cooperate fully and should be an integral part of any steering committee that may be organized to guide such feasibility studies.

Of the several possible extensions which would be the subject of the feasibility studies, two are consistent with the Commission's Comprehensive Plan for the

National Capital and other Commission policies. These are the extensions to Dulles International Airport and to Gaithersburg and Germantown.

Federal and other employment should continue to be concentrated in the center of the Region in accordance with planned growth locations reflected in the Commission's Federal Establishment Plan element of the Comprehensive Plan. A transit system which serves employment concentrations, helps guide growth, and provides energy-efficient access is essential. It makes sense to undertake the long-range planning now before land use patterns develop which are incompatible with sound regional planning.

In summary, the Commission supports studies of the extension of the rail rapid transit system and believes the Commission should participate in such studies. In his testimony on the original Transportation Plan for the National Capital Region on November 9, 1959 before the Joint Congressional Committee on Washington Metropolitan Problems, Harland Bartholomew, distinguished former Chairman of the Commission, indicated that the rapid rail transit plan then proposed was conservative especially since it could not be assumed that future growth, both of the Federal government and the Region as a whole, would cease by 1980, the target date of the original Transportation Plan.

Mr. HARRIS. I have a group of letters from various jurisdictions in the area expressing their support of the legislation.

I have a letter from the Montgomery County Government, Mr. Charles W. Gilchrist; from the city of Bowie, Mayor Audrey E. Scott; from Governor Hughes of the State of Maryland; from the Prince Georges County government, Laurence J. Hogan, county executive; from the Governor of the Commonwealth of Virginia, John N. Dalton; from the Arlington County, Virginia Office of the County Board, Walter L. Frankland, Jr.; from the Northern Virginia Transportation Commission, David F. Erion.

Also a letter to Chairman Dellums from Ruth Specter, vice president, Montgomery County Council.

Without objection, we will place those letters in the record at this point.

[The letters referred to follow:]

MONTGOMERY COUNTY GOVERNMENT,
Rockville, Md., July 17, 1980.

Hon. HERBERT E. HARRIS II,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN HARRIS: Thank you for sending me a copy of H.R. 7658 which would provide funding in October of 1981 to study the feasibility of extending the 101 mile Metro system.

I am pleased to know that the Bill includes a proposal to study extension of the Shady Grove Line to Germantown, Maryland and I support the need for such a study. The Shady Grove Line/1-270 corridor is the major development corridor in Montgomery County and further development of public transportation facilities and services will be necessary to sustain the high rate of economic development in this corridor during the energy-scarce years ahead.

It is my understanding that the WMATA Board of Directors will shortly seek a meeting with you and the other Washington area Congressmen to discuss this Bill. The interest of Montgomery County will be maintained through our representatives on the Board of Directors at that and subsequent meetings.

Sincerely yours,

CHARLES W. GILCHRIST,
County Executive.

CITY OF BOWIE,
Bowie, Md., September 16, 1980.

Re: H.R. 7658.

Hon. HERBERT HARRIS,
U.S. House of Representatives,
Longworth Office Building, Washington, D.C.

DEAR MR. HARRIS: We have been watching with interest the progress of your proposal to have the Urban Mass Transit Administration fund a study to explore the feasibility of extending Metro-rail service to suburban communities such as Bowie.

We wish to go on record as supporting the funding of this study.

In light of the recent energy shortage, particularly the gasoline crisis of the Summer of 1979, we are very cognizant of the need to reduce the dependence of Bowie residents on their automobiles. A significant percentage of the City's labor force now commutes to work in the District of Columbia. Extending the Orange Line out to Bowie would encourage Bowie residents to utilize this service.

We are fearful that another major oil embargo or long term gasoline shortage, will diminish the relative desirability of such automobile-dependent suburbs as Bowie, Gaithersburg, Germantown, Springfield and Burke. This would adversely impact the marketability of homes in these areas and jeopardize the investments of thousands of Washington Area homeowners.

We thus view the extension of the Metro-rail lines as an expensive but necessary investment in the future of the metropolitan region. Should you desire any detailed information on Bowie area transportation plans or input from local citizens groups or agencies, we will be glad to coordinate such efforts. In sum, we stand ready to provide any support or assistance necessary to ensure passage of this bill.

Sincerely,

BOWIE CITY COUNCIL,
By AUDREY E. SCOTT, Mayor.

STATE OF MARYLAND,
EXECUTIVE DEPARTMENT
Annapolis, Md., July 21, 1980.

Hon. RONALD V. DELLUMS,
Chairman, Committee on the District of Columbia,
U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN DELLUMS: Thank you for the opportunity to submit comments on H.R. 7658, the bill to amend the National Capital Transportation Act of 1969 to require a comprehensive study of extending the Washington Region Metrorail System beyond the currently authorized 101-mile system. The State of Maryland views a study of this type with mixed blessings.

At a time when the completion of the authorized 101-mile Metrorail system is at least a decade away, and there is clearly not enough money available at present for its completion, we believe that requiring that this study be done now is somewhat premature. Our efforts should be channeled, at this point, toward resolving current funding problems and accelerating, if at all possible, the construction of the 101-mile system.

Such a study can be viewed as an effective planning tool in that future rights-of-way requirements can be identified and development in these corridors can be controlled, thereby saving money in terms of large relocation costs and avoiding future controversy and conflict. However, the Maryland Court of Appeals last September ruled that attempting to place land in long-term reserve (i.e. three or more years) was unconstitutional. Since reserving land for transit rights-of-way is the major means whereby development in certain corridors can be controlled, the timing of a study such as this is, again, brought into question.

H.R. 7658 would require the Secretary of Transportation to contract with the Washington Metropolitan Area Transit Authority for the performance of this study. The major emphasis in WMATA's activities over the last few years has evolved from planning and designing a rapid rail system to constructing the rapid rail system, to, now, operating an integrated transit system.

The State of Maryland believes that, when the timing is proper for such a study to be undertaken, the Secretary of Transportation should contract, instead, with the Metropolitan Washington Council of Governments for the study's performance. Rather than having WMATA gear up again for planning activities, the resources available through MWCOG and its transportation planning staff should be utilized. As the Metropolitan Planning Organization in the Washington Region, MWCOC

and the political subdivisions in the area have been heavily involved in adopting a long-range plan that includes the extensions to the Metrorail system cited in H.R. 7658, along with several others.

We believe that it would be more effective to build upon the work previously accomplished in this area by MWCOC and allow WMATA to concentrate on the operations of the rapid rail and bus transit system. Under the auspices of MWCOC and its policy body, the Transportation Planning Board, on which the local jurisdictions participate fully, such a study could effectively be carried out.

In summary, while the State of Maryland would welcome such a study at the appropriate time in the future, and would fully cooperate and participate in its conduct, we believe it would be premature to require that it be undertaken now.

Sincerely,

HARRY HUGHES, *Governor.*

THE PRINCE GEORGES COUNTY GOVERNMENT,
Upper Marlboro, Md., August 5, 1980.

HON. HERBERT E. HARRIS II,
*Representative, 8th District of Virginia,
Longworth House Office Building, Washington, D.C.*

DEAR HERB: Thank you for your letter regarding H.R. 7658 to provide funding for an economic feasibility study of extending the Washington area's Metrorail System.

Obviously our first goal is to see the adopted 101-mile system completed. The Federal legislation you worked so diligently to see enacted last year will go a long way in accomplishing that goal.

It is, indeed, wise to plan for the future by exploring the feasibility of extending the Metro system beyond the adopted 101 miles. I applaud your foresight in pursuing this study for the benefit of the entire Washington region.

I look forward to seeing this legislation enacted and to the study's outcome.

Sincerely,

LAWRENCE J. HOGAN,
County Executive.

COMMONWEALTH OF VIRGINIA,
OFFICE OF THE GOVERNOR,
Richmond, Va., August 15, 1980.

HON. RONALD V. DELLUMS,
*Chairman, Committee on the District of Columbia, U.S. House of Representatives,
Longworth House Office Building, Washington, D.C.*

DEAR CONGRESSMAN DELLUMS: I have read with interest H.R. 7658 to amend the National Capital Transportation Act of 1969, requiring a comprehensive study of extending the rail rapid transit line specified in the Adopted Regional System.

Since Congress has only recently passed legislation providing for \$1.7 billion for the completion of the full original 100-mile system, it appears premature to engage in a study for the extension of the system.

There is no question in my mind that in due time there will be the need to consider extensions of the Metro-rail System, including the possible extension to Dulles Airport, all of which will come naturally in due course.

With all good wishes, I am

Very truly yours,

JOHN N. DALTON, *Governor.*

ARLINGTON COUNTY, VA.,
OFFICE OF THE COUNTY BOARD,
Arlington, Va., July 8, 1980.

HON. HERBERT E. HARRIS,
*House of Representatives,
Longworth House Office Building, Washington, D.C.*

DEAR MR. HARRIS: Thanks for sending along a copy of your proposed legislation on Metro expansion. As you may have seen in the media, I am convinced this is premature. I urge that you and your colleagues work on more Federal assistance for the evergrowing operating deficit, as well as assured Federal funding for the completion of even the 101 mile system, which seems beyond the amounts set forth in the Stark-Harris Bill.

For Arlington, the locally paid subsidy will be about \$9.0 million for fiscal year 1981. By 1985 according to the latest estimates, that figure will probably double, if not triple! Each time a new station is opened the deficit jumps. We need to consider at least 80 percent Federal aid to be applied to the operating costs as well as construction costs. I think a case might even be made for 90 percent Federal support.

You should realize that for Metro bus and rail operating subsidies on a per capita basis, Arlingtonians pay about \$6.30 per year as compared with Fairfax County citizens who pay \$2.55 per year.

I hope you can see why my priorities are where they are. Any aid you can give in this regard will be helpful.

Sincerely,

WALTER L. FRANKLAND, Jr.,
Chairman, Arlington County Board.

NORTHERN VIRGINIA, TRANSPORTATION COMMISSION,
Arlington, Va., September 8, 1980.

Hon. HERBERT E. HARRIS II,
U.S. House of Representatives,
Longworth Building, Washington, D.C.

DEAR CONGRESSMAN HARRIS: At its regular monthly meeting on September 4, 1980, the Northern Virginia Transportation Commission discussed your bill concerning the study of extensions to the 101-mile Metrorail system.

The Commission passed a motion endorsing such a study with the provision that construction of the line to Dulles Airport be expedited and that construction of this line be funded entirely by the Federal Government. The Commission also authorized the chairman or Executive Director to testify on behalf of the Commission if invited.

Please let me know if I can be of further assistance.

Sincerely,

DAVID F. ERION,
Executive Director.

MONTGOMERY COUNTY GOVERNMENT,
Rockville, Md., September 15, 1980.

Hon. RONALD V. DELLUMS,
Chairman, Committee on the District of Columbia,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN DELLUMS: We wish to add the support of the Government of Montgomery County to H.R. 7658 to study extensions of the regional Metrorail system in Virginia, the District of Columbia, and in the Maryland counties of Montgomery and Prince George's. We especially concur in the appropriateness of studying future extension of the Shady Grove route from Shady Grove to Germantown as proposed in H.R. 7658. We would request, however, that this line study be extended to Clarksburg, which is four miles north of Germantown and the last major urban area planned for development in the I-270 corridor.

Further, we request that the study be broadened to include three additional extensions: Bethesda-Silver Spring; U.S. 29 from Silver Spring to Burtonsville/Laurel; and Transit alternatives in the I-495 corridor from Prince George's County to Montgomery County.

The Bethesda-Silver Spring corridor is already a major travel corridor, which will experience major increases in demand upon completion of the new Silver Spring headquarters of the Nuclear Regulatory Commission. The U.S. 29 corridor is a developing corridor which will experience significant growth in the 1990's. In both of these corridors, well-defined alignments are available for a transit facility which could be current Metrorail technology, light rail, or exclusive busway. Transit options in the I-495 Capital Beltway corridor need to be explored in recognition of the significant and growing commutation between the two Maryland Counties, and because of the extreme difficulties encountered in proposals to the further widening of I-495. We would be pleased to provide further information to the Committee on these additional areas for study, if desired, based on previous studies conducted as part of the County's planning process.

Finally, we note that H.R. 7658 requires the Secretary of Transportation to contract with the Washington Metropolitan Area Transit Authority (WMATA) to undertake the study. In the interest of ensuring consistency of the study with other regional elements of projected population and employment growth, we would sug-

gest amending the bill to identify the Washington Council of Governments (COG) as the agency to conduct the study under contract with the Secretary, or, at a minimum, to indicate that WMATA shall work cooperatively with COG throughout the course of the study.

We appreciate the opportunity to express our views to the Committee.

Sincerely yours,

CHARLES W. GILCHRIST,
County Executive.

RUTH SPECTOR,
Vice President, Montgomery, County Council.

Mr. SINGLETON. I do have a question.

There was nothing here from the District of Columbia Government?

Mr. HARRIS. Chairman Dellums received an official communications from the Mayor and from Chairman Dixon that acknowledged receipt of his letters and the bill, H.R. 7658, stating the matter has been referred to other officials for reply, and we can expect to hear from them shortly.

I have personally met with Robert Moore, the District's representative on WMATA and I know he has participated in board meetings and has expressed support of the legislation to me but with the understanding that the District be the one that has the deciding choice as to what corridors are to be studied in the District, I totally agree with that.

Mr. SINGLETON. I was curious.

Mr. HARRIS. We will put these letters in the record also.

[The letters referred to follow:]

THE DISTRICT OF COLUMBIA,
Washington, D.C., July 18, 1980.

Hon. RONALD V. DELLUMS,
*Chairman, Committee on the District of Columbia, U.S. House of Representatives,
Longworth House Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN: This is to acknowledge receipt of your letter requesting the District of Columbia Government's comments on H.R. 7658. I have referred your request to Ms. Barbara C. Washington, Assistant City Administrator for Intergovernmental Relations. You can expect to hear from her shortly.

Sincerely,

MARION S. BARRY, JR., *Mayor.*

COUNCIL OF THE DISTRICT OF COLUMBIA,
Washington, D.C., July 15, 1980.

Hon. RONALD V. DELLUMS,
*Chairman, Committee on the District of Columbia,
Longworth House Office Building, Washington, D.C.*

DEAR CHAIRMAN DELLUMS: Thank you for providing me with a copy of H.R. 7658 and inviting my comments thereon.

I have asked Councilman Jerry Moore, Chairperson of the Council's Committee on Transportation and Environmental Affairs, to review this legislation and provide whatever recommendations and comments which may be beneficial to your Committee.

Sincerely,

ARRINGTON DIXON, *Chairman.*

COUNCIL OF THE DISTRICT OF COLUMBIA,
Washington, D.C., September 17, 1980.

Hon. HERBERT E. HARRIS II,
Longworth Building,
Washington, D.C.

DEAR CONGRESSMAN HARRIS: I am requesting that the following amendment to H.R. 7658, which requires the Secretary of Transportation to contract with WMATA for a Metrorail extension study, be considered by the House Committee on the District of Columbia and be included in the record for today's public hearing on the bill.

Strike section 17 (a)(1)(E) of H.R. 7658 and insert in lieu thereof: "(E) within the District of Columbia on routes determined by the Mayor and the Council of the District of Columbia to be practicable after consultation with the Transit Authority."

Your assistance in this matter would be greatly appreciated.

Very sincerely yours,

JERRY A. MOORE, JR.,
Chairman, Committee on Transportation and Environmental Affairs.

THE DISTRICT OF COLUMBIA,
Washington, D.C., September 22, 1980.

Hon. HERBERT E. HARRIS II,
U.S. House of Representatives,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN HARRIS: On behalf of the residents of the District of Columbia, I fully support H.R. 7658 which would enable the Washington metropolitan area to study possible additional extensions to the Metrorail system. Metrorail ridership figures for the first 33.6 miles of the 101-mile system have shown that citizens of this region support rail transit service. This study of possible extensions will show our continuing commitment to provide the most convenient and efficient form of mass transportation to these citizens and to serve those citizens who presently have inadequate transportation.

In the past, a number of important reasons have been given for the necessity of completing the Metro system. Those most frequently mentioned were: reduction of air pollution to tolerable levels; energy-efficient aspects of rail transit; Metro's impact on the economic vitality of the region; and improved accessibility to jobs, shopping, educational and recreational opportunities throughout the region.

The above reasons are equally important for any future expansion of rail service. Although the population of the District of Columbia has decreased, population growth in the region will continue in the foreseeable future. However, decrease in population in the District of Columbia is deceptive. Daytime employment population in the District will increase. The number of households in proportion to total population is increasing. Such growth will result in greater movement throughout the area. Because of the region's energy and environmental concerns, we would prefer to see a greater share of this growth carried on Metrorail extensions rather than additional highway segments. Also, the expansion of rail lines in the city will add additional strength to the downtown core and correct a number of deficiencies in the existing bus and rail system.

The District of Columbia government believes participation in this study is timely. This proposed study offers the District the opportunity of examining a number of areas in the city where for various reasons rail service was rejected or never considered. These areas continue to suffer from inadequate public transportation. Involvement in this study will prepare the city to move forward expeditiously if funding does become available for future lines. In addition, if the District does not participate in the study, the city would still be responsible for its share of capital and operating costs for future suburban lines under existing cost allocation formulae.

This letter identifies an alignment for study purposes only in order that the District might be assigned a specific share of study funds as well as provided future capital costs and operating expenses from any typical new District subway line of equal miles and stations. Allowance for alternative transit modes will also permit a dovetailing of this study with results we are expecting from two studies we are about to undertake in the District. One study will examine the feasibility of trolley car service in Georgetown. The other will look at various fixed guideway transit services between Fort Lincoln and the Rhode Island Metro station. We believe that

the H.R. 7658 study is a natural and fortunate opportunity to look beyond those two more localized transit studies. This is another reason for why we would not like to lock-in at this point on either a very specific alignment or mode-type in the H.R. 7658 study so as to insure that it is fully compatible with other planning and the results of that planning.

The initial 101-mile Metrorail system is radial in nature. There appears to be a need for crosstown lines to serve the city with rail transit in a way that the Capital Beltway provides connections to radial highway routes in the region. Two major activity areas, Georgetown and Fort Lincoln New-Town, are not served by existing radial Metrorail routes. In order to link these areas together with the rest of the system, we propose that a 7-mile alignment with 9 station locations be studied. This route could improve transit service and encourage development in the following areas of the city: the Georgetown area; the West End area, the Thomas Circle area; the Washington Convention Center area; H Street Commercial corridor; the New York Avenue Industrial corridor; and the Fort Lincoln New Town area.

Accordingly, the bill as amended would allow for the study of this suggested Metrorail route for the District of Columbia.

Your committee must be commended for its foresight in supporting now the necessary planning for future transit infrastructure investments so vital to our urban mobility.

Sincerely,

MARION S. BARRY, Jr., Mayor.

Mr. HARRIS. Also, I have two communications from the Springfield Inn and one from a private attorney and, without objection, these will be put in the record also.

[The letters referred to follow:]

SPRINGFIELD INN,
Springfield, Va., August 1, 1980.

Re H.R. 7658.

Hon. HERBERT E. HARRIS II,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HARRIS: Please accept this note as notice of our sincere support of your efforts to gain passage of H.R. 7658. Notice of your July 19 forum was received late so we did not attend. Metro service will be of great benefit to the tourism industry in Springfield. If there is any way I can aid your effort, please let me know.

Sincerely,

H. MICHAEL WEINER,
General Manager.

WASHINGTON, D.C., September 15, 1980.

Re Extension of the subway to Georgetown.

Hon. HERBERT E. HARRIS II,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN HARRIS: In Saturday's September 6, 1980 Washington Post, there was an article in which a statement was made that the Metropolitan Affairs subcommittee of the House District Committee has scheduled a hearing September 17, 1980 on the extension study of the subway to other points in and around the District of Columbia. Georgetown was one of the areas which was not included in the original 99 mile subway route system.

As we all know, Georgetown is the most crowded and densely settled section of Washington with extremely limited parking facilities and inferior public transportation. If one area of the city were to be selected as in dire need of improved surface transportation, including subway services, this area would certainly be Georgetown. Moreover, if one area of the city were to be selected where the benefit of subway service would be fully realized, then this area would be Georgetown. At the present time, subway service only touches the periphery of Georgetown. On the north, the closest station is Dupont Circle. On the south, the 22nd Street stop at George Washington University (Foggy Bottom) is the closest. The subway actually operates at the edge of Georgetown at Virginia Avenue and Rock Creek Parkway before crossing the river for Arlington. This is less than a mile from 31st & M Street, the proposed location of the subway stop for Georgetown.

