

conducted without a certificate from the Transit Commission. A petition for rehearing was rejected en banc October 3.

This decision makes it clear that the Transit Commission has paramount regulatory jurisdiction over for-hire motor carriage of passengers performed anywhere within the Washington metropolitan area.

Now, the language of section 5 appears to attempt a circumvention of the court of appeals decision by directing the Secretary, when he deems it advisable, to utilize the authority in the act of 1930 to provide transportation of visitors by the United States.

Such language, if enacted, might well be construed by the courts as constituting a congressional authorization for the Secretary to operate, through contractual arrangements, for-hire transportation services on and to Federal enclaves under his jurisdiction in the District of Columbia. Such construction would exempt these services from the application of the compact and the jurisdiction of the Transit Commission.

In my statement, which you have before you, I have stated the wording of the Senate report accompanying the compact legislation, which indicates the intent of Congress to centralize legislation in one single agency for the stated purposes.

As a practical matter, the ability of the Transit Commission to regulate transit service and alleviate traffic congestion will be substantially impaired if it has no control over passenger operations on the Mall and to the contemplated National Visitor Center at Union Station. The same compartmentalