



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 25, 2008
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 6052 – To promote increased public transportation use, to promote increased use of alternative fuels in providing public transportation, and for other purposes (Rep. Oberstar
(D) Minnesota and 22 cosponsors)

The Administration strongly opposes House passage of H.R. 6052, which would authorize additional funds for certain operating expenses for mass transit systems in urbanized areas of 200,000 people or more and expand the transit benefits requirement to all Federal agencies.

The long-standing Federal role in mass transit has been to support capital infrastructure construction and maintenance, as authorized within comprehensive surface transportation legislation. Operating assistance has traditionally not been an eligible expense in larger urbanized areas under the Federal mass transit programs. While this bill may induce additional transit ridership, it would penalize efficient operations by creating a perverse incentive to incur operating deficits to trigger grant funding eligibility. Federal subsidies should encourage improvement in operating efficiencies, not penalize such efforts; otherwise, transit operators risk becoming permanently reliant upon this type of assistance. Moreover, expanding transit benefits to additional Federal employees would require agencies to reduce programs and services to fund this mandate.

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