The Foggy Bottom route could be extended from Virginia Avenue and the Rock Creek Parkway to Georgetown, entering Georgetown at 31st and K Streets and up 31st Street to M Street, N.W. This station would satisfactorily serve Georgetown because, (1) the central location would inconvenience fewer of the commercial and residential residents during its construction and, (2) the availability of the southeast or northwest corner of M and 31st Streets for a station would not interfere with any structure of historical significance, (3) the station avoids using the congested Wisconsin Avenue-K Street corridor, where there will be great traffic density once the Georgetown Park Development has been completed and the 500 car garage in the complex utilized. (4) Most of the the new development of Georgetown, both commercially and residentially, is in the area South of M Street. This new development would have easy access to the subway at the proposed location.

I am a Director of the Georgetown Business and Professional Association who strongly supports the subway extension into Georgetown. If I can answer any questions, I shall be pleased to do so.

Very sincerely,

A. L. WHEELER, Attorney.

Mr. HARRIS. That concludes the hearings. We will keep the record open for another 2 days for any official communications that we may receive. I do think we have broad support for this.

I would like to announce the permanent chair's intention to move to markup on this next Monday, September 22. This is a tight period but I think we can accomplish this. We have talked with the chairman of the committee and he is in agreement with scheduling markup on September 22, unless my colleague from Maryland has an objection.

It is my view that we can achieve markup and report a bill that can be considered this month by this Congress but we will only know if we try. Having concluded the hearings we would announce the notice for markup is to go out for September 22. We have cleared this with minority also.

That concludes today's hearings.

[Whereupon, at 11:30 a.m., the subcommittee was adjourned.]

[Subsequently the following letter was received for the record:]

AIR TRANSPORT ASSOCIATION OF AMERICA,
Washington, D.C., September 19, 1980.

HON. HERBERT E. HARRIS II,
Subcommittee on Metropolitan Affairs, Committee on the District of Columbia,
U.S. House of Representatives, Washington, D.C.

DEAR REPRESENTATIVE HARRIS: I would like to take the opportunity on behalf of the Air Transport Association of America, which represents virtually all of the U.S. scheduled airlines, to comment on H.R. 7658. We believe that a comprehensive study to extend rail rapid transit to Dulles International Airport has considerable merit.

The airlines serving Dulles Airport have long recognized that improved ground access to that facility is badly needed. There is no question that travelers from downtown Washington find the 45 minute to one hour surface travel time to Dulles Airport to be burdensome. There has been much discussion with respect to extending the Metro rail system to Dulles Airport, and the airlines strongly support the study which you propose in order to finally establish the feasibility of such an extension.

I also want to take this opportunity to express our concern regarding the completion of the Dulles Access Road for its final two and one-half miles from the Capital Beltway to its juncture with I-66. As you know, the funding of this road link has been delayed time and again, and we are very concerned by the recent action taken by the Senate in deleting the \$13 million in funding which is in the House Transportation Appropriations bill and which was requested by FAA for fiscal year 1981 to initiate the access road project. We understand that negotiations are underway to resolve this matter, and we hope you will assist in the efforts to insure the \$13 million is retained as originally contemplated in the House bill. Clearly, a Metro rail link to Dulles is a long way off, and the government's opportunity to enhance surface travel to Dulles by completing the access road requires a much higher level of priority than it is currently receiving. The Dulles Access Road extension will

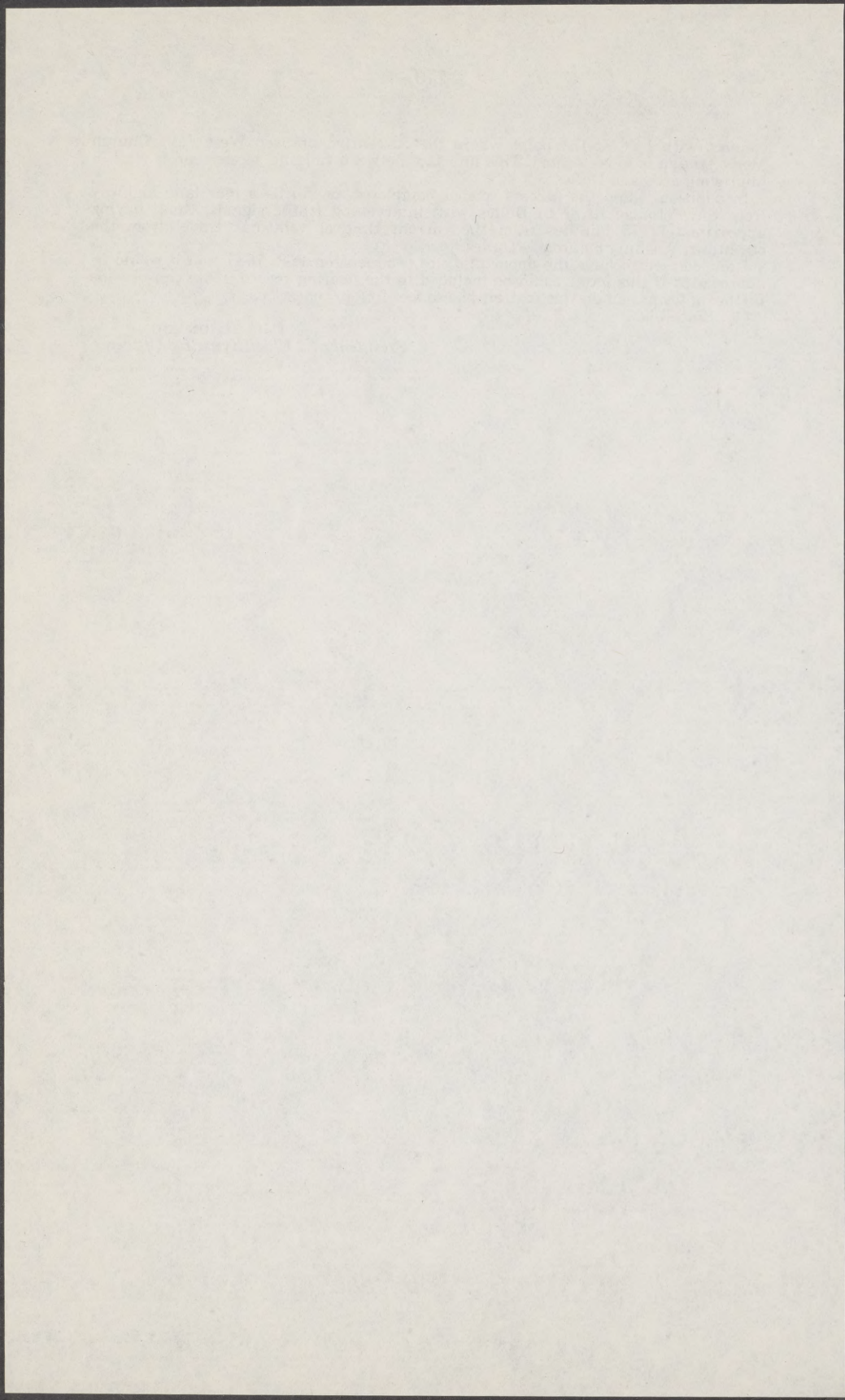
connect with I-66 at the point where the currently approved West Falls Church Metro station is to be located. This interface between rail and access road is vital in improving access to Dulles.

In addition, when the access road is completed, it will be a four lane highway from the Potomac River to Dulles with intervening traffic signals, thus shaving approximately 15 minutes from the current time of vehicular travel from the downtown Washington area to Dulles.

I am pleased to have the opportunity to comment on H.R. 7685, and it would be appreciated if this letter could be included in the hearing record. If we can provide further information on this matter, please feel free to contact us.

Sincerely,

PAUL R. IGNATIUS,
President and Chief Executive Officer.



SUBCOMMITTEE MARKUP OF H.R. 7658

MONDAY, SEPTEMBER 22, 1980

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON METROPOLITAN AFFAIRS,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The subcommittee met, pursuant to notice, at 2:25 p.m., in room EF-100, the U.S. Capitol, Hon. Herbert E. Harris (presiding).

Present: Representatives Harris (presiding), Delegate Fauntroy, Representatives McKinney and Fenwick.

Also present: Edward C. Sylvester, Jr., staff director; Elizabeth D. Lunsford, general counsel; Rod Kuckrow, subcommittee staff; James T. Clark, legislative counsel; Harry M. Singleton, minority chief counsel and Barbara Norris-Chaves, minority staff assistant.

Mr. HARRIS. I am going to call the subcommittee to order right now for working up H.R. 7658.

I am advised Mr. McKinney is on his way. We are going to proceed with the understanding if any member of the minority files an objection before we file the report, the report will not be filed today.

The subcommittee meets to bring under consideration H.R. 7658, a bill introduced upon which hearings were held with respect to the study of potential extensions on Metro.

The Chair has an amendment in the nature of a substitute, the effect of which is to make sure that the City Council and the Mayor has the authority to determine which routes to be studied in the District of Columbia. That was the original intent of the bill.

The substitute also adds two more lines to be studied, in Maryland, and one in Virginia. We believe we have worked it out so that it is a fair distribution of effort.

In addition to that, I am advised that Mr. McKinney has an amendment. The purpose of this amendment is to mandate that the study with respect to Dulles be completed in 6 months. The bill requires the total study be completed in 18 months.

Mr. McKINNEY. I am today offering an amendment to H.R. 7658 which would require WMATA to complete that portion of the study pertaining to the rail rapid transit line extension to Dulles International Airport within 6 months after the date of contract.

As most of us are aware, the Department of Transportation completed a feasibility study entitled "Dulles Airport Rapid Transit Service" 9 years ago. Certain portions of that study are as valid now as they were when it was prepared in 1971. There were no engineering obstacles to the construction then, and there are none now. Indeed, it would be simpler to build now.

It would appear to me that a period of 6 months should be sufficient for WMATA to update the earlier study and provide us with the information necessary to get the ball rolling on the Dulles extension.

As Dick Page, WMATA's general manager, said before the Subcommittee on Metropolitan Affairs last week:

The study has a great deal of information in it both technical and of a policy nature * * * it would not be necessary to replot all that old ground but if this study in this bill were to be undertaken we would adapt and update and incorporate what is useful and relevant in that study today.

I do not believe there is any doubt that the extension is necessary. It was necessary in 1971 and it is critical now in 1980. When Dulles Airport was built in 1962 it was to have been Washington's primary jetport.

Instead, it handles only 15 percent of the region's jet traffic, with National handling by far the heaviest load. Dulles is vastly underutilized, as we all know, and desperately needs the shot in the arm of the extension if it is to survive.

I hope you will join me in supporting the amendment to get the Dulles portion of the study done expeditiously.

I would like to offer my amendment for the record.

Mr. HARRIS. Without objection, the amendment will be included in the record.

[The amendment follows:]

AMENDMENT TO H.R. 7658 OFFERED BY MR. MCKINNEY

Page 3, beginning on line 10, strike out, strike out "the Congress," and all that follows through the end of line 15 and insert in lieu thereof the following: the Congress—

"(1) a report on the part of the study, conducted under such contract, on the feasibility of extending a rail rapid transit line to the Dulles International Airport, not later than 6 months after the date the contract is entered into; and

"(2) a report on the entire study, conducted under such contract, which shall contain proposed routes for each proposed rail rapid transit line extension specified in subsection (a)(1), not later than 18 months after the date the contract is entered into.

Mr. HARRIS. Without objection, the amendment is agreed to.

Without objection, the substitute as amended, is agreed to.

Without objection, the bill, H.R. 7658, as amended by the substitute is favorably reported to the full committee.

The subcommittee is adjourned.

[Whereupon, at 2:30 p.m., the subcommittee was adjourned.]

COMMITTEE MARKUP OF H.R. 7658

MONDAY, SEPTEMBER 22, 1980

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE DISTRICT OF COLUMBIA,
Washington, D.C.

The committee met, pursuant to notice, at 2:30 p.m., in room EF-100, the U.S. Capitol, Hon. Walter E. Fauntroy (presiding).

Present: Delegate Fauntroy (presiding), Representatives Harris, Barnes, McKinney, and Fenwick.

Also present: Edward C. Sylvester, Jr., staff director; Elizabeth D. Lunsford, general counsel; James T. Clark, legislative counsel; Harry M. Singleton, minority chief counsel, and Barbara Norris-Chaves, minority staff assistant.

H.R. 7658

Mr. FAUNTROY. The committee will be in order. The Chair calls up the bill, H.R. 7658, for a WMATA study, reextensions of the rapid rail transit lines into Maryland and Virginia, and in the District of Columbia.

In calling up the bill, I want to acknowledge the support of the chairman, Mr. Dellums, for the bill as amended and reported by the subcommittee.

The Chair now recognizes Mr. Harris, whose Subcommittee on Metropolitan Affairs, held the hearing and the markup on this bill.

Mr. HARRIS. Mr. Chairman, I would move that we consider H.R. 7658 as amended by the subcommittee and have it open for amendment at any point.

Mr. FAUNTROY. Without objection, this bill, as amended by the subcommittee, is considered and open for amendments at any point.

Mr. HARRIS. We are pleased to recognize Mrs. Fenwick, who has now joined the full committee for consideration of the bill as amended by the subcommittee that we have before us authorizing \$1.84 million of Federal funds to be matched 20 percent by local funds for a study with respect to extensions of Metro.

PROPOSED EXTENSIONS

These extensions to be studied are the extensions as recommended and any by the Mayor and approved by the City Council of the District of Columbia, which were outlined in the hearings.

Also, two extensions in Maryland, which were outlined in hearings and three extensions in Virginia; one to Dulles, one to Burke, and one to Lorton.

The amendment by Mr. McKinney, who is the ranking minority member on the subcommittee, mandates that the study with respect to the extension to Dulles must be completed within 6 months.

The studies with respect to the other extensions would be completed in 18 months.

Mr. Chairman, we have had hearings on this; we have studied them carefully with WMATA. WMATA is prepared to do the study. We have had very favorable recommendations from those connected with it, and I urge the adoption of the bill as reported by the subcommittee.

Mrs. FENWICK. Mr. Chairman?

Mr. FAUNTROY. The young lady from New Jersey.

Mrs. FENWICK. May I ask a question? Who is going to do this study?

Mr. HARRIS. WMATA, the Washington Metropolitan Transit Authority, will do the study.

COST AND NATURE OF STUDY

Mrs. FENWICK. Why does it cost \$1,800,000?

Mr. HARRIS. This is to study lines that total approximately 72 miles. That \$1.84 million is the Federal part of it. The total study will actually cost a little over \$2 million to extend the lines. This is more than just a generalized planning study. It should determine the economic feasibility of the lines.

I think our experience has been that it is easy to look at a Metro extension and say, yes, this would be nice; that would be nice, without properly looking at the costs.

The study requires more than a planning study. It requires an economic feasibility test.

In other words, what will be the total market of ridership for that transit? How much will the fare revenue be? How much will it cost to build the line and to operate the line, including the purchase of additional cars?

Unless you have that type of economic feasibility cranked into the study I think the studies are worthless.

Mrs. FENWICK. Will it include engineering?

Mr. HARRIS. At least engineering estimates. It won't actually do the on-ground engineering.

Mrs. FENWICK. From what everybody says, I don't know anything about these things technically, but those who do say that we ought to question every subway; that there is nothing more expensive than subways, and that we really ought to be considering things more like trolleys.

Mr. MCKINNEY. If the gentlelady would yield, I would like to remind the gentlelady we just spent millions and millions of the taxpayers' dollars adding on to Dulles. Adding on when everybody is leaving. Eastern Airlines just pulled out. We also spent back during the days of the now lamented Richard Nixon administration, millions and millions of dollars to buy a right-of-way down the access road. We already own all that land.

Mrs. FENWICK. Without signing on with Nixon, we agree?

Mr. MCKINNEY. We also spent \$87 million in amending—

Mrs. FENWICK. We spent too much money. What I am trying to do is not spend that much right now. I think if we are going to have a \$2 million thing, we ought to know what it is for.

In other words, it will not do the basic engineering, it will do more like the economics?

Mr. HARRIS. Yes, ma'am.

Mrs. FENWICK. Doesn't that seem very high to you?

Mr. HARRIS. It doesn't to me. The type of study that actually tests out the market in cost/benefits is going to cost that much money.

I think we would be kidding anybody if we said it wouldn't.

Let me buttress what my colleague from Connecticut has said.

All the extensions in Maryland and Virginia will be above ground on grading for the most part on railroad right-of-way. It will be very efficient construction.

No. I think to get the type of study necessary, we have been advised that this is how much it will cost by the folks at WMATA.

I have no reason to suspect it can be done cheaper.

Mrs. FENWICK. Can we get anybody to look at that, like the GAO, to say that is a reasonable cost for an engineering study, or do we hand out a contract?

Mr. HARRIS. If I may say to my colleague, the contract has to be let by the Secretary of Transportation, UMTA. They would, in fact, not contract unless there was reasonable cost, I am sure.

Mrs. FENWICK. We have been joined by the one who is going to represent Montgomery County properly, according to the radio.

Mr. FAUNTROY. I am pleased to acknowledge the fact Congressman Barnes has joined us.

Mr. MCKINNEY. Could I move the vote?

Mr. FAUNTROY. Hearing no further discussion, I entertain a motion to favorably report H.R. 7658.

Mr. MCKINNEY?

Mr. MCKINNEY. I would move that we report the bill to the full House.

Mr. FAUNTROY. As amended?

Mr. MCKINNEY. Yes.

Mr. FAUNTROY. The question is on reporting H.R. 7658 as amended. All in favor signify by saying aye.

Opposed?

The ayes have it H.R. 7658, as amended, is ordered reported to the House.

The committee stands adjourned.

[Whereupon, at 2:38 p.m., the committee was adjourned.]

[The amended bill as adopted and reported to the House follows:]

Strike out all after the enacting clause and insert in lieu thereof the following: That the National Capital Transportation Act of 1969 (D.C. Code, sec. 1-1441 et seq.) is amended by adding after section 16 the following new section:

"STUDY OF EXTENSION OF TRANSIT LINES

"Sec. 17. (a)(1) The Secretary of Transportation shall contract with the Transit Authority for a comprehensive study of the feasibility, including preliminary engineering, of extending rail rapid transit lines—

"(A) from the vicinity of Virginia Route 7 on the Virginia Interstate 66 Route of the Adopted Regional System to the Dulles International Airport;

"(B) from the vicinity of Virginia Interstate Route 95 and the proposed Franconia rail rapid transit station of the Adopted Regional System to the vicinity of Virginia Route 645 in Burke, Virginia;

"(C) from the vicinity of Virginia Interstate Route 95 and the proposed Franconia rail rapid transit station of the Adopted Regional System to the vicinity of the intersection of Virginia Interstate Route 95 and Lorton Road, in Virginia;

"(D) from the proposed Addison Road rail rapid transit station of the Adopted Regional System to the Capital Centre in Largo, Maryland, and on to the vicinity of Bowie Maryland;

"(E) from the proposed Shady Grove rail rapid transit station of the Adopted Regional System to the vicinity of Gaithersburg, Maryland, on to the vicinity of Germantown, Maryland, and on to the vicinity of Clarksburg, Maryland;

"(F) from the proposed Rosecroft rail rapid transit station of the Adopted Regional System to the vicinity of the intersection of United States Route 301 and Maryland Route 5, in Maryland;

"(G) within the District of Columbia on routes determined to be practicable by the Mayor, after consultation with the Transit Authority, and approved by the Council of the District of Columbia; and

"(H) to the extent funds are available, on routes determined by the Transit Authority to be appropriate and feasible.

"(2) The contract entered into pursuant to paragraph (1) shall require the Transit Authority in conducting the study to take into consideration estimated demand for each proposed rail rapid transit line extension, projected population growth along each proposed rail rapid transit line extension, and the engineering feasibility of each proposed rail rapid transit line extension.

"(b) The contract entered into pursuant to subsection (a)(1) shall require the Transit Authority to submit to the Secretary of Transportation and the Congress—

"(1) a report on the part of the study, conducted under such contract, on the feasibility of extending a rail rapid transit line to the Dulles International Airport, not later than 6 months after the date the contract is entered into; and

"(2) a report on the entire study, conducted under such contract, which shall contain proposed routes for each proposed rail rapid transit line extension specified in subsection (a)(1), not later than 18 months after the date the contract is entered into.

"(c)(1) The contract entered into pursuant to subsection (a)(1) shall provide for a Federal contribution to be paid by the Secretary of Transportation to the Transit Authority to pay for the costs of carrying out the contract.

"(2) The amount of the Federal contribution paid pursuant to paragraph (1) shall not exceed an amount equal to 80 percent of the costs of carrying out the contract entered into pursuant to subsection (a)(1).

"(d) Effective October 1, 1981, there are authorized to be appropriated to the Secretary of Transportation to carry out this section \$1,840,000.

[EXCERPTS FROM COMMITTEE REPORT]

96TH CONGRESS 2d Session	} HOUSE OF REPRESENTATIVES	{ REPORT No. 96-1365
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REQUIRE WMATA STUDY OF PROPOSED RAPID RAIL EXTENSIONS IN MARYLAND, VIRGINIA, AND THE DISTRICT OF COLUMBIA

SEPTEMBER 22, 1980.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. DELLUMS, from the Committee on the District of Columbia,
submitted the following

REPORT

[To accompany H.R. 7658]

[Including cost estimate of the Congressional Budget Office]

The Committee on the District of Columbia, to whom was referred the bill (H.R. 7658), to amend the National Capital Transportation Act of 1969 to require the Secretary of Transportation to contract with the Washington Metropolitan Area Transit Authority for a comprehensive study of extending the rail rapid transit line specified in the Adopted Regional System, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That the National Capital Transportation Act of 1969 (D.C. Code, sec. 1-1441 et seq.) is amended by adding after section 16 the following new section:

"STUDY OF EXTENSIONS OF TRANSIT LINES

"SEC. 17. (a) (1) The Secretary of Transportation shall contract with the Transit Authority for a comprehensive study of the feasibility, including preliminary engineering, of extending rail rapid transit lines—

"(A) from the vicinity of Virginia Route 7 on the Virginia Interstate 66 Route of the Adopted Regional System to the Dulles International Airport;

"(B) from the vicinity of Virginia Interstate Route 95 and the proposed Franconia rail rapid transit station of the Adopted Regional System to the vicinity of Virginia Route 645 in Burke, Virginia;

"(C) from the vicinity of Virginia Interstate Route 95 and the proposed Franconia rail rapid transit station of the Adopted Regional System to the vicinity of the intersection of Virginia Interstate Route 95 and Lorton Road, in Virginia;

"(D) from the proposed Addison Road rail rapid transit station of the Adopted Regional System to the Capital Centre in Largo, Maryland, and on to the vicinity of Bowie, Maryland;

"(E) from the proposed Shady Grove rail rapid transit station of the Adopted Regional System to the vicinity of Gaithersburg, Maryland, on to the vicinity of Germantown, Maryland, and on to the vicinity of Clarksburg, Maryland;

"(F) from the proposed Rosecroft rail rapid transit station of the Adopted Regional System to the vicinity of the intersection of United States Route 301 and Maryland Route 5, in Maryland;

"(G) within the District of Columbia on routes determined to be practicable by the Mayor, after consultation with the Transit Authority, and approved by the Council of the District of Columbia; and

"(H) to the extent funds are available, on routes determined by the Transit Authority to be appropriate and feasible.

"(2) The contract entered into pursuant to paragraph (1) shall require the Transit Authority in conducting the study to take into consideration estimated demand for each proposed rail rapid transit line extension, projected population growth along each proposed rail rapid transit line extension, and the engineering feasibility of each proposed rail rapid transit line extension.

"(b) The contract entered into pursuant to subsection (a)(1) shall require the Transit Authority to submit to the Secretary of Transportation and the Congress—

"(1) a report on the part of the study, conducted under such contract, on the feasibility of extending a rail rapid transit line to the Dulles International Airport, not later than 6 months after the date the contract is entered into; and

"(2) a report on the entire study, conducted under such contract, which shall contain proposed routes for each proposed rail rapid transit line extension specified in subsection (a)(1), not later than 18 months after the date the contract is entered into.

"(c)(1) The contract entered into pursuant to subsection (a)(1) shall provide for a Federal contribution to be paid by the Secretary of Transportation to the Transit Authority to pay for the costs of carrying out the contract.

"(2) The amount of the Federal contribution paid pursuant to paragraph (1) shall not exceed an amount equal to 80 percent of the costs of carrying out the contract entered into pursuant to subsection (a)(1).

"(d) Effective October 1, 1981, there are authorized to be appropriated to the Secretary of Transportation to carry out this section \$1,840,000.

PURPOSE OF THE BILL

The purpose of H.R. 7658 is to amend the National Capital Transportation Act of 1969 to require the Secretary of Transportation to contract with the Washington Metropolitan Area Transit Authority for a comprehensive study of extending the rail rapid transit line specified in the Adopted Regional System.

NEED FOR THE LEGISLATION

In 1952, Congress passed the first serious analysis of the transportation needs of the Washington Metropolitan Area, the National Capital Planning Act (66 Stat. 781; D.C. Code, title 1, section 1,001 *et seq.*) The foresight of Congress, nearly 30 years ago, ultimately led to the system design and financial plan that will complete the first 101 miles of Metro during this decade. The success of Metro's first 37 miles in serving over 300,000 commuters each day is also strong testimony to the foresight of those Federal, state, and local officials whose diligence ultimately transformed plans into reality.

This legislation is clearly a call for similar foresight to plan now for the future transportation needs of unserved urban centers and rap-

idly growing population centers in the outer reaches of the metropolitan area. The escalating costs of fuel and housing close to Washington demand that the Congress plan now for Phase Two of the mass transit system of the National Capital Region.

The early planners of Washington's rail rapid transit system anticipated the need for most of the extensions proposed in H.R. 7658 to be studied, and indeed displayed them on early maps of the system. The line to Dulles International Airport is one example. The National Capital Transportation Act of 1969 (Public Law 91-143, 83 Stat. 320) directed that a study be undertaken to show the feasibility of the Dulles extension. That study, completed in July 1971, authorized the Secretary of Transportation to contract with WMATA for a comprehensive study of the feasibility, including preliminary engineering, for extending a transit line in the median of the Dulles Airport Road; and determined that a line to Dulles would be a " * * * vital link with what will be the area's most important airport and an important branch of the Metropolitan Washington rapid transit" system.

The history of urban development in general and of the Washington Metropolitan Area in particular clearly demonstrates that it is never too early to begin looking and planning ahead to anticipate where and how public investment may best be programmed to meet future needs.

HEARING

H.R. 7658 was introduced on June 25, 1980. A hearing was held by the Subcommittee on Metropolitan Affairs on September 17, 1980. Testimony was presented in favor of the bill by Representative Herbert E. Harris II (Va.), Representative Joseph L. Fisher (Va.), Representative Gladys N. Spellman (Md.), Representative Marjorie S. Holt (Md.), Representative Michael D. Barnes (Md.), Delegate Walter E. Fauntroy (D.C.), and Representative Stewart B. McKinney (Conn.). Testimony in support of H.R. 7658 was also given by the Washington Metropolitan Area Transit Authority, the Federal City Council, and the National Capital Planning Commission.

The United States Department of Transportation, Urban Mass Transportation Administration, testified; "We have no objection to this bill provided that these changes are made." The changes recommended by the Administration were that the bill direct the Secretary of Transportation to contract for the study with the Metropolitan Washington Council of Governments, rather than WMATA; the 18-month deadline be extended; the study be funded from Section 8 of the Urban Mass Transportation Act of 1964 rather than from a separate authorization; and other transit alternatives be studied rather than only rail rapid transit extensions.

The bill was amended and ordered reported favorably to the Full Committee.

ANALYSIS OF H.R. 7658

H.R. 7658 amends the National Capital Transportation Act of 1969 (D.C. Code, section 1-1441 et seq.) by adding a Section 17.

Section 17 directs the Secretary of Transportation to contract with the Washington Metropolitan Area Transit Authority for a compre-

hensive study of the feasibility of extending rail rapid transit lines in several corridors, specifically, studies of extensions to Dulles International Airport, Burke and Lorton, Virginia; Gaithersburg, Germantown, Largo, Bowie, Clarksburg, and the intersection of U.S. Route 301 and Maryland Route 5, in Maryland; and a route or routes in the District of Columbia as may be appropriate. Section 17 directs that the study take into consideration estimated demand for each extension, projected population growth along each corridor, and the engineering feasibility of each extension. Estimates of capital costs will also be included.

COST ESTIMATES

Section 17 sets an 18-month limit for the study, and effective on October 1, 1981 authorizes \$1.84 million as the Federal share of the study. The total cost of the study will be shared on an 80 percent Federal and 20 percent local basis.

COMMITTEE ACTION

On September 22, 1980, the Full Committee by voice vote approved the bill H.R. 7658, as amended, and ordered same reported to the House.

CONCLUSION

The Committee finds that there is a clear need for a comprehensive study of extending rail rapid transit lines with Washington Metropolitan region, as directed by H.R. 7658. The Committee further finds that the Washington Metropolitan Area Transit Authority Compact, approved by Congress, clearly places responsibility for planning transit facilities for the region with WMATA. However, any such study efforts should be in close cooperation and coordination with all jurisdictions in the region, the Metropolitan Washington Council of Governments, and those other organizations designated by the WMATA Compact.

The Committee finds considerable Congressional precedent for the separate authorization of funds to meet the transportation needs of the National Capital Region.

The Committee endorses inclusion of a preliminary assessment of the feasibility of an extension to Laurel, Maryland that would serve as a transfer point for the Baltimore Subway, and in Virginia an extension to the intersection of Virginia interstate Route 66 and Virginia Route 50.

STATEMENTS REQUIRED BY RULE X(7)(3) OF HOUSE RULES

OVERSIGHT FINDINGS AND RECOMMENDATIONS

The committee's oversight findings with respect to the matters with which the legislation is concerned remain as a part of its continuing congressional oversight required by the Constitution and specifically provided for in the Home Rule Act (sections 601, 602, 604, and 731 of Public Law 93-198).

COMMITTEE ON GOVERNMENT OPERATIONS SUMMARY

No oversight findings and recommendations have been received which relate to this measure from the Committee on Government Operations under clause 2(b) (2) of rule X.

INFLATIONARY IMPACT

The bill, if enacted into law, will have no foreseeable inflationary impact on prices or costs in the operation of the national economy.

BUDGET AUTHORITY

This legislation creates no new budget authority or tax expenditure by the Federal Government. Therefore, a statement required by section 308(a) of the Congressional Budget and Impoundment Control Act of 1974 is not necessary.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

An estimate of costs has been received by the committee from the Asst. Director of the Congressional Budget Office, pursuant to section 403 of the Congressional Budget and Impoundment Control Act of 1974. The enactment of the proposed authorizing legislation will involve added costs only when appropriated by the Federal Government, as shown in the Deputy Director's letter with which the Committee on the District of Columbia concurs.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., September 22, 1980.

HON. RONALD V. DELLUMS,
Chairman, Committee on the District of Columbia, House of Representatives, Longworth House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for H.R. 7658, a bill to amend the National Capital Transportation Act of 1969 to require the Secretary of Transportation to contract with the Washington Metropolitan Area Transit Authority for a comprehensive study of extending the rail rapid transit line specified in the Adopted Regional System.

Should the committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

JAMES BLUM
(For Alice M. Rivlin, Director).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 7658.
2. Bill title: A bill to amend the National Capital Transportation Act of 1969 to require the Secretary of Transportation to contract

with the Washington Metropolitan Area Transit Authority for a comprehensive study of extending the rail rapid transit line specified in the Adopted Regional System.

3. Bill status: As ordered reported by the House Committee on the District of Columbia, September 22, 1980.

4. Bill purpose: H.R. 7658 authorizes the appropriation of \$1.84 million for the Secretary of Transportation to contract with the Washington Metropolitan Area Transit Authority (WMATA) to study six specific routes and other routes deemed appropriate and feasible candidates for extension. These studies are to examine the proposed extension of rail rapid transit lines currently specified in WMATA's Adopted Regional System.

5. Cost estimate:

Authorization level:

Fiscal year:	Millions
1981	-----
1982	----- \$1.84
1983	-----
1984	-----
1985	-----

Estimated outlays:

Fiscal year:	
1981	-----
1982	----- 1.29
1983	----- 0.55
1984	-----
1985	-----

The costs of this bill fall within budget subfunction 401.

6. Basis of estimate: All funds authorized are assumed to be appropriated prior to the beginning of fiscal year 1982. The \$1.84 million is for consultant services to assist in the required feasibility studies, which are due 18 months after the consultant contract is entered into. It is expected that this contract will be let in early fiscal year 1982 and that the funds will be expended over the entire 18 month period.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Patrick J. McCann.

10. Estimate approved by:

C. G. NUCKOLS

(For James L. Blum, Assistant Director for Budget Analysis).

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, as shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

NATIONAL CAPITAL TRANSPORTATION ACT OF 1969

* * * * *

SUBCHAPTER V.—ADOPTED REGIONAL SYSTEM

* * * * *

STUDY OF EXTENSIONS OF TRANSIT LINES

SEC. 17. (a) (1) *The Secretary of Transportation shall contract with the Transit Authority for a comprehensive study of the feasibility, including preliminary engineering, of extending rail rapid transit lines—*

(A) *from the vicinity of Virginia Route 7 on the Virginia Interstate 66 Route of the Adopted Regional System to the Dulles International Airport;*

(B) *from the vicinity of Virginia Interstate Route 95 and the proposed Franconia rail rapid transit station of the Adopted Regional System to the vicinity of Virginia Route 645 in Burke, Virginia;*

(C) *from the vicinity of Virginia Interstate Route 95 and the proposed Franconia rail rapid transit station of the Adopted Regional System to the vicinity of the intersection of Virginia Interstate Route 95 and Lorton Road, in Virginia;*

(D) *from the proposed Addison Road rail rapid transit station of the Adopted Regional System to the Capital Centre in Largo, Maryland, and on to the vicinity of Bowie, Maryland;*

(E) *from the proposed Shady Grove rail rapid transit station of the Adopted Regional System to the vicinity of Gaithersburg, Maryland, on to the vicinity of Germantown, Maryland, and on to the vicinity of Clarksburg, Maryland;*

(F) *from the proposed Rosecroft rail rapid transit station of the Adopted Regional System to the vicinity of the intersection of United States Route 301 and Maryland Route 5, in Maryland;*

(G) *within the District of Columbia on routes determined to be practicable by the Mayor, after consultation with the Transit Authority, and approved by the Council of the District of Columbia; and*

(H) *to the extent funds are available, on routes determined by the Transit Authority to be appropriate and feasible.*

(2) *The contract entered into pursuant to paragraph (1) shall require the Transit Authority in conducting the study to take into consideration estimated demand for each proposed rail rapid transit line extension, projected population growth along each proposed rail rapid transit line extension, and the engineering feasibility of each proposed rail rapid transit line extension.*

(b) *The contract entered into pursuant to subsection (a) (1) shall require the Transit Authority to submit to the Secretary of Transportation and the Congress—*

(1) *a report on the part of the study, conducted under such contract, on the feasibility of extending a rail rapid transit line to the Dulles International Airport, no later than 6 months after the date the contract is entered into; and*

(2) *a report on the entire study, conducted under such contract, which shall contain proposed routes for each proposed rail rapid*

transit line extension specified in subsection (a) (1), not later than 18 months after the date the contract is entered into.

(c) (1) The contract entered into pursuant to subsection (a) (1) shall provide for a Federal contribution to be paid by the Secretary of Transportation to the Transit Authority to pay for the costs of carrying out the contract.

(2) The amount of the Federal contribution paid pursuant to paragraph (1) shall not exceed an amount equal to 80 percent of the costs of carrying out the contract entered into pursuant to subsection (a) (1).

(d) Effective October 1, 1981, there are authorized to be appropriated to the Secretary of Transportation to carry out this section, \$1,840,000.

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APPENDIXES

DULLES AIRPORT
RAPID TRANSIT SERVICE

FEASIBILITY STUDY



JULY 1971

DEPARTMENT OF TRANSPORTATION
FEDERAL RAILROAD ADMINISTRATION
OFFICE OF HIGH-SPEED GROUND TRANSPORTATION

1. Report No. FRA-RT-72-01	2. Government Accession No.	3. Recipient's Catalog No.	
4. Title and Subtitle DULLES AIRPORT RAPID TRANSIT SERVICE A Feasibility Study		5. Report Date July, 1971	6. Performing Organization Code EP-1200
7. Author(s)		8. Performing Organization Report No.	
9. Performing Organization Name and Address Day & Zimmermann Consulting Services 1700 Sansom Street Philadelphia, Pennsylvania 19103		10. Work Unit No.	11. Contract or Grant No. DOT-FR-10011
12. Sponsoring Agency Name and Address Department of Transportation Federal Railroad Administration Washington, D. C. 20590		13. Type of Report and Period Covered Final Report	
		14. Sponsoring Agency Code	
15. Supplementary Notes Prepared for the Washington Metropolitan Area Transit Authority			
16. Abstract The Study investigates the feasibility of extending a rapid transit line in the median of the Dulles Access Highway from its projected junction with Interstate 66 to the Dulles International Airport. The line would be operated in conjunction with the Washington Metro System currently under construction. The Study assumes the operation of electrically powered trains on steel rail trackage similar to Metro designs. The Study encompasses requirements for right-of-way, fixed facilities and vehicles, as well as alternative methods and schedules of operation. Estimated capital and operating costs related to these factors have been developed. Forecasts have been made for various time frames to estimate the numbers of travelers who would make use of the service, and revenues generated by this traffic have been projected. Fares assumed in the analysis were those used in Washington Metropolitan Area Transit Authority's 98-mile Adopted Regional System revenue projections which result in a \$1.35 fare from Dulles Airport to downtown.			
17. Key Words Airports, Rapid Transit Railways, Terminal Facilities, Transportation, Urban Planning		18. Distribution Statement Availability is unlimited. Copies may be purchased from NTIS, Springfield, Virginia 22151	
19. Security Classif. (of this report)	20. Security Classif. (of this page)	21. No. of Pages	22. Price

FD-204 DOT F 1700.7 (8-69)

THE CONTENTS OF THIS REPORT REFLECT THE VIEWS OF DAY & ZIMMERMANN-CONSULTING SERVICES WHICH IS RESPONSIBLE FOR THE FACTS AND THE ACCURACY OF THE DATA PRESENTED HEREIN. THE CONTENTS DO NOT NECESSARILY REFLECT THE OFFICIAL VIEWS OR POLICY OF THE DEPARTMENT OF TRANSPORTATION OR THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY. THIS REPORT DOES NOT CONSTITUTE A STANDARD, SPECIFICATION OR REGULATION.



WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
950 South L'Enfant Plaza, S.W., Washington, D. C. 20024

July 7, 1971

Honorable John A. Volpe
Secretary of Transportation
Washington, D.C. 20590

Dear Mr. Secretary:

We are pleased to submit herewith a report on the feasibility of extending rapid transit service to Dulles Airport. This study was performed in compliance with Public Law No. 91-143 and was conducted by Day & Zimmermann Consulting Services, Philadelphia, Pennsylvania.

This report contains the results of studies of five rapid transit service alternatives to Dulles Airport connecting with the 98-mile Authorized Regional System. For each alternative, the report contains an estimate of capital and operating costs, patronage and revenue forecasts, and supporting documentation.

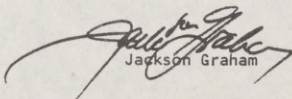
The report reflects considerable effort on the part of our consultants and provides very useful data in evaluating the feasibility of providing rapid transit service to Dulles. It should be noted, however, that the alternative providing express service from Dulles to Rosslyn may not be feasible from an engineering standpoint because construction of the Metro Rosslyn Station will begin this month, thus creating complex design problems for this alternative.

The Authority staff has reviewed all the capital cost estimates and feels that these estimates appear to be optimistic based on more recent experience by the Authority in receipt of construction bids.

The forecast of rapid transit riders to Dulles Airport does not appear to be unreasonable considering the air passenger estimate by the Federal Aviation Administration of about 70,000 air travelers using Dulles Airport daily in 1990. It should be emphasized, however, that the estimated rapid transit ridership is dependent upon the validity of the FAA forecasts.

Rapid transit service to Dulles Airport should provide a valuable regional transportation service and should improve the accessibility of Dulles Airport for all persons in the Washington area. The Authority is pleased to have been a part of the study.

Sincerely,


Jackson Graham

Enclosure



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DAY & ZIMMERMANN CONSULTING SERVICES
A DIVISION OF DAY & ZIMMERMANN, INC.

DAY & ZIMMERMANN BUILDING
1700 SANSON STREET
PHILADELPHIA 19103

FILE NO EP-1200

July 1, 1971

Mr. Jackson Graham
General Manager
Washington Metropolitan Area Transit Authority
950 L'Enfant Plaza, South
Washington, D. C. 20024

Dear Mr. Graham:

In accordance with your authorization, we are pleased to present our Report covering a feasibility study of providing rapid transit service to Dulles International Airport.

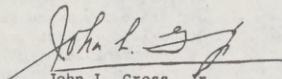
This study considered express and local shuttle service along the Dulles Access Highway from Route 7 Station on Route K; express service between Rosslyn and Dulles Airport using portions of Route K and the Dulles Access Highway; and integrated service from downtown Washington using the Ardmore Avenue-Route K lines and the Dulles Access Highway.

Our study included estimates of passengers to be carried, revenues to be received, and associated operating and construction costs under the above premises together with plans and profiles of each of the alternates.

Details supporting our analysis and our final results are set forth in our Report which is herewith respectfully submitted.

Very truly yours,

DAY & ZIMMERMANN CONSULTING SERVICES


John L. Gross, Jr.
Vice President

I. SUMMARY

The purpose of this Study has been to investigate the feasibility of extending a rapid transit line in the median of the Dulles Access Highway from its projected junction with Interstate 66 to the Dulles International Airport. The line would be operated in conjunction with the Washington Metro System currently under construction. A map showing the relationship of the line to the Metro network follows this summary. Electrically-powered trains would display the same high standards of performance, comfort and appearance that are to be incorporated in the vehicles planned for the regional transit system. With such service available it would be possible to travel from Metro Center in downtown Washington to the Dulles Airport Terminal Building in approximately 35 minutes during peak traffic conditions or inclement weather.

Five service alternatives from the Airport were considered:

- A-1. Express shuttle service to a transfer station on Metro Route K (Nutley Road Line).
- A-2. Local shuttle service to the transfer station with two intermediate stops.
- B-1. Integrated express service to downtown Washington.
- B-2. Integrated local service (two intermediate stops) to downtown Washington.
- B-3. Express service to a transportation center in Rosslyn.

This Study has encompassed requirements for right-of-way, fixed facilities and vehicles, as well as alternative methods and schedules of operation. Estimated capital and operating costs related to these factors have also been developed. Forecasts have been made for various time frames to estimate the numbers of travelers who would make use of this service, and revenues generated by this traffic have been projected. Fares assumed in the analysis were those used in the 98-mile ARS Revenue Projections which result in a \$1.35 fare from Dulles Airport to downtown.

With regard to the physical characteristics of the line, there appear to be no obstacles to early development. The Dulles Access Highway median is adequate in width and in vertical and horizontal curvature. Moreover, a clean and well-maintained rail line would not be detrimental to either the functioning or appearance of this attractive artery. A subway approach to the Airport Terminal, itself, is practical and would provide the highest degree of convenience to air travelers and others visiting--or employed in--the facilities. Preliminary estimates by the Washington Metropolitan Area Transit Authority (WMATA) indicate that the line could be opened for revenue service in mid 1978. In indicating a

In summary, Dulles Airport rail service merits further study as a vital link with what will be the area's most important airport and as an important branch of the metropolitan Washington rapid transit system.

mid-1978 operation date, it is presumed that general plan development could begin early in 1972 and the major construction effort could take place between 1975 and 1977. It would be feasible to open the Dulles extension in advance of 1978 assuming early availability of design and construction funds and an immediate resolution of planning and design uncertainties in Arlington and Fairfax counties and in the I-66 corridor.

This Study assumes dual, steel rail trackage for guidance similar to the equipment planned for WMATA. It is reliable, well proven, economical and easy to maintain. The line is just under 17 miles long. Running times have been based on train performance of 80 MPH maximum speed. Curvature would permit operations at this speed over approximately 80% of the line.

Closely related to the guidance system are the vehicles and their propulsion and control systems. Again, the Study found no obstacles to early implementation in this area. High performance, program controlled rapid transit cars are now operating on a number of systems throughout the world. It is evident that the rolling stock in advanced state of design for WMATA displays characteristics which are wholly suitable for Airport service. Moreover, the acquisition of this equipment could reduce initial capital costs and promote efficiency in utilization, servicing and maintenance.

With regard to the Dulles line's potential for generating traffic, the outlook is equally encouraging. Table A, at the end of this Summary, indicates daily traffic volumes for the various service alternatives in 1990. For example, service integrated with the balance of the Metro System is estimated to carry over 23,000 daily airport passengers. This represents a modal split of approximately 16% of airport-oriented trips by passengers, employees and visitors in the Washington-Baltimore region. The air passenger portion of trip data is based on Federal Aviation Administration forecasts. It should be noted, however, that a significant proportion of local traffic constitutes diversions from the Nutley Road Line so that the net contribution of local passengers and revenue to Metro would be smaller.

Table B, at the end of this Summary, presents capital costs for fixed facilities and vehicles for each service alternative. The higher cost of the Rosslyn system is due to the substantially longer route and complex terminal facilities at Rosslyn. Adjusted revenues (which reflect diversion of patronage from the Nutley Road Line) are then compared with operating costs to determine net revenue. It should be noted that no additional costs have been included to account for increased passenger loads on the 98-mile Adopted Regional System, since the schedule of trains and cars provided by WMATA for the Nutley Road (Route K) Line will be adequate to handle the additional Dulles Line passengers. The deduction of depreciation leaves revenue which is available for financing each service alternative. It can be seen that while all alternatives will make some contribution, the largest amounts will be generated by the integrated services.

TABLE A

SERVICE ALTERNATIVES SHOWING RUNNING TIME AND 1990 PASSENGER VOLUMES

<u>Report Designation</u>	<u>Service</u>	<u>Headway (Minutes)</u>	<u>Travel Time (Minutes)</u>	<u>24-Hour Airport</u>	<u>Passenger Local</u>	<u>Volumes Total</u>
A-1	Express Shuttle	15	37 *	17,600	-	17,600
		7.5	37 *	17,600	-	17,600
		4	37 *	17,600	-	17,600
A-2	Local Shuttle	15	39 *	17,600	3,712	21,312
		7.5	39 *	17,600	8,506	26,106
		4	39 *	17,600	11,528	29,128
B-1	Integrated Express ⁽¹⁾	15	33 **	23,400	-	23,400
B-2	Integrated Local	15	35 **	23,400	6,774	30,174
B-3	Rosslyn Express	16	21 ***	19,900	-	19,900

NOTES:

- (1) Express service on Dulles Extension and local service on Route K (Nutley Road) Line
- * Between Dulles and Metro Center, downtown Washington, including transferring at Route K Junction during peak hour Metro Headways.
- ** Between Dulles and Metro Center, downtown Washington
- *** Between Dulles and Rosslyn

TABLE B
SUMMARY OF FINANCIAL STATISTICS FOR ALTERNATIVE RAPID TRANSIT SERVICE
TO DULLES AIRPORT

(Expressed in Thousands)															
Alternative	Operation	Headway (Minutes)	Base Cost (1)			Escalated Cost (2)			1990 Revenues and Cost					Revenue- Cost Ratio (10)	
			Capital (3)	Engi- neering (4)	Vehicles (4)	Capital (5)	Engi- neering (6)	Total (7)	Revenue (8)	Operating Cost	Net Revenue	Depreci- ation for Financing (9)			
A-1	Express Shuttle	15	\$42,429	\$ 1,909	\$ 3,780	\$ 75,608	\$ 2,686	\$ 5,617	\$ 83,911	\$ 8,505	\$ 1,381	\$ 7,124	\$ 6,486	.077	
		7.5	42,429	1,909	3,150	75,608	2,686	4,681	82,975	8,505	2,357	6,148	638	5,510	.066
		4.0	42,429	1,909	5,040	75,608	2,686	7,489	85,783	8,505	2,651	5,854	638	5,216	.061
A-2	Local/Shuttle	15	44,148	1,987	5,670	78,672	2,796	8,426	89,894	9,057	2,616	6,441	679	5,762	.064
		7.5	44,148	1,987	10,008	78,662	2,796	14,872	96,340	9,448	3,411	6,037	709	5,328	.055
		4.0	44,148	1,987	11,970	78,762	2,796	17,787	99,255	9,719	3,530	6,189	729	5,460	.055
B-1	Integrated Express	15	42,195	1,899	8,190	75,191	2,672	12,170	90,033	11,315	2,616	8,699	809	7,850	.087
B-2	Integrated Local	15	44,725	2,013	8,190	79,700	2,832	12,170	94,702	11,554	2,862	8,692	867	7,825	.083
B-3	Rosslyn Express:	16	32,319	1,454	-	46,830	1,603	-	-	-	-	-	-	-	-
	Rosslyn-Falls Church		42,132	1,896	-	75,079	2,668	-	-	-	-	-	-	-	-
	Falls Church-Bulles		74,451	3,350	7,560	121,909	4,271	11,234	137,414	9,636	3,407	6,229	723	5,506	.040
	Total														

(1) Based on January 1, 1969 prices.

(2) Escalated to January 1977, the assumed mid-point of construction.

(3) 4.5% of Capital Cost - provided by WMATA.

(4) 1990 Vehicle Requirements - provided by WMATA.

(5) Escalated at 7% for approximately eight years - provided by WMATA.

(6) Escalated at 5% for seven years - provided by WMATA.

(7) Escalated at 6% for approximately seven years - provided by WMATA.

(8) Gross Revenue adjusted to reflect diversion of patronage from Nutley Road (Route K) Line.

(9) 7-1/2% of Adjusted Revenue - allowance for depreciation of physical facilities.

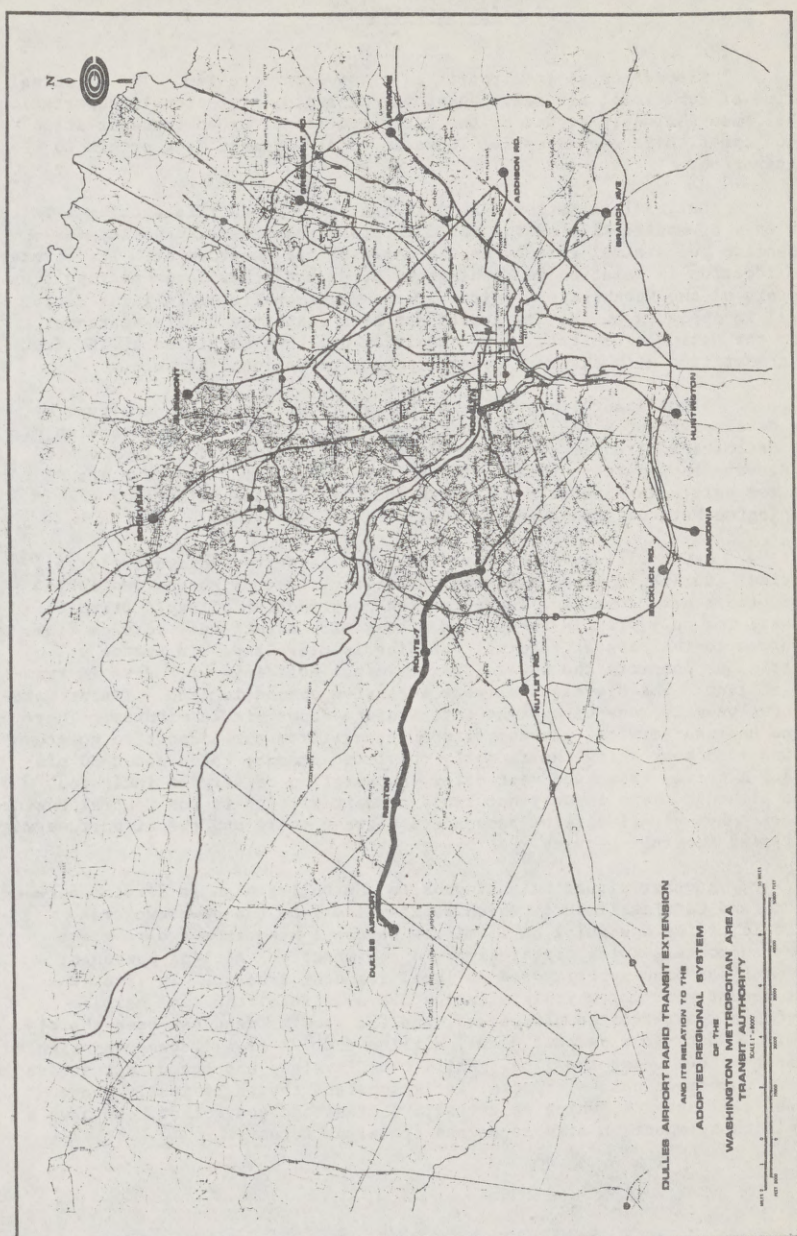
(10) Ratio of 1990 revenue available for financing to 1977 total escalated costs.

(11) Alternative B-3 construction costs from Rosslyn to Falls Church have been calculated without necessary consideration for redesign and reconstruction costs of WMATA's Route K.

(12) Important elements of the Rosslyn-Falls Church segment of WMATA's Route K are either under construction or final design and recommendation of the B-3 alternative would necessitate considerable additional cost which cannot be estimated at this time.

(13) Escalated at 7% for approximately 6 years - provided by WMATA.

(14) Escalated at 5% for two years - provided by WMATA.



II. INTRODUCTION

Ground access to airports is a universal problem. The principal virtue of commercial air service--providing rapid inter-city transportation --has been seriously eroded by the deterioration of urban transportation which constitutes two essential links in total movement from origin to destination.

Dulles International Airport has not escaped this problem. It is the envy of most cities of the world in its spaciousness, capacity for expansion and minimal effects on the metropolitan environment. Its strategic location in relation to Washington, D. C. and other large metropolitan centers of the Northeastern United States is demonstrated in Illustration No. 1 in Appendix A. Yet its growth has been inhibited by its distance from the Nation's Capital. This condition has been magnified by the fact of competition with the more centrally located National Airport.

Significant improvement in access to Dulles can be achieved by the development of a rail line functioning essentially as an extension of the Metro rapid transit system now under construction. This line could also serve an important role in the intra-city movement of travelers between points in Fairfax and Loudoun Counties and the balance of the Washington Metropolitan area.

Seven cities of the world now have airport-downtown rapid rail service: Berlin, Boston, Brussels, Cleveland, London, Moscow and Tokyo. Five others have committed funds for the construction of rapid transit links. The only city in the United States with direct rail service from downtown to the airport terminal building is Cleveland. In Boston a shuttle bus connects the several air terminal buildings with a rapid transit station. The Cleveland airport extension opened in 1968. Trains make the twelve-mile run--with eight intermediate stops--in 22 minutes. There is no express service. By comparison, travel from the airport to downtown during rush hour using the recently completed freeway takes about 30 minutes. A survey taken one year after inauguration of service indicated that although there is only one rapid transit station in the Central Business District 36% of all airline passengers between there and the airport were utilizing the rail service.

Another situation analogous to the Dulles plan is service between London and Gatwick Airport, which is 25 miles from the downtown area. Electric trains operating on 15-minute headways make from two to eight stops en route. Total travel time: 40-45 minutes. Airline passenger movement has been superimposed on local commuter traffic. In 1966 (the most recent year for which statistics are available) the line carried 730,000 airport-related passengers, and the growth trend has been sharply upward. Forty-four percent of all airline and 72% of all downtown-oriented passengers are using the line. While the Cleveland and London situations have a number of unique aspects, it is apparent that a basically conventional rail service, which is attractive, fast and convenient, can have a significant impact on airport access travel patterns.

Comparison of Alternate Systems: Under terms of the contract for this Study, five alternative systems of rapid transit service to Dulles Airport have been considered:

- A. Shuttle service between Dulles and a station on Metro rapid transit Route K situated in the median of Interstate 66.

Alternatives within this basic system:

1. Express service.
2. Local service with regular stops at two intermediate stations: Reston Avenue and Virginia Route No. 7 (Leesburg Pike).

- B. Service integrated with the Metro System.

Alternatives within this basic system:

1. Express service between Dulles and Route K and local service making all stops through Washington to Ardmore.
2. Local service with regular stops at Reston Avenue and Route No. 7 (Leesburg Pike) and then local service to Ardmore, as above.
3. Express service between Dulles and Rosslyn where special airport terminal facilities would be located.

This Report first considers the fixed facilities and equipment required for the functioning of each alternative. Included are right-of-way, track, stations, cars, power and control. Operations are then described. This covers various levels of train service as well as a feeder bus system serving the Reston Avenue Station.

Forecasts of passenger traffic generated by the different levels of service are presented for the years 1976, 1980, 1990 and 2000. This includes both airport and local, commuter traffic. These figures are then related to a fare structure for the projection of revenues. Section VII compares capital costs of the various alternatives, and Section VIII outlines operating costs of the various levels of service. The final section of the text makes comparisons of annual revenues and operating costs.

The Appendix of this Report is divided into four sections. The first, Section A, contains preliminary plans, elevations and designs of significant facilities and equipment. Section B is a 1" to 400 ft scale plan and profile of the entire rapid transit line from the Dulles Terminal Station to Metro Route K. Section C contains summary and detail capital cost estimate tables for all facilities and equipment (excluding cars) for each of the five alternative systems. Section D is a series of tables displaying data which support and expand upon the material in the text. They include statistics on operations, expenses, traffic, fares and revenues.

III. ENGINEERING

A. Requirements Common to All Alternative Systems

The principal item of capital construction integral to all alternatives is a 16.7-mile double-track line located in the median of the Dulles Access Road and running its entire length from the proposed intersection with Interstate 66 to a point just short of the airport. There it enters a tunnel which cuts diagonally across airport property to the east end of the terminal building. The tunnel then parallels the terminal structure on the north side to its mid-point where a stub-end station is located.

The Dulles Access Road median provides an ideal right-of-way for a high-speed transit line. Curves and grades are relatively gentle, and there are no designated arterial crossings at grade for either vehicles or pedestrians. In the construction of the highway this area was largely graded, but some natural contours remain. Some deviation from the profile of the highway would be required in order to insure maximum train performance and the smoothest, most comfortable ride. Cutting and filling in order to bring this about would require 260,000 cu yd of excavation and 66,400 cu yd of fill for a net removal of 193,600 cu yd. An additional 110,000 cu yd of excavation would be required in connection with the subway into the Dulles Terminal. On the other hand a car storage yard and a connection with Metro Route K would require 43,600 cu yd of fill.

Curvature of the rail line must conform almost entirely to that of the highway, but this does not inhibit high performance train operation. It is anticipated that the cars for this service would be designed to achieve a maximum speed of 80 mph so that the cars could be immediately or eventually compatible with Metro equipment. Illustration No. 2 shows that only approximately 20% of the route has speed restrictions below 80 mph. Average start-to-stop speed for express trains between Dulles and the Route K junction station would be 71.7 mph.

In order to accommodate high-speed train operation with safety and comfort--as well as for economy in design and construction--the line has been designed to Metro standards wherever possible. A typical cross section of right-of-way may be found on Illustration No. 4 in Appendix A. Deviations occur primarily in lateral dimensions resulting from the limited width of the Access Road median. However, this does not impair in any way the structural or operational safety of the transit line or highway.

The two-rail track would be standard gauge (4 ft 8-1/2 in) for compatibility with Metro. Distance between track centers: 14 ft. Steel rails, weighing 115 lb/yd, would be fastened to hardwood crossties 8 ft 6 in in length. Crossties supporting 3rd rail insulators would be 9 ft 9 in long. The ties would lay in a roadbed of crushed stone ballast and a suitable, porous sub-ballast totaling 2 ft 2 in in depth. The stability of the entire right-of-way would be protected by a drainage system consisting of 79 inlets and 1,130 ft of various diameter culvert. Typical drainage detail appears on Illustration No. 8.

Four double crossovers would be located along the line to provide maximum flexibility in train movement.

The transit right-of-way would be protected by two parallel barriers on each side. One would be a chain link fence to keep out trespassers on foot. The other would be a highway guard rail to deflect intruding motor vehicles. At intermediate stations a concrete wall would fill the function of the steel guard rail. The chain link fence would follow the rail line on its separate right-of-way from the highway to the entrance of the subway.

Eight railroad bridges are required in the same locations as existing structures for the two pavements of the Access Road. Six would cross highways, one a relatively deep stream valley and one a now abandoned railroad right-of-way. All would be constructed of structural steel superstructures with reinforced concrete piers and abutments. A typical bridge abutment appears on Illustration No. 7. Filing was used as required by soil conditions. Existing highway overpasses would not be disturbed in any way except insofar as they would be integral to an intermediate station complex. This will be covered in the descriptions of the individual facilities.

In addition to the relatively short bridge spans there is an elevated flyover 2,400 ft in length which--in a westerly direction (toward the airport)--carries the two-track line from the median over the eastbound highway lane to a separate right-of-way cutting diagonally toward the subway portal and the terminal building. See Illustration No. 10 for a cross section of this portion of the line. It might be thought that this reinforced concrete structure would be aesthetically detrimental to the airport site. Field inspection will reveal, however, that at the point of the flyover, the highway, itself, lies in a cut, so that the terminal area and all of its structures are completely out of sight to motorists traveling in either direction. Moreover, as the flyover takes off from the median in the highway cut it is elevated only with respect to the highway, itself, and not to the adjacent land. It should also be noted that the start of the flyover is situated at a structural steel overpass (State Route No. 28). It is apparent, therefore, that the rail viaduct would be no more noticeable to its surroundings than is this highway bridge.

As the terminal area is approached, however it is essential from an operational standpoint that the rail line be grade separated from other traffic arteries. Since an elevated structure might be incompatible with the overall design and function of the Dulles Airport, the alternative is an underground approach. Therefore, a cut-and-cover type subway has been designed. See Illustrations 11a and 11b for double and single-track cross sections, respectively. A double-track section would be approximately 1,800 ft long. The single-track section into the Dulles station would be approximately 2,700 ft long and have a ceiling height above top of rail of 12 ft. In the vicinity of the terminal building the top of the rail would be 28 ft below the surface.

The basic design of the line includes provision for electrified train operation. This, again, is required for compatibility with Metro but is also to reduce the problem of subway ventilation in the Dulles

Terminal station and subway. Moreover, any form of rolling stock with self-contained power systems would require special inspection, maintenance and repair facilities, equipment and personnel. It must be kept in mind that this line would have access to standard railroad shops only via Metro subway routes which will have relatively restricted vertical clearances and no provision for the removal of exhaust from internal combustion engines. Another consideration favoring compatible electric vehicles is the flexibility in utilizing this revenue equipment. For example the typical peak in Sunday P. M. air travel coincides with a relatively low level of intra-city travel.

Electric current for car motors would be collected from a third rail lying outside of the two running rails and weighing approximately 150 lb per yd. Six hundred-volt DC current would be fed to this rail from eight substations spaced evenly along the 16.7-mile line. Their schematic location appears on Illustration No. 2. No additional transmission line would be required.

Fully automated train control would be employed. All changes in speed would be preprogrammed and issued electronically as commands to vehicle propulsion and braking systems by remote control. For compatibility, economy and coordination this function should be exercised by the Metro control center irrespective of whether the Dulles line is integrated or a separate shuttle.

All trains would be equipped with two-way radios for instant communication with the Metro control center. Such a system would be of great value in the event of accidents, malfunctions or crime.

Dulles Station: A facility common to all alternatives is the Dulles Airport station located underground and in the front and center of the terminal building on the north side. See Illustration No. 12. The design of this facility consists of a single stub-end track with a train-floor high platform on the Terminal Building side, 600 ft long and 12 ft wide. An additional 10 ft wide area, approximately 50 ft long, provides space for entrance and egress to and from the terminal itself. The total ceiling span of the station is 23-1/2 ft. Provision has been made for heating in winter and air conditioning in summer.

The transit station would be on the fourth level below the ticketing and departure floor. See Illustrations 13, 13a and 13b. Pedestrian and luggage transportation to that level would be provided by a 42 in wide beltway, approximately 149 ft in one-way length which would rise 47 ft on a 15-degree incline at the rate of 90 ft per second. Width and speed would give it an hourly capacity of 9,800 persons. A parallel belt of identical width and speed would carry passengers 31 ft down to the transit station from the baggage claim level of the terminal, located immediately below the ticketing level. The descending belt would be approximately 92 ft long. Four automatic fare collection gates for deplaning passengers would be located on the baggage claim level of the airline terminal at the entrance to this belt, while another four gates for enplaning passengers would be placed in the train station at the entrance to the ascending belt.

Consideration was given to the placement of airline ticketing and baggage check-in counters in the transit station. This would have required special belts, pallets or carts to move luggage from this point to the respective airline sorting bays on the south side of the terminal building. Since the planned pedestrian beltway would act as a convenient luggage carrier and would deposit outbound passengers at a point central to all of the existing airline counters, and as adequate numbers of sky-caps are expected to be available it was felt that such additional facilities catering only to airline passengers with luggage would be an unnecessary and costly duplication of facilities and attendant personnel. On the other hand, special luggage transportation has been designed and costed for the Rosslyn Express Service. It will be described, below, in the section describing the facilities required for that alternative. Plans are being formulated for the expansion of the entire airport to accommodate projected growth in airline traffic. While it is expected that transit interface facilities would be correspondingly enlarged, this Study has not dealt with that aspect.

Maintenance and Storage Facilities: A tract of land adjacent to the proposed junction of Metro Route K--situated in the freeway median of I-66--and the Dulles transit line appears to be suitable for the location of a car inspection, maintenance and storage yard. A tentative Metro plan calls for such a facility at this site. Plan and Profile sheets No. 36 and No. 37 in the Appendix indicate the lead track from the Dulles line into the Metro facility. With direct access available to both lines, it would, therefore, be ideal for the handling of Dulles trains regardless of whether the service was separate shuttle or fully integrated. This aspect is a significant plus in the feasibility of the entire Dulles system. As noted above, only if the propulsion technology were incompatible with Metro electrification would special inspection and maintenance equipment be necessary. Otherwise, the additional increment of Dulles cars to the Metro fleet would also be so small as to require only added amounts of manpower input and a corresponding inventory of suppliers and spare parts.

B. Requirements Unique to Each Alternative System

1. Shuttle Service between Airport and I-66

This alternative calls for an interface between terminating airport trains and those of the Metro system operating on Route K. Under an original requirement plans for two alternative sites were to be prepared: One at the Virginia Route 7 Station, which would have required the airport rail line to parallel Metro Route K some distance to the southwest of the junction of the Dulles Access Road and I-66; and the other in the vicinity of the junction, itself. Subsequently, however, WMATA prepared Preliminary Scheme "C" which shows the relocation of the Virginia Route 7 Station northeast to a site directly at the junction of the Dulles Access Road and I-66, thereby obviating a consideration of alternative sites.

The optimum configuration of an airport line terminal at this point is a stub-end station bridging over the westbound highway lanes of I-66 and positioned so as to be physically connected with the Metro Virginia Route 7 Station. This minimizes the interchange process of walking from the train platform of one line to the other. The aerial structure is 640 ft

long. The station design consists of an island platform 600 ft long and 10 ft wide. There would be a covered entrance at the track end of the facility which would contain eight fare collection gates, a ticket vending machine and an automatic change-maker. The station would be connected with the island platform of Metro Route 7 Station by two escalators. Average walking distance between Metro train debarking and the boarding of a Dulles train: 375 ft. It is not expected that many airport-bound passengers will originate at this point. However, there is convenient access from the Metro station parking lot or passenger drop-off platform through the entrance to the Route K platform where transferring passengers would originate.

2. Local Service between Airport and I-66

This alternative calls for two stations intermediate between the airport and Metro Route K. It would be applicable to both the airport-Route K shuttle service and the downtown service integrated with Metro. One is located at Reston Avenue adjacent to the Reston development and the other at Virginia Route 7 (Leesburg Pike) approximately one mile northwest of Tyson's Corner. They would principally serve intra-region passenger traffic, although it is conceivable that a small number of air passengers would utilize the rail line from these points.

Reston Avenue: The Reston Avenue station would consist of an island platform 600 ft long and 18 ft 4 in wide located between the two tracks of the transit line. A cross section of the island platform can be found on Illustration No. 5, and a plan of the entire station area appears on Illustration No. 15. The platform would lie directly underneath the Reston Avenue overpass, and passage between the two elevations would be provided by two escalators. A covered entrance at the upper street level would house the eight fare collection gates, ticket vending machines and change-makers.

The existing overpass provides approximately 24 ft of vehicular pavement which is sufficient for one lane of traffic in each direction. Passenger drop-off and pickup lanes at the station entrance are essential if transfer between train and private vehicle is to be safe and attractive. In addition, a feeder bus service (which will be described in detail, below) has been designed to serve this rail station, and adequate space should be provided for these vehicles. As a consequence, additional 12 ft wide lanes --one on each side--have been designed and costed. These will provide space for public and private vehicles to pull in and stop without interfering with the regular flow of traffic.

A paved and lighted 500-car parking lot has been designed and costed to be located immediately north of the rail station. The entrance, which would be protected by a traffic signal, would be at the point of the present "T" shaped junction of Reston Avenue and Sunset Hill Road. Walking distance from here to the station entrance is approximately 380 ft.

Virginia Route 7 (Leesburg Pike): A plan and elevation of the station may be found on Illustration Nos. 16 and 17 respectively. The design of the island platform for this station is identical to that of

Reston Avenue: 600 ft long and 18 ft 4 in wide. There are few other similarities however. Traffic on the four-lane Route No. 7 highway overpass was thought to be too fast and heavy to permit pull-out lanes on the bridge. Moreover, vehicles pulling into and out of such a westbound lane would cause an even more hazardous interference with traffic utilizing the entrance and exit cloverleaf ramps connecting with the Dulles Access Road.

These considerations led to the location of a 650-car parking lot in the northwest quadrant of the Route No. 7-Dulles Road crossing. A system of entrance and exit lanes connecting with Route No. 7 would handle drop-off and pickup as well as parking traffic. This paved and lighted area would be at elevations above those of the tracks. This contour feature permits the practical design of a pedestrian bridge from the station entrance at the parking lot across westbound vehicular lanes and transit track to an escalator leading down to the platform. The covered structure, housing eight fare collection gates, ticket vending machines and change-makers, would be located at the drop-off platform at the north end of the pedestrian bridge. As with Reston Avenue, Metro design standards should be followed wherever possible in order to minimize construction and maintenance costs.

3. Service Integrated with Metro

This alternative calls for a junction between the airport line and Metro Route K at the convergence of the Dulles Access Road and Interstate 66. Based on preliminary plans of WMATA and the Bureau of National Capitol Airports, the most logical plan would be to bridge the airport tracks over the westbound vehicular lanes of I-66 and drop them to grade in the median. The Dulles line would also fly over the westbound track of Metro Route K to minimize conflicting train movements. See Illustration No. 6 for a cross section of aerial structure. The entire double track structure--largely on a curve--would be 1,125 ft in length. Superelevation would permit a maximum speed of 65 mph. A layout of this junction can be found on Plan and Profile No. 37 in the Appendix. Switches and train control connected with the junction would be completely interlocked. As will be indicated in the section of text under Operations, below, the movement of trains from Dulles should be so regulated as to precisely conform to Route K headways at the moment of switching onto the Metro line.

If Dulles line trains are to serve Route No. 7 Station on I-66, it must be relocated to a point east of the converging lines.

4. Express Service between the Airport and Rosslyn

Two types of facilities are required for this service alternative. One is a series of passing tracks on Metro Route K between the Dulles line junction and Rosslyn. This would enable airport express trains to overtake local Metro trains without disturbing the speed or schedule of either. The other is separate station facilities at Rosslyn.

Express Bypass Tracks: The Route K track layout has been designed to permit Rosslyn express trains to operate at a maximum speed of 75 mph on a 16-minute headway with a two-minute layover at the Rosslyn Station. A schematic diagram of the line between Route K junction and Rosslyn can be found on Illustration No. 3. Starting at the junction end of the route the Dulles line would maintain two tracks at grade for approximately 4,000 ft. Dulles tracks would then converge from two to one but would remain in between and separate from the two Metro tracks. This three-track configuration would extend eastward for approximately 7,500 ft. The Dulles track would then split into two for another 5,000 ft. This four-track section (two for Dulles; two for Metro) would pass through the East Falls Church Station.

The next section would be 9,000 ft of three-track line with the central track reserved for Dulles. This configuration would extend through Glebe Road. For the next 6,000 ft there would be only two tracks with Metro and Dulles trains intermingled. Nelson Street would be in this stretch. The last section--into Rosslyn--would revert to three tracks with the center track once again reserved for Dulles express trains. In addition to Rosslyn, the Clarendon and Courthouse stations would be located on this 7,500-ft portion. See Illustrations No. 9 and 11, respectively, for rock construction and cut and cover subway construction.

In addition to right-of-way, the expansion of Route K trackage will have repercussions on the design of stations and bridges. Changes to platforms, escalators, fare collection equipment and other features would be required for Glebe Road, Clarendon and Courthouse stations. Six highway overpasses will require increases in length: Fairfax Drive, Lee Highway, 25th Street, Harrison Street, Great Falls and Patrick Henry Drive Ramp must span three tracks, while the Patrick Henry Drive Bridge would span 4. The presence of four underpasses will also require increases in width of the transit line structure. Westmoreland and Williamsburg Streets must be increased to carry three tracks. Ohio Drive and Sycamore Street must be increased to carry four.

Rosslyn Station: Located at an important junction of rapid transit and bus lines, this station would be the largest and most complex facility of the Dulles rapid transit system. A plan and elevation of the station appears on Illustration No. 18. The design calls for a one-story street-level concourse with 11,000 sq ft of floor space for 18 separate ticketing and baggage checking areas as well as miscellaneous utility rooms. Each major airline serving Dulles would operate its own facility, while some joint arrangements would be required of the smaller lines. The single stub-end Dulles transit track is located in the Metro subway complex and shares the train platform with the Washington-bound local track. Access between the street-level concourse and the train platform is provided by three sets of escalators. The first--120 ft long--drops passengers from the surface to a passageway linking train platforms with the Metro street-level entrance. Two other sets carry passengers from the passageway down to the trains. A bank of eight automatic fare collection gates has been placed on the concourse at the top of the upper set of escalators.

Express Baggage Handling: In order to enhance the attractiveness and convenience of the Rosslyn express service, it is proposed that a special baggage handling system be incorporated into the transit operation so that enplaning airline passengers could check their luggage at Rosslyn through to destination. The system has been designed to serve only out-bound--or enplaning--air passengers. It involves facilities and hardware at Rosslyn, Dulles and on the trains.

The entire system can best be described by tracing the sequence of steps involved in a typical luggage movement. After a suitcase has been tagged by an airline employee at one of the counters on the Rosslyn concourse it is placed on a horizontal conveyor. This moves and transfers the bag to a vertical conveyor which carries it 100 ft to the train platform. In this area the suitcase is manually loaded into a baggage cart. Each large airline would have one or more carts, while the smaller lines should operate on a pooling basis. The lightweight carts would be of conventional, simple design modified for rail movement.

On a pre-arranged schedule the cart--and others--is manually rolled into a luggage rail car coupled to the Dulles express train. This car would always be attached to the west--or Dulles--end of the train so as to be properly positioned for loading and unloading at the two terminals in a specific platform area so as to prevent interference with passenger movement. This requirement would not create a problem since the train would never be turned around during the course of its exclusive shuttle service.

The luggage car would be a standard, self-propelled rapid transit car converted for this function. A diagram of the car can be found on Illustration No. 20. Both sides would be equipped with flexible overhead doors for the entire length of the car with the exception of an operator's compartment. Stanchions and reinforcing members located between door tracks could replace car body support which would be reduced by the removal of the car sides. Lateral tracks on the floor of the car would aid in the ease and speed of loading and unloading the carts. They would also hold the carts in a stationary position during movement of the train. Simple locking devices could prevent the carts from rolling against the car doors. Carts would be short enough to allow a passageway along one side of the car. Little difficulty is anticipated in equipping standard baggage carts with side runners or guide wheels and floor locking devices.

When the train arrives at Dulles, luggage car doors are opened and the carts are manually rolled out and coupled--in train--to standard airport tractors. After assembly these tractor trains travel up and around the west end of the terminal building via an exclusive system of tunneling and a ramp. A plan and elevation of this system can be found on Illustration No. 14. They then drive into the baggage sorting area on the same pavement now used by baggage trains moving to and from aircraft on the field. At each airline's sorting position, that company's cart is uncoupled, and the train moves on to the next position. The airline sorter subsequently transfers the subject suitcase from the transit cart to the appropriate aircraft container. Empty carts would be returned to Rosslyn by the reverse

procedure. The baggage ramp and tunnel should not interfere with the present or future structure or operations of the Dulles Terminal.

Single Track Line Alternative: It is feasible to operate 15-minute (or less) headway service on the Dulles-Route K segment of the line with only one main track. Such a configuration calls for two passing sidings, each one mile long. Connections to the main track should be made with No. 20 turnouts to permit high-speed meets. A schematic diagram of the single track line can be found on Illustration No. 2.

Should this design course be followed, all steps should be initially taken for the future installation of the second main track: Double track grading, drainage and bridging should be carried out. The Reston and Route No. 7 (Leesburg Pike) Station platforms should be centrally located for the future positioning of the second track.

It is estimated that a single-track, electrified line could be constructed with the conditions described above for a cost of approximately \$12,128,000. This compares with a cost of \$20,232,000 for a complete two-track line with appropriately spaced high-speed crossovers. While this appears to offer a cost advantage, it must be recognized that inflation will considerably increase costs of installing the second track when future train headways make it essential. Higher costs will also be brought about by the requirement of construction work on an active, electrified rapid transit right-of-way. Initial double tracking would also provide an added measure of safety in train operations. Apart from the figure, above, all capital cost estimates in this Study are based on a double track line from Dulles to the Route K junction.

IV. OPERATIONSA. Rapid Transit

As indicated on page 1 of the Summary Section, Dulles rapid transit service has been considered in five alternatives. From the Airport:

- A-1. Express shuttle service to a transfer station on Metro Route K (Nutley Road Line).
- A-2. Local shuttle service to the transfer station with two intermediate stops.
- B-1. Integrated express service through downtown Washington to Ardmore.
- B-2. Integrated local service (two intermediate stops on the Dulles Line) through downtown Washington to Ardmore.
- B-3. Express service to a transportation center in Rosslyn.

It was assumed that Metro-type cars would be used on all systems, so the performance characteristics of these vehicles were followed in the determination of passenger capacity and running times and in the construction of schedules. The alternatives of express service vs local service with stops at Reston and Route No. 7 (Leesburg Pike) presented little difficulty in scheduling. A cumulative total of one minute was allocated for deceleration, dwell and acceleration at each station.

Headways for the Route K shuttle and Rosslyn services were based on a balanced consideration between service frequency as a factor in stimulating ridership and practical estimates of passenger loadings. Other factors were also recognized: Dulles can be reached by freeways from most parts of the region, although traffic slows considerably during the morning and evening peak commutation periods which closely correspond with peak movements of airline travelers. In addition, the average airline passenger is more likely to pay a premium for faster and more convenient transportation than the typical intra-region traveler.

Shuttle Services: Three alternative headways have been developed for the Dulles-Route K shuttle: 15 minutes, 7-1/2 minutes and 4 minutes. Train performance led to one-way running times of 14 minutes and 16 minutes for express and local service, respectively. Train frequency basically dictated the number of train sets, and round trip cycles were adjusted by varying layover time at each end of the line. Running times and layovers for all services may be found on Operations Table III in Appendix D. The 15-minute and 7-1/2-minute schedules have been assigned for the entire 20-hour operating day. The 4-minute headway applies only during the two 2-hour rush periods: 7:00 A. M. - 9:00 A. M. and 4:30 P. M. - 6:30 P. M. Seven and one-half minute headways were assigned for the balance of the day.

Where headways remained fixed, the peak and non-peak (base and-off-peak) load requirements were met by varying the number of cars per train. Equipment requirements of all services for the four time frames of this Study may be found on Operations Table I in Appendix D.

Rosslyn Express: The 16-minute headway for the Rosslyn express service is based on the design, at minimum cost, of a track layout between the Dulles line junction and Rosslyn in the right-of-way of Metro Route K. This segment would serve only to eliminate interference between Airport and Metro trains. The 16-minute headway permits the operation of three trains on a round trip schedule of 46 minutes with two-minute layovers at each end of the line.

Integrated Services: With respect to integrated service through downtown Washington, the Study was guided by an early stipulation that Airport trains could not be substituted for Metro trains on any part of the Metro system, and the close peak hour headways (two minutes) on the Nutley Road-Ardmore Line in the downtown area precluded the superimposition of additional (Airport) trains. This led to the decision to divert one of every four peak hour trains on the Route K (Nutley Road) line. Under this arrangement four trains would operate every hour from the Route K junction to Dulles on a 15-minute headway. Service on the balance of the Route K line (Nutley Road and Gallows Road Stations) would be reduced by a like amount, leaving twelve trains operating on a five-minute average headway under peak hour conditions. The 15-minute headway is scheduled to be maintained throughout the 20 hours of operation, but in conformance with Metro system practice the number of cars per train would be reduced during base and off-peak periods from eight to six and two, respectively.

Based on a 20-minute running time, each way (between Dulles and East Falls Church), for local service and 18 minutes for express trains, it has been determined that three train-sets of equipment--with fluctuating numbers of cars--could handle all anticipated peak and non-peak loads up to the year 1990 when airport plus local traffic would exceed the seated capacity of eight-car trains, which is the maximum number for Metro operation. If local traffic (Reston and Route 7) were excluded, there would be no problem of capacity.

B. Feeder Bus Service

With the objective of stimulating local patronage on the Dulles line a feeder bus system has been designed to serve a number of communities in western Fairfax County and eastern Loudoun County and interface with the rail line at Reston. The principal towns are Reston, Herndon and Sterling Park. A diagram of the bus network may be found on Illustration No. 19.

Two basic operating routes have been laid out. One originates in Sterling Park and follows State Route #28 and Sterling Road into Herndon. The route then follows Spring Street to Reston Avenue and the rail line where the transit station is located. Buses would turn back at this point. Two branches have been designated for Sterling Park, itself. Buses would serve each of these on an alternate schedule.

The other basic route serves the Reston area. Beginning in the community south of the Dulles Access Road and rail line, a bus would make an easterly swing along the principal roads and then head north on Reston Avenue to the train station. After discharging and picking up, the bus would continue northward to serve the area centered on the Reston North golf course and Lake Anne. As with Sterling Park there are two diverging routes: one follows North Shore Drive to the east and north and the other, West Shore Drive in a clockwise direction. They converge near the commercial center just off Baron Cameron Avenue and follow a short route to the northeast. Buses would serve these on an alternate basis.

This bus system totals approximately 21 route miles. Headways would be 15 minutes in peak hours and 30 minutes during all other periods. Buses would be scheduled to arrive at the Reston Station within three minutes of eastbound train departures. They would leave the station within three minutes of westbound train arrivals. Running time to Sterling Park would approximate 27 minutes. A complete end-to-end run on the Reston line would also require approximately 27 minutes.

Four buses would be required during peaks and two buses in base and off-peak periods for each of the two lines. Daily and annual mileages for each line and the system are shown on Operations Table IV in Appendix D.

V. PASSENGER FORECASTS

Potential patronage of the Dulles Airport rail line has been analyzed in two categories: 1) Airport-oriented passengers and 2) intra-urban passengers other than airport-oriented. The first category includes all classes of train riders who would pass through the airport station in the course of their journeys. This encompasses air travelers, visitors (both air traveler related and tourists) and employees with positions at or in the vicinity of--the airport. The second category covers those riders who would make use of the stations at Reston Avenue and Virginia Route 7 (Leesburg Pike). This section will first describe the methodology for arriving at the forecasts and then present the estimated data.

1. Methodology

Airport-Oriented Traffic: As previously indicated three alternative types of service have been considered for the airport-oriented traveler. They are: Between Dulles and -

1. An interchange station on Metro Route K (Alternatives A-1 and A-2);
2. Downtown Washington (Alternatives B-1 and B-2); and
3. A terminal at Rosslyn (Alternative B-3).

Ridership to be generated by each of these alternatives has been estimated for four reference years: 1976, 1980, 1990 and 2000. The procedure utilized in making these determinations was as follows: Forecasts of airline passengers using Dulles Airport in the four specific study years were prepared by the National Capital Airports section of the Federal Aviation Administration¹. They were presented as annual, average day and peak hour figures. On the basis of an FAA ratio, interline traffic was subtracted to determine the numbers which would arrive at and depart from the Terminal by surface modes. Another National Capital Airports study² indicated airline passenger volumes through Dulles by days of the week. These figures were used to calculate average weekday and weekend traffic for the years 1976, 1980, 1990 and 2000.

It was also necessary to determine potential ridership among classes of persons arriving and departing the Dulles Terminal other than airline passengers. These were identified as employees and visitors.

¹ Data enclosed with letter of November 23, 1970 from Chief Planning Engineer, National Capital Airports, Federal Aviation Administration.

² Data enclosed with letter of February 9, 1971 from Acting Chief, Engineering Staff, National Capital Airports, Federal Aviation Administration.

Their current numbers, in relation to airline passengers, were determined from a recent survey of airport-oriented surface travel patterns in the region³. This survey also demonstrated a present split among surface modes used by all persons arriving and departing Dulles: private car, rented car, taxi, limousine and bus.

Another critical factor was the local origins and destinations of persons arriving and departing Dulles. The Survey determined the distribution among 78 districts in the Washington-Baltimore area. The numbers found to fall in each district were further analyzed as to type of traveler (air passenger, employee or visitor) and mode of travel to or from the Airport.

It was determined that of the 78 Survey districts, the modal choice of travelers to and from 21 would be influenced, to a discernible degree, by the availability of rail rapid transit service. They lie within the District of Columbia and in certain areas of Virginia. Their selection was based on the planned location of routes and services composing the Adopted Regional System. A diagram of these districts can be found on Illustration No. 21.

Metro travel times were calculated, and automobile driving times were taken from the Access Survey for each of the 21 districts. With these data estimates were made of arrivals and departures by surface mode for each study district for the year 1976. A further assignment was made as to air travelers, employees and visitors. Estimates of parallel data were then made for the years 1980, 1990 and 2000.

Reston Avenue and Route No. 7 (Leesburg Pike) Stations: Transit ridership was estimated for the entire area affected by the proposed Dulles Line. Patronage and revenue were projected for the Reston and Route No. 7 (Leesburg Pike) Stations of the Dulles line. The adverse effect which the Dulles Line would have on the Nutley Road Line was also determined. The change in patronage and revenue was calculated for the last three stations: Route No. 7, Gallows Road, and Nutley Road. These projections were made based on two service alternatives:

1. Shuttle service to Route K (Nutley Road) for passenger transfer to Metro trains making all stops into and through Washington to Ardmore; and
2. Integrated service through Washington to Ardmore.

Projections were based on a transit system as described in the Net Income Analysis Study⁴ with the addition of the Dulles Line and previously described feeder bus service which would make connections with all

³ Abt Associates, Cambridge, Massachusetts, Washington-Baltimore Access Survey, prepared for OHSCT, USDOT, May, 1968.

⁴ "Traffic, Revenue and Operating Cost" prepared for the Washington Metropolitan Area Transit Authority by W. C. Gilman & Co., Inc. and Alan M. Voorhees & Associates, Inc., February 1969.

trains at the Reston Station. All other pertinent variables affecting mode choice were identical with those used in the Net Income Analysis.

A peak period work trip mode choice calculation was performed on all possible trips which would pass through the above noted stations. The modal split model used to forecast the allocation of travel to transit and automobile modes was the model previously used in the Net Income Analysis and developed in 1962 during the course of studies by the National Capitol Transportation Agency^{5, 6}. Total daily transit ridership was determined by relating peak period work transit trips with total daily transit trips from the updated Net Income Analysis Study using Fare System II. This relationship was then applied to the peak period work transit trips, calculated in this study, to produce total daily transit trips.

The total transit trips were allocated between the two rail lines --Nutley and Dulles--using a sub-modal split model derived from origin-destination data from two mass transportation demonstration projects involving the Skokie Swift Extension of the Chicago Transit Authority. The revenue computations were performed using the System II Fare Structure of the updated Net Income Analysis Study, and the mode of arrival calculations were made using mode or arrival data from the Net Income Analysis Study.

Annual figures were developed using an annualization factor of 280.6 for Reston and Route No. 7 traffic and a factor of 365 for airport-oriented traffic. The 280.6 figure was developed from Lindenwold High Speed Line experience and is somewhat less than the NIA factor. It was felt, however, that traffic patterns related to the Dulles line, alone, are more analogous to Lindenwold than would be those for the entire Metro system. The airport factor of 365 reflects the fact that the highest traffic volume day (Sunday) was only 16% greater than the lowest (Tuesday).

2. Findings

Airport-Oriented Traffic: Daily and peak hour transit ridership forecasts for the four Study years are shown in Forecast Table I in Appendix D. They clearly substantiate the practical need for rapid transit service in the years ahead. The sharp rise in patronage attracted to the three alternative services beginning in 1990 reflects the anticipated growth in Dulles activity in the last two decades of the century. Federal Aviation Administration forecasts of air passenger traffic to the year 2000 for Dulles and the other two commercial airports in the Washington-Baltimore region are shown on Forecast Table XII in Appendix D. The table indicates that for the year, 1990, 25,078,000 airline passengers will pass through Dulles Airport. This contrasts with an annual figure of 2,006,000 for 1969.

⁵

Appendix to November 1, 1962 Report to the President, Volume IV, "A Model for Estimating Travel Mode Usage," NCTA.

⁶

Deen, Irwin, Mertz: "Application of a Modal Split Model to Travel Estimates for Washington Area, Highway Research Board Record 38 pp 97-123.

The time and inconvenience of transferring between Airport and Metro trains at the Route K junction--particularly with luggage--are the principal factors for the greater attraction of integrated service to the air traveler. A parallel comparison can be found with local traffic where the shuttle service has the same 15-minute headway. The strong showing in patronage of the Rosslyn express service is attributable to its high speed (21-minute running time), proximity to downtown Washington, strategic location with regard to highways and transit lines, and the convenience of ticketing and baggage checking.

Reston and Route No. 7 (Leesburg Pike): The forecasts indicate a more moderate build-up of local traffic from Fairfax and Loudoun Counties than is the case with airport-oriented travel. Ridership generated by each service alternative (excluding the Rosslyn Express) for the four Study years are shown in the following table:

Average Daily Passenger Volumes for Four Transit Service Alternatives

<u>Year</u>	<u>15-Minute Shuttle</u>	<u>7.5-Minute Shuttle</u>	<u>4-Minute Shuttle</u>	<u>15-Minute Integrated</u>
1976	1,988	4,674	6,373	3,706
1980	2,464	5,703	7,749	4,533
1990	3,712	8,506	11,529	6,774
2000	4,712	10,592	14,285	8,468

These figures demonstrate that with equal headways the inconvenience of passenger transfer at Route K required with shuttle service is a definite drawback. However, this disadvantage is more than offset by greater frequency. During peak hours (7:00 A. M. to 9:00 A. M. and 4:30 P. M. to 6:30 P. M.) Metro trains on the Route K (Nutley Road) Line are scheduled to operate on four-minute headways.

Forecast Table II shows, for the base year of 1990, the traffic generated by the two Dulles line stations and by the Route K-Nutley Road line prior to Dulles service. It then indicates the adverse effect of Dulles service on the three Route K Stations: Nutley Road, Gallows Road and Route No. 7 (a second station presently having the same name). This diversion is caused, of course, by the greater convenience of the Dulles line to certain sections of Fairfax County. In the case of the 15-minute integrated service, it is also caused, in part, by the 25% reduction in train service to the Nutley Road and Gallows Road Stations because of the peak hour diversion to Dulles of one out of every four trains. These are trips which would be entirely lost by rapid transit. However, in spite of these adverse factors there is still a net gain in ridership generated by all four schedule alternatives, and the next section of the Report will show that because of longer distance transit riding engendered by the Dulles line, revenues achieve a larger growth.

Forecast Table VI demonstrates feeder bus patronage for the base year of 1990, as well as other modes of arrival. The bus figures include the proposed Reston service.

VI. REVENUE FORECASTS

In order to arrive at revenue estimates for the Dulles line it was necessary to first modify NIA Fare System II to include the additional mileages to the three Dulles Line stations: Route No. 7 (Leesburg Pike), Reston and the Airport. The revised fare structure may be found in Forecast Table X in Appendix D. The numbers of daily trips originating or terminating in each fare zone and related to one of the Dulles Line stations were calculated. These totals were then multiplied by the respective fare increments to produce 24-hour revenues. As most of the statistics developed in the Net Income Analysis were based on 1990 projections, detailed revenue data on local, commuter ridership were confined to this base year.

Forecast Table IV indicates 1990 twenty-four hour revenues generated by each of the two local traffic stations: Reston Road and Route No. 7 (Leesburg Pike). It should be noted that the figures include feeder bus and parking revenues. Revenues attributable to each of the three Route K (Nutley Road) Line stations are also given--both before and after the fact of Dulles line service. Table V then demonstrates the actual net gain in revenue to the Metro System, which includes a significant diversion of fares from Route K to the Dulles Line described in the previous section. It will be seen that the largest revenues would be generated by four-minute shuttle service. The advent of rapid transit service to Reston and Dulles could reasonably be expected to attract traffic from nearby sections of Loudoun County. Forecast Table VIII shows the numbers of trips and corresponding revenue for a 24-hour period in the year 1990. All of this traffic is expected to focus on the Reston Avenue Station. With the single exception of Sterling Park patronage of the Reston feeder bus service, Loudoun County rapid transit riders are not expected to make use of accessory public transportation.

Forecast Table VII, displaying 24-hour feeder bus revenues for 1990, shows that the diversion of traffic from the Route K line to the Dulles line will actually cause a net reduction in bus revenues serving the two lines. The Route K system would generate \$11,306 without the presence of Dulles. But with the latter in operation maximum revenues generated by bus services associated with both rail lines would be \$11,028. This condition is attributable to shorter bus hauls because of the deeper penetration of the Dulles line into the suburbs.

Twenty-four hour gross revenue estimates for airport-oriented traffic are shown on Forecast Table I. As previously pointed out, integrated service is expected to draw the greatest revenues. Table IX combines airport and local, commuter traffic gross revenues on an annual basis. It can be seen that by the year 1990, earnings are substantial for both the express and local services. Integrated operations are projected to produce the highest total: \$11,315,000 for the express schedule (airport only) and \$13,474,000 for local (airport plus commuter traffic).

Forecast Table XI in Appendix D provides the results of an allocation of Dulles Line gross revenues between the Dulles extension and the WMATA Adopted Regional System. The allocation was made by first calculating the rail fare from each Dulles Line station and from the junction station to Metro Center, which is approximately the center of the ARS System. The amount, per passenger, for each of the three stations was determined by adding the difference between the two figures, above, to one-half the boarding charge (2.5 cents net). The sum was then multiplied by estimated 24-hour passenger trips from Forecast Tables I and II. These results were subtracted from total estimated rail revenues and annualized by applying the factors of 365 to Dulles Airport station revenues and 280.6 to Reston and Route 7 (Leesburg Pike) station revenues.

VII. CAPITAL COSTS

Order of magnitude capital cost estimates for the construction of each of the five alternative systems have been prepared. In accordance with contract terms, the WMATA Standard Form for Engineers Estimates was utilized for this purpose, and all detail data appear on these forms located in Appendix C. The various cost items are organized on these tables in conformity with the Construction Account Category Code System, which was furnished by the Authority. Estimates have been based on January 1, 1969 wage scales, equipment rental rates and material costs in Washington, D. C.

Pricing of individual items was predicated upon actual construction costs incurred by the Bay Area Rapid Transit District, the Delaware River Port Authority on its Lindenwold High Speed Line, the Chicago Transit Authority on its Dan Ryan and Kennedy expressway median lines, as well as WMATA experience. Geographical adjustments were made, and a 7% per year escalation factor was normally applied. Costs were based upon a "per mile," "per square foot," or "per item" basis with a 10% to 25% contingency. In most cases, major bid items were reviewed but not itemized.

Two sets of summary totals are given below. The first is for January 1, 1969 and was developed by the procedures outlined above. Components are shown on the Summary Sheet (Page 1) at the beginning of Appendix C. The second set is for December 31, 1970--two years later--and reflects continual price escalation throughout the country. Relevant construction cost indexes reported by the Federal Highway Administration and the Marshall Valuation Service were applied to the various categories listed on the Summary Sheet.

Capital Cost Estimate Totals for the Five Service Alternatives

	<u>1/1/69</u>	<u>12/31/70</u>
A-1. Express Shuttle	\$42,428,982	\$49,868,000
A-2. Local Shuttle	44,147,702	51,878,900
B-1. Integrated Express	42,194,956	49,652,800
B-2. Integrated Local	44,725,376	52,613,400
B-3. Rosslyn Express	74,451,356	88,088,500

The higher values of the two local services (shuttle and integrated) are entirely attributable to the costs of the two intermediate stations on the Dulles Highway right-of-way: Reston and Route No. 7 (Leesburg Pike). Capital costs of the shuttle and integrated services are approximately equal since the cost of the stub-end terminal would be offset by that of the two-track flyover.

The more extensive physical plant required for the Rosslyn express service accounts for its higher cost. Examination of the Summary Table will show that the earthwork figure is more than nine times greater than for the other systems. This is brought about by the construction necessary for the surface and subway line in conjunction with Metro Route K to Rosslyn. Requirements for track work, traction power and signal systems are also

greater, but do not have as large a percentage increase. The Rosslyn Transportation Center complex with its ticketing facilities and baggage handling system accounts for the higher cost of the station item.

These costs reflect the need for enlarging certain structures which were already required for the Metro line. However, they do not include costs for redesign or reconstruction, and certain facilities of the Rosslyn-Falls Church portion are already under construction or in stages of final design.

Transit car requirements, based on peak hour loads, for each service and schedule alternative are presented on Operations Table I in Appendix D. Total required car fleets are then shown on Table V. With the use of a per-car price estimate supplied by WMATA capital requirements for each fleet of vehicles were tabulated and may be found on the lower portion of that Table.

VIII. OPERATING COSTS

Starting with headways and numbers of trains per hour of the various service alternatives, cars per train were determined from projected peak and non-peak hour traffic volumes in each of the four Study years - 1976, 1980, 1990 and 2000. Calculations were made on the basis of providing a seat for every passenger. These data appear on Operations Table I in Appendix D. Trips per hour made by each train set were calculated and then multiplied by the one-way miles of each service. The results were annualized by calculations which reflect lesser car requirements on Saturday and Sunday. These figures, as tabulated by operating period (peak, base, etc.) appear on Operations Table II. In order to insure compatibility and permit comparisons with statistics for the balance of the Metro System, the car-mile figures were multiplied by the cost per car-mile of 60.41¢ which was developed for the Net Income Analysis. The results of these computations may be found on Expense Table I, which is also in Appendix D.

As indicated in Section IV, integrated service was scheduled by diverting certain Nutley Road Line trains to the Dulles branch in order that the operation of the Dulles Line would not increase headways on any segment of the ARS. It should be noted that no additional costs have been included to account for increased passenger loads on the 98-mile Adopted Regional System, since the schedule of trains and cars provided by WMATA for the Nutley Road (Route K) Line will be adequate to handle the additional Dulles Line passengers.

The development of bus-mile costs was similar to that of the rapid transit services. Operations Table IV indicates the service periods, buses required for each and the resultant hours of service. These were then multiplied by route-miles to achieve daily bus-miles for the entire service. After annual bus-miles were calculated, a cost per bus-mile was applied to reach the yearly cost of the Reston feeder bus service. This figure of 81.8¢ was also taken from the WMATA Net Income Analysis. Bus operating expenses are included with the rail figures in Expense Table I. The lower portion of the table totals costs for bus and rail operations. It should be noted that the bus service would not function with the express rail systems.

As would logically be expected, greater expenses are generally incurred by services with closer headways. This pattern is consistently followed with local services. However, a comparison of express services indicates that the B-3 Rosslyn Express consistently generates the highest operating costs in all four Study years: 1976, 1980, 1990 and 2000. This is due to the greater mileage of the route and the luggage car in every train during all operating hours.

IX. NET REVENUE PROJECTIONS

Subtraction of operating costs from revenues leaves the amount of net revenue available for depreciation and financing. These three annual figures for all service alternatives in 1990 are presented in the table below. The same columns are shown in the Table B of the Summary Section.

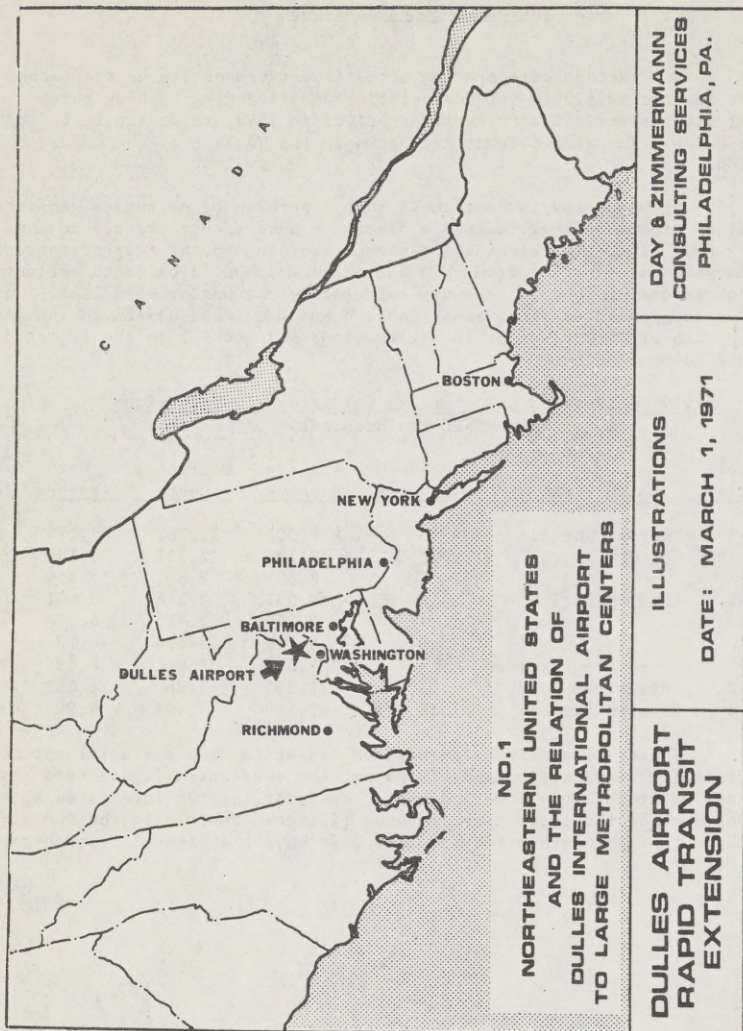
It was noted in Section VI that a portion of patronage generated by Dulles Line local service would otherwise have been attracted to the Nutley Road Line. Therefore the revenues accruing to the Adopted Regional System which are derived from this patronage must be adjusted to reflect the corresponding loss in revenues suffered by the Nutley Road Line. Those figures are presented in Forecast Table V and are included--on an annual basis--with airport revenues in alternatives A-2 and B-2 in the Adjusted Revenue column, below.

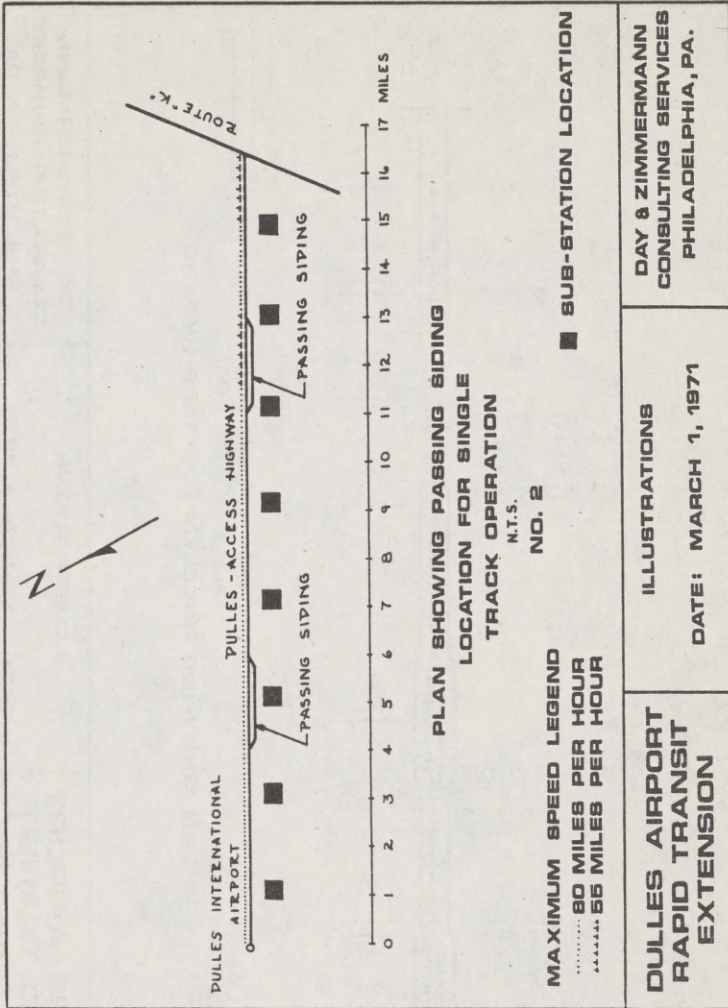
1990 Net Revenue Calculations for Alternative Services (Expressed in Thousands)

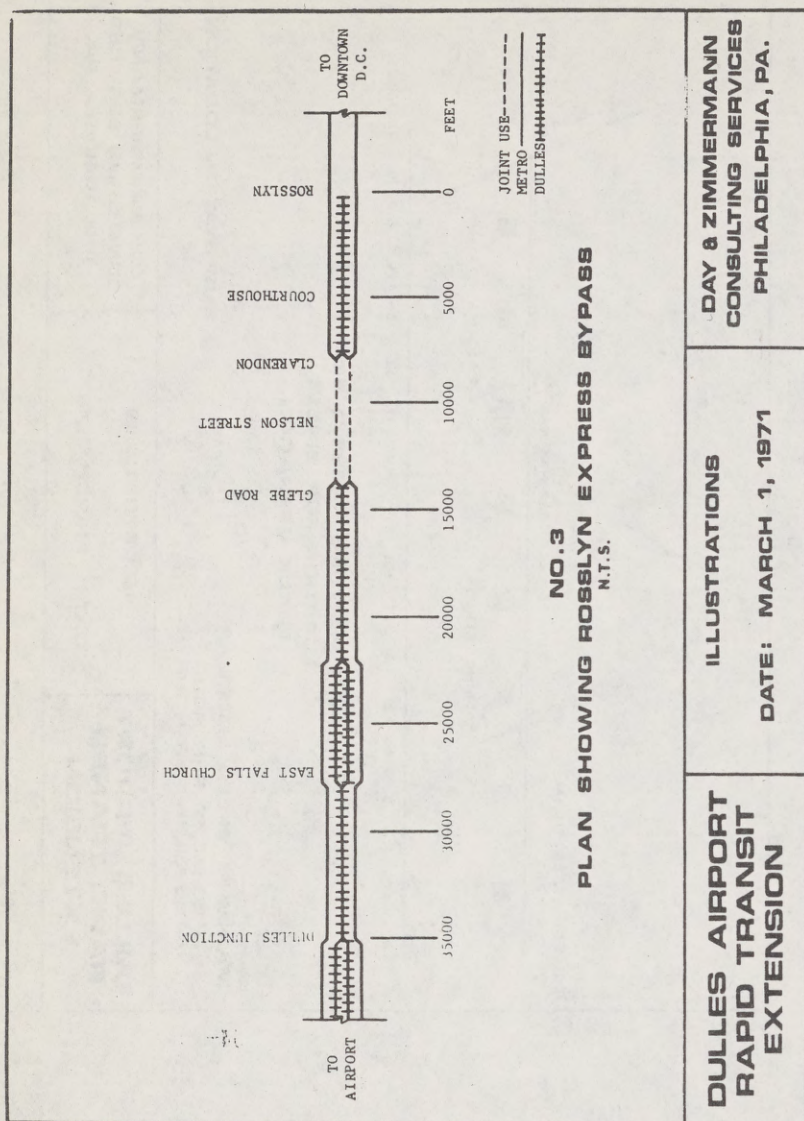
<u>Alter- native</u>	<u>Service</u>	<u>Headway (Minutes)</u>	<u>Adjusted Revenue</u>	<u>Operating Costs</u>	<u>Net Revenue</u>
A-1	Express Shuttle	15	\$ 8,505	\$1,381	\$7,124
		7.5	8,505	2,357	6,148
		4	8,505	2,651	5,854
A-2	Local Shuttle	15	9,057	2,616	6,441
		7.5	9,448	3,411	6,037
		4	9,719	3,530	6,189
B-1	Integrated Express	15	11,315	2,616	8,699
B-2	Integrated Local	15	11,554	2,862	8,692
B-3	Rosslyn Express	16	9,636	3,407	6,229

While all service alternatives appear to make a significant contribution for depreciation and financing, the substantially higher adjusted revenues and relatively lower operating costs of the two integrated alternatives produce the largest net revenue figures. Table B in the Summary indicates that the integrated services also have the highest revenue-capital cost ratios.

APPENDIX A
ILLUSTRATIONS

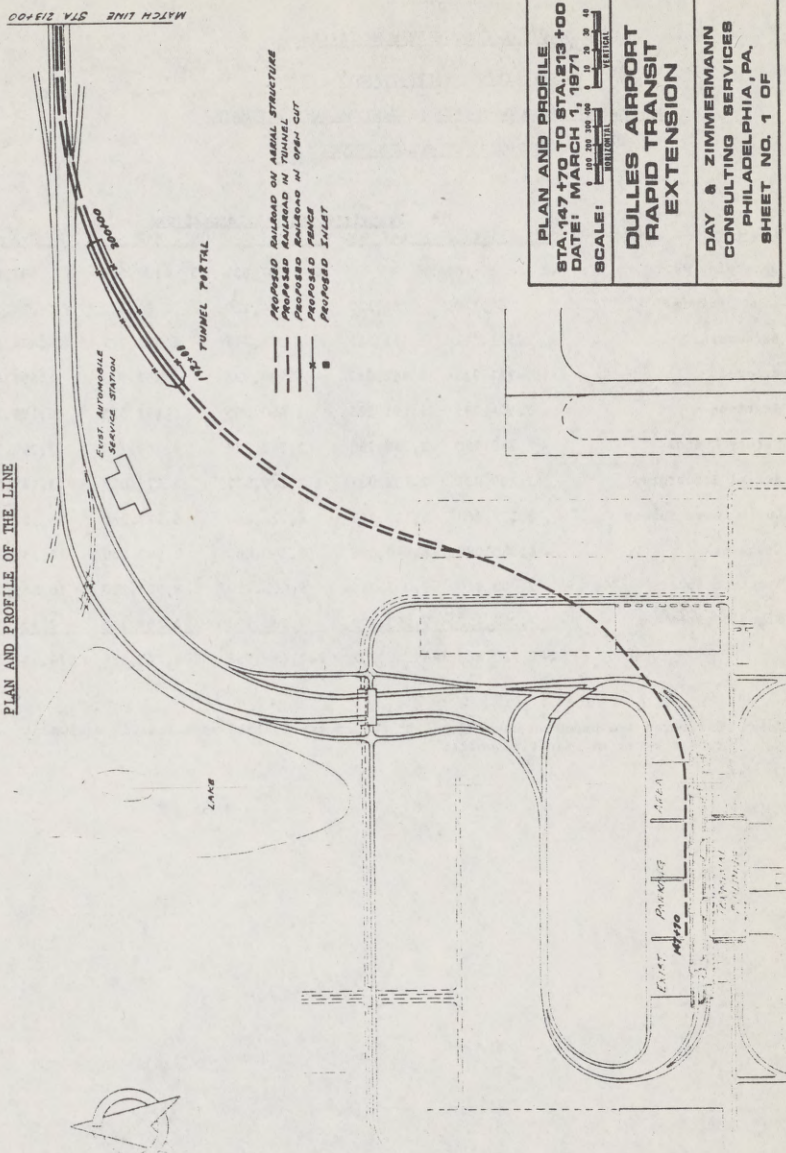






APPENDIX B

PLAN AND PROFILE OF THE LINE



APPENDIX C

CAPITAL COST ESTIMATE TABLESDULLES AIRPORT RAPID TRANSIT STUDYSUMMARY OF ORDER OF MAGNITUDE CAPITAL COST ESTIMATESEXCLUSIVE OF ROLLING STOCK

<u>Category</u>	<u>Transit Service Alternatives</u>				
	<u>A-1</u>	<u>A-2</u>	<u>B-1</u>	<u>B-2</u>	<u>B-3</u>
Retaining Walls	\$ -	\$ -	\$ 137,634	\$ 137,634	\$ 137,634
Line Drainage	84,120	84,120	84,120	84,120	84,120
Earthwork	1,571,717	1,571,717	1,571,717	1,571,717	24,674,717
Bridges	957,933	957,933	957,933	957,933	1,697,933
Stations	3,501,785	5,191,525	2,690,085	5,191,525	6,199,180
Safety Guards	2,240,720	2,269,700	2,240,720	2,269,700	2,240,720
Aerial Structures	2,739,037	2,739,037	3,179,077	3,179,077	3,179,077
Cut & Cover Subway	6,127,260	6,127,260	6,127,260	6,127,260	6,127,260
Trackwork	8,940,080	8,940,080	8,940,080	8,940,080	10,730,980
Traction Power	9,003,210	9,003,210	9,003,210	9,003,210	10,155,415
Signal System	<u>7,263,120</u>	<u>7,263,120</u>	<u>7,263,120</u>	<u>7,263,120</u>	<u>9,224,320</u>
TOTAL	\$42,428,982	\$44,147,702	\$42,194,956	\$44,725,376	\$74,451,356

Note: Estimates are based on Washington, D. C. January 1, 1969 wage scales, equipment rental rates and material costs.

OPERATIONS TABLE II

ANNUAL CAR-MILES GENERATED BY VARIOUS LEVELS OF SERVICE
(Based on 20 hours per day-seven days a week)

Service Period	EXPRESS				LOCAL			
	1976	1980	1990	2000	1976	1980	1990	2000
	Cars Per Miles Train	Cars Per Miles Train	Cars Per Miles Train	Cars Per Miles Train	Cars Per Miles Train	Cars Per Miles Train	Cars Per Miles Train	Cars Per Miles Train
EXPRESS								
Peak	2	335	4	670	2	335	6	1,340
Non-Peak	2	1,616	2	1,616	2	1,616	2	1,616
Total		1,951		2,286		1,951		2,936
15 MINUTE SHUTTLE SERVICE								
One-way trips per hour: 8								
Total daily trips - Peak hours: 32 (except Saturday)								
Non-peak hours: 128								
7.5 MINUTE SHUTTLE SERVICE								
One-way trips per hour: 16								
Total daily trips - Peak hours: 64 (except Saturday)								
Non-peak hours: 256								
Peak	2	669	2	669	4	1,338	2	2,007
Non-Peak	2	3,232	2	3,232	2	3,232	2	3,232
Total		3,901		3,901		4,570		5,239
4 MINUTE SHUTTLE SERVICE								
One-way trips per hour: 30								
Total daily trips - Peak hours: 120 (except Sat. & Sun.)								
Non-peak hours: (7.5 min. headway): 256								
Peak	2	1,046	2	1,046	2	1,046	4	2,092
Non-Peak	2	3,343	2	3,343	2	3,343	2	3,343
Total		4,389		4,389		4,389		5,435
15 MINUTE INTEGRATED SERVICE								
One-way trips per hour: 8								
Total daily trips - Peak hours: 32 (except Saturday)								
Non-peak hours: 76 (except Sat. & Sun.)								
Off-peak hours: 32								
Peak	8	1,354	8	1,354	8	1,354	8	1,354
Base	6	2,011	6	2,011	6	2,011	6	2,011
Off-Peak	2	965	2	965	2	965	2	965
Total		4,330		4,330		4,330		4,330
16 MINUTE BOSSLYN EXPRESS SERVICE (Train consists include luggage car)								
One-way trips per hour: 8								
Total daily trips - Peak hours: 32 (except Saturday)								
Non-peak hours: 128								
Peak	3	787	7	1,837	9	2,362	--	--
Base	3	3,803	3	3,803	3	3,803	--	--
Total		4,590		5,640		6,165	--	--

OPERATIONS TABLE III
ROUND TRIP TRAIN OPERATIONS
(In Minutes)

<u>Service</u>	<u>Headway</u>	<u>West End Layover</u>	<u>Eastbound Running</u>	<u>East End Layover</u>	<u>Westbound Running</u>	<u>Total</u>
<u>BETWEEN DULLES AND ROUTE K JUNCTION</u>						
Shuttle Express	15	9	14	8	14	45
Shuttle Local	15	7	16	6	16	45
Shuttle Express	7.5	5	14	4½	14	37½
Shuttle Local	7.5	3	16	2½	16	37½
Shuttle Express	4	2	14	2	14	32
Shuttle Local	4	2	16	2	16	36
<u>BETWEEN DULLES AND FALLS CHURCH</u>						
Integrated Express	15	9	18	-	18	45
Integrated Local	15	5	20	-	20	45
<u>BETWEEN DULLES AND ROSSLYN</u>						
Rosslyn Express	16	2	21	2	21	46

OPERATIONS TABLE IV

RESTON FEEDER BUS SERVICE
DAILY AND ANNUAL MILEAGE

<u>Schedule</u>	<u>Period</u>	<u>Headway (Minutes)</u>	<u>Hours</u>	<u>Buses</u>	<u>Bus Hours</u>	<u>Route Miles</u>	<u>Daily Bus-Miles</u>
<u>STERLING PARK LINE</u>							
Week Day	Peak	15	4	4	16	11	176
	Off-Peak	30	16	2	32	11	<u>352</u>
						Total	528
Sat. & Sun.	All Day	30	20	2	40	11	440
<u>RESTON LINE</u>							
Week Day	Peak	15	4	4	16	10	160
	Off-Peak	30	16	2	32	10	<u>320</u>
						Total	480
Sat. & Sun.	All Day	30	20	2	40	10	400

ANNUAL BUS-MILES

Sterling Park Line	182,568
Reston Line	<u>118,880</u>
Total	301,448

APPENDIX D

FORECAST TABLE I
DAILY TRIPS AND GROSS REVENUES GENERATED BY DULLES AIRPORT
(Air Passengers - Employees - Visitors)

Type of Service:	1976			1980			1990			2000		
	Integrated	Shuttle	Rosslyn Express	Integrated	Shuttle	Rosslyn Express	Integrated	Shuttle	Rosslyn Express	Integrated	Shuttle	Rosslyn Express
24-HOUR - BOTH DIRECTIONS												
Area												
Washington CBD Station	1,772	1,330	1,500	3,100	2,300	2,600	9,600	7,200	8,100	17,200	12,900	14,500
Virginia Station	1,062	797	905	1,800	1,400	1,600	5,700	4,300	4,900	10,300	7,700	8,800
All Other Stations	1,302	1,130	1,225	2,600	2,000	2,200	8,100	6,100	6,900	14,500	10,900	12,300
TOTAL	4,336	3,257	3,680	7,500	5,700	6,400	23,400	17,600	19,900	42,000	31,500	35,600
PEAK ONE-HOUR - ONE DIRECTION												
Washington CBD Station	177	133	151	310	230	260	960	720	810	1,710	1,290	1,460
Virginia Station	106	80	90	190	140	160	570	430	490	1,030	770	870
All Other Stations	131	113	128	260	200	220	810	610	690	1,460	110	1,240
TOTAL	434	326	369	760	570	640	2,340	1,760	1,990	4,200	2,170	3,570
24-HOUR REVENUES												
Both Directions	\$5,752	\$4,314	\$4,889	\$10,100	\$7,600	\$8,500	\$31,000	\$23,300	\$26,400	\$55,700	\$41,800	\$47,400

FORECAST TABLE II
COMPARISON OF DULLES-NUTLEY ROAD 24-HOUR TRANSIT TRIPS FOR YEAR 1990

TOTAL 24-HOUR TRIPS--BOTH DIRECTIONS

Station	NIA Fare System II	SHUTTLE SERVICE			INTEGRATED SERVICE
		15-Minute	7.5-Minute	4-Minute	15-Minute
		Headway	Headway	Headway	Headway
<u>DULLES LINE</u>					
Reston		2,820	5,382	7,060	4,434
Route 7		<u>892</u>	<u>3,124</u>	<u>4,468</u>	<u>2,340</u>
Total		3,712	8,506	11,528	6,774
<u>NUTLEY ROAD LINE</u>					
Nutley Road	24,792	23,492	21,192	19,548	20,922
Gallows Road	7,130	6,436	4,910	4,300	5,096
Route 7	<u>11,132</u>	<u>11,158</u>	<u>11,084</u>	<u>10,934</u>	<u>10,712</u>
Total	43,054	41,086	37,186	34,782	36,730
GRAND TOTAL	<u>43,054</u>	<u>44,798</u>	<u>45,692</u>	<u>46,310</u>	<u>43,504</u>

DIFFERENCE IN 24-HOUR TRIPS

(Alternative Volumes Less NIA Fare System II Volumes)

<u>DULLES LINE</u>					
Reston		2,820	5,382	7,060	4,434
Route 7		<u>892</u>	<u>3,124</u>	<u>4,468</u>	<u>2,340</u>
Total		3,712	8,506	11,528	6,774
<u>NUTLEY ROAD LINE</u>					
Nutley Road		-1,300	-3,600	-5,244	-3,870
Gallows Road		- 694	-2,220	-2,830	-2,034
Route 7		<u>26</u>	<u>- 48</u>	<u>- 198</u>	<u>- 420</u>
Total		-1,968	-5,868	-8,272	-6,324
GRAND TOTAL		<u>1,744</u>	<u>2,638</u>	<u>3,256</u>	<u>450</u>

FORECAST TABLE III
COMPARISON OF DULLES-NUTLEY ROAD PEAK HOUR TRANSIT TRIPS FOR YEAR 1990

TOTAL PEAK ONE-HOUR TRIPS - BOTH DIRECTIONS

		SHUTTLE SERVICE			INTEGRATED SERVICE
<u>Station</u>	<u>NIA Fare System II</u>	<u>15-Minute Headway</u>	<u>7.5-Minute Headway</u>	<u>4-Minute Headway</u>	<u>15-Minute Headway</u>
<u>DULLES LINE</u>					
Reston		505	963	1,264	794
Route 7		<u>161</u>	<u>562</u>	<u>803</u>	<u>421</u>
Total		666	1,525	2,067	1,215
<u>NUTLEY ROAD LINE</u>					
Nutley Road	4,450	4,218	3,806	3,511	3,759
Gallows Road	1,283	1,158	883	773	918
Route 7	<u>2,001</u>	<u>2,005</u>	<u>1,992</u>	<u>1,965</u>	<u>1,926</u>
Total	7,734	7,381	6,681	6,249	6,603
GRAND TOTAL	<u>7,734</u>	<u>8,047</u>	<u>8,206</u>	<u>8,316</u>	<u>7,818</u>

DIFFERENCE IN PEAK ONE-HOUR TRIPS
(Alternative Volumes Less NIA Fare System II Volumes)

<u>DULLES LINE</u>					
Reston		505	963	1,264	794
Route 7		<u>161</u>	<u>562</u>	<u>803</u>	<u>421</u>
Total		666	1,525	2,067	1,215
<u>NUTLEY ROAD LINE</u>					
Nutley Road		-232	- 644	- 939	- 691
Gallows Road		-125	- 400	- 510	- 365
Route 7		<u>4</u>	<u>9</u>	<u>36</u>	<u>75</u>
Total		-353	-1,053	-1,485	-1,131
GRAND TOTAL		<u>313</u>	<u>472</u>	<u>582</u>	<u>84</u>

FORECAST TABLE IV
24-HOUR GROSS REVENUES BY LINE AND STATION
YEAR 1990
(NIA MODE OF ARRIVAL MODEL)

Station	Type of Revenue	NIA Fare System II	SHUTTLE SERVICE			INTEGRATED SERVICE
			15-Minute Headway	7.5-Minute Headway	4-Minute Headway	15-Minute Headway
<u>DULLES LINE</u>						
Reston	Rail		\$ 2,810.45	\$ 5,321.40	\$ 6,955.80	\$ 4,392.55
	Bus		343.40	950.35	1,416.70	709.50
	Total Transit		3,153.85	6,271.75	8,372.50	5,102.05
	Parking		120.00	174.25	212.88	151.00
	Total		3,273.85	6,446.00	8,585.38	5,253.05
Route 7	Rail		669.75	2,345.80	3,342.40	1,757.10
	Bus		241.80	846.15	1,232.20	624.20
	Total Transit		911.55	3,191.95	4,574.60	2,381.30
	Parking		16.50	78.00	108.50	60.00
	Total		928.05	3,269.95	4,683.10	2,441.30
Total	Rail		3,480.20	7,667.20	10,298.20	6,149.65
	Bus		585.20	1,796.50	2,648.90	1,333.70
	Total Transit		4,065.40	9,463.70	12,947.10	7,483.35
	Parking		136.50	252.25	321.38	211.00
	Total		\$ 4,201.90	\$ 9,715.95	\$13,268.48	\$ 7,694.35
<u>NUTLEY ROAD LINE</u>						
Nutley Road	Rail	\$16,472.90	15,561.10	14,104.35	13,008.00	13,907.80
	Bus	9,117.00	8,555.95	7,540.40	6,869.30	7,455.70
	Total Transit	25,589.90	24,117.05	21,644.75	19,877.30	21,363.50
	Parking	456.50	433.75	397.50	367.25	395.75
	Total	26,046.40	24,550.80	22,042.25	20,244.55	21,759.25
Gallows Road	Rail	4,737.50	4,263.20	3,267.85	2,861.40	3,387.55
	Bus	2,194.60	1,944.55	1,388.40	1,169.75	1,462.85
	Total Transit	6,932.10	6,207.75	4,656.25	4,031.15	4,850.40
	Parking	124.75	107.25	69.25	54.75	77.25
	Total	7,056.85	6,315.00	4,725.50	4,085.90	4,927.65
Route 7	Rail	7,396.60	7,391.10	7,376.95	7,275.90	7,120.80
	Bus	3,822.50	3,822.00	3,823.90	3,780.10	3,674.75
	Total Transit	11,219.10	11,223.10	11,200.85	11,056.00	10,795.55
	Parking	88.25	90.25	88.25	85.00	86.50
	Total	11,307.35	11,313.35	11,289.10	11,141.00	10,882.05

FORECAST TABLE IV
24-HOUR GROSS REVENUES BY LINE AND STATION
YEAR 1990
(NIA MODE OF ARRIVAL MODEL)

Sheet 2 of 2

<u>Station</u>	<u>Type of Revenue</u>	<u>NIA Fare System II</u>	<u>SHUTTLE SERVICE</u>			<u>INTEGRATED SERVICE</u>
			<u>15-Minute Headway</u>	<u>7.5-Minute Headway</u>	<u>4-Minute Headway</u>	<u>15-Minute Headway</u>
<u>NUTLEY ROAD LINE</u>						
Total	Rail	\$28,607.00	\$27,215.40	\$24,749.15	\$23,145.30	\$24,416.15
	Bus	<u>15,134.10</u>	<u>14,332.50</u>	<u>12,752.70</u>	<u>11,819.15</u>	<u>12,593.30</u>
	Total Transit	43,741.10	41,547.90	37,501.85	34,964.45	37,009.45
	Parking	<u>670.50</u>	<u>631.25</u>	<u>555.00</u>	<u>507.00</u>	<u>559.50</u>
	Total	44,411.60	42,179.15	38,056.85	35,471.45	37,568.95
GRAND TOTAL	Rail	28,607.00	30,695.60	32,416.35	33,443.50	30,565.80
	Bus	<u>15,134.10</u>	<u>14,917.70</u>	<u>14,549.20</u>	<u>14,468.05</u>	<u>13,927.00</u>
	Total Transit	43,741.10	45,613.30	46,965.55	47,911.55	44,492.80
	Parking	<u>670.50</u>	<u>767.75</u>	<u>807.25</u>	<u>828.38</u>	<u>770.50</u>
	Total	\$44,411.60	\$46,381.05	\$47,772.80	\$48,739.93	\$45,263.30

FORECAST TABLE V
COMPARISON OF DULLES-NUTLEY ROAD 24-HOUR REVENUES FOR YEAR 1990

(NIA MODE OF ARRIVAL MODEL)
Total 24-Hour Revenues (from Table IV)
COMMUTER ONLY--EXCLUDES AIRPORT TRAFFIC

Type of Revenue	NIA Fare System II	SHUTTLE SERVICE			INTEGRATED SERVICE
		15-Minute Headway	7.5-Minute Headway	4-Minute Headway	15-Minute Headway
Rail	\$28,607.00	\$30,695.60	\$32,416.35	\$33,443.50	\$30,565.80
Bus	<u>15,134.10</u>	<u>14,917.70</u>	<u>14,549.20</u>	<u>14,468.05</u>	<u>13,927.00</u>
Total Transit	43,741.10	45,613.30	46,965.55	47,911.55	44,492.80
Station Parking	<u>670.50</u>	<u>767.75</u>	<u>807.25</u>	<u>828.38</u>	<u>770.50</u>
TOTAL	\$44,411.60	\$46,381.05	\$47,772.80	\$48,739.93	\$45,263.30
	=====	=====	=====	=====	=====

DIFFERENCE IN 24-HOUR REVENUES
(Alternative Headways Less NIA System II Revenues)

Rail	\$ 2,088.60	\$ 3,809.35	\$ 4,836.50	\$ 1,958.80
Bus	<u>- 216.40</u>	<u>- 584.90</u>	<u>- 666.05</u>	<u>-1,207.10</u>
Total Transit	1,872.20	3,224.45	4,170.45	751.70
Station Parking	<u>97.25</u>	<u>136.75</u>	<u>157.88</u>	<u>100.00</u>
TOTAL	\$ 1,969.45	\$ 3,361.20	\$ 4,328.33	\$ 851.70
	=====	=====	=====	=====

FORECAST TABLE VI
24-HOUR MODE OF ARRIVAL PASSENGER VOLUMES
 YEAR 1990
(NIA MODE OF ARRIVAL MODEL)

APPENDIX D
 Sheet 1 of 2

Station	Mode of Arrival	NIA Fare System II	SHUTTLE SERVICE			INTEGRATED SERVICE
			15-Minute Headway	7.5-Minute Headway	4-Minute Headway	15-Minute Headway
<u>DULLES LINE</u>						
Reston	Walk		-	-	-	-
	Bus		974	2,701	3,787	2,110
	Auto Driver		960	1,394	1,702	1,208
	Auto Pass.		<u>886</u>	<u>1,287</u>	<u>1,571</u>	<u>1,116</u>
	Total		2,820	5,382	7,060	4,434
Route 7	Walk		-	-	-	-
	Bus		640	1,924	2,800	1,418
	Auto Driver		131	624	867	479
	Auto Pass.		<u>121</u>	<u>576</u>	<u>801</u>	<u>443</u>
	Total		892	3,124	4,468	2,340
Total	Walk		-	-	-	-
	Bus		1,614	4,625	6,587	3,528
	Auto Driver		1,283	2,370	3,106	1,951
	Auto Pass.		<u>1,185</u>	<u>2,188</u>	<u>2,868</u>	<u>1,803</u>
	Total		4,082	9,183	12,561	7,282
<u>NUTLEY ROAD LINE</u>						
Nutley Road	Walk	210	210	210	210	199
	Bus	17,543	16,610	14,862	13,686	14,634
	Auto Driver	3,660	3,470	3,180	2,939	3,166
	Auto Pass.	<u>3,379</u>	<u>3,202</u>	<u>2,940</u>	<u>2,713</u>	<u>2,923</u>
	Total	24,792	23,492	21,192	19,548	20,922
Gallows Road	Walk	415	415	415	415	400
	Bus	4,793	4,371	3,428	3,043	3,506
	Auto Driver	999	858	555	438	619
	Auto Pass.	<u>923</u>	<u>792</u>	<u>512</u>	<u>404</u>	<u>571</u>
	Total	7,130	6,436	4,910	4,300	5,096
Route 7	Walk	509	509	509	509	490
	Bus	9,268	9,259	9,222	9,116	8,894
	Auto Driver	705	723	704	681	691
	Auto Pass.	<u>650</u>	<u>667</u>	<u>649</u>	<u>628</u>	<u>637</u>
	Total	11,132	11,158	11,084	10,934	10,712

FORECAST TABLE VI
24-HOUR MODE OF ARRIVAL PASSENGER VOLUMES
YEAR 1990
(NIA MODE OF ARRIVAL MODEL)

Sheet 2 of 2

<u>Station</u>	<u>Mode of Arrival</u>	<u>NIA Fare System II</u>	<u>SHUTTLE SERVICE</u>			<u>INTEGRATED SERVICE</u>
			<u>15-Minute Headway</u>	<u>7.5-Minute Headway</u>	<u>4-Minute Headway</u>	<u>15-Minute Headway</u>
<u>NUTLEY ROAD LINE</u>						
Total	Walk	1,134	1,134	1,134	1,134	1,089
	Bus	31,604	30,240	27,512	25,845	27,034
	Auto Driver	5,364	5,051	4,439	4,058	4,476
	Auto Pass.	<u>4,952</u>	<u>4,661</u>	<u>4,101</u>	<u>3,745</u>	<u>4,131</u>
	Total	43,054	41,086	37,186	34,782	36,730
GRAND TOTAL	Walk	1,134	1,134	1,134	1,134	1,089
	Bus	31,604	31,854	32,137	32,432	30,562
	Auto Driver	5,364	6,334	6,809	7,164	6,427
	Auto Pass.	<u>4,952</u>	<u>5,846</u>	<u>6,289</u>	<u>6,613</u>	<u>5,934</u>
	Total	43,054	45,168	46,369	47,343	44,012
		=====	=====	=====	=====	=====

FORECAST TABLE VII
24-HOUR FEEDER BUS GROSS REVENUES BY LINE AND STATION
 YEAR 1990
(NIA MODE OF ARRIVAL MODEL)

Station	NIA System II	SHUTTLE SERVICE			INTEGRATED SERVICE
		15-Minute	7.5-Minute	4-Minute	15-Minute
		Headway	Headway	Headway	Headway
<u>DULLES LINE</u>					
Reston		\$ 222.75	\$ 643.55	\$ 975.20	\$ 475.10
Route 7		<u>161.70</u>	<u>562.40</u>	<u>822.95</u>	<u>414.70</u>
Total		\$ 384.45	\$ 1,205.95	\$ 1,798.15	\$ 889.80
<u>NUTLEY ROAD LINE</u>					
Nutley Road	\$ 6,912.50	6,446.60	5,615.60	5,078.80	5,582.30
Gallows Road	1,560.40	1,366.65	942.40	775.85	1,006.45
Route 7	<u>2,832.80</u>	<u>2,830.10</u>	<u>2,817.15</u>	<u>2,778.55</u>	<u>2,715.55</u>
Total	11,305.70	10,643.35	9,375.15	8,633.20	9,304.30
GRAND TOTAL	<u>\$11,305.70</u>	<u>\$11,027.80</u>	<u>\$10,581.10</u>	<u>\$10,431.35</u>	<u>\$10,194.10</u>

FORECAST TABLE VIII
ESTIMATED 1990 TRANSIT PASSENGERS AND GROSS REVENUE FROM LOUDOUN COUNTY

(Based on Loudoun County Study Area Population of 51,861)

	SHUTTLE SERVICE			INTEGRATED SERVICE
	15-Minute Headway	7.5-Minute Headway	4-Minute Headway	15-Minute Headway
24-Hour Transit Trips ¹	1,476	2,004	2,240	1,816
24-Hour Rail Revenue ²	\$1,517.30	\$2,060.10	\$2,302.70	\$1,866.85
Peak Hour Transit Trips	266	361	404	327
24-Hour Mode of Arrival				
Walk	-	-	-	-
Bus	-	-	-	-
Auto Driver	768	1,042	1,165	944
Auto Pass.	708	962	1,075	872

¹

All trips assigned to Reston Station

²

Average rail fare of \$1.028

FORECAST TABLE IX
ESTIMATE OF ANNUAL GROSS REVENUES GENERATED BY THE DULLES AIRPORT RAPID TRANSIT SERVICE
(Includes Rail, Bus and Station Parking)

Operation	Headway	Traffic	EXPRESS SERVICE				LOCAL SERVICE			
			1976	1980	1990	2000	1976	1980	1990	2000
Shuttle	15 min.	Airport	\$1,574,700	\$2,774,000	\$ 8,504,500	\$15,257,000	\$1,574,700	\$2,774,000	\$ 8,504,500	\$15,257,000
		Commuter	--	--	--	--	620,900	751,200	1,179,000	1,457,700
		Total	1,574,700	2,774,000	8,504,500	15,257,000	2,195,600	3,525,200	9,683,500	16,714,700
Shuttle	7.5 min.	Airport	1,574,700	2,774,000	8,504,500	15,257,000	1,574,700	2,774,000	8,504,500	15,257,000
		Commuter	--	--	--	--	1,481,700	1,805,700	2,726,300	3,340,800
		Total	1,574,700	2,774,000	8,504,500	15,257,000	3,056,400	4,579,700	11,230,800	18,597,800
Shuttle	4 min.	Airport	1,574,700	2,774,000	8,504,500	15,257,000	1,574,700	2,774,000	8,504,500	15,257,000
		Commuter	--	--	--	--	2,039,700	2,477,800	3,723,100	4,551,700
		Total	1,574,700	2,774,000	8,504,500	15,257,000	3,614,400	5,251,800	12,227,600	19,808,700
Integrated	15 min.	Airport	2,099,600	3,686,500	11,315,000	20,330,500	2,099,600	3,686,500	11,315,000	20,330,500
		Commuter	--	--	--	--	1,165,900	1,424,500	2,159,000	3,723,500
		Total	2,099,600	3,686,500	11,315,000	20,330,500	3,265,500	5,111,000	13,474,000	24,054,000
Rosslyn Express	16 min.	Airport	1,784,700	3,102,500	9,636,000	17,301,000	--	--	--	--

FORECAST TABLE X
FARE SYSTEM II RAIL FARES TO DULLES AIRPORT STATION

<u>Station</u>	<u>Fares</u>	<u>Station</u>	<u>Fares</u>
Reston	\$.35	Waterfront	\$1.40
Rt. 7	.65	Navy Yard	1.45
Falls Church	.95	Anacostia	1.50
		Alabama Ave.	1.55
Rt. 7	.85	Suitland Pkwy.	1.60
Gallows Rd.	.85	Federal Center	1.65
Nutley Rd.	.90	Branch Ave.	1.70
Glebe Road	1.10	Farragut N.	1.30
Nelson St.	1.10	Dupont Circle	1.30
Clarendon	1.15	Zoological Pk.	1.30
Rhodes St.	1.15	Cleveland Park	1.30
Rosslyn	1.20	Van Ness	1.35
Foggy Bottom	1.25	Tenly Circle	1.35
Farragut W.	1.30	Friendship Hts.	1.35
McPherson Sq.	1.30	Bethesda	1.40
Metro Center	1.35	Medical Center	1.40
Federal Triangle	1.35	Parkside	1.45
Independence Ave.	1.35	Nicholson Lane	1.50
L'Enfant Plaza	1.35	Halpine Rd.	1.55
Voice of America	1.40	Rockville	1.55
Capitol South	1.40		
Marine Barracks	1.45	Gallery Place	1.35
Potomac Ave.	1.50	Judiciary Sq.	1.35
Stadium-Armory	1.50	Union Station	1.40
Oklahoma	1.55	Rhode Island	1.45
Kenilworth	1.55	Michigan	1.45
Benning	1.65		
Capital Htgs.	1.70	Penna. Ave.	1.35
Addison	1.75		
		Logan Circle	1.35
Deane Ave.	1.60	U St.	1.35
Cleverly	1.70	Columbia Hts.	1.40
Lardover	1.75	Georgia Ave.	1.40
Ardmore	1.85	Petworth	1.45
		Riggs Rd. & B & O R.R.	1.50
Pentagon	1.30	Chillum	1.55
Pentagon City	1.30	Prince George Plaza	1.60
Crystal City	1.35	College Park	1.70
National Airport	1.35	Green Belt Rd.	1.75
Monroe Ave.	1.45		
King St.	1.45	Takoma Pk.	1.50
Huntington	1.50	Silver Spring	1.55
		Forest Glen	1.55
Telegraph Rd.	1.50	Wheaton	1.60
Van Dorn	1.50	Glenmont	1.65
Backlick Rd.	1.50		
Franconia	1.55		

FORECAST TABLE XII

WASHINGTON-BALTIMORE AREA AIRLINE PASSENGER FORECASTSFOR THE YEARS 1976, 1980, 1990 AND 2000

<u>AIRPORT and Item</u>	<u>1976</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>
DULLES INTERNATIONAL:				
Total				
Total Annual Passengers	4,571,000	8,018,000	25,078,000	46,430,000
Peak Hour	2,300	3,800	10,000	13,930
Average Day	12,500	22,000	68,700	127,200
WASHINGTON NATIONAL:				
Total Annual Passengers	13,598,000	16,400,000	16,450,000	16,500,000
Peak Hour	6,100	7,200	7,200	7,300
Average Day	37,200	44,900	45,000	45,200
BALTIMORE FRIENDSHIP:				
Total Annual Passengers	5,616,000	9,293,000	26,285,000	46,129,000
Peak Hour	2,800	4,300	10,500	13,840
Average Day	15,400	25,500	72,000	126,400
WASHINGTON-BALTIMORE AREA				
Total Annual Passengers	23,785,000	33,711,000	67,813,000	109,059,000
Peak Hour	11,200	15,300	27,700	35,030
Average Day	65,100	92,400	185,700	298,800

NOTE: This data was developed by the Federal Aviation Administration,
United States Department of Transportation.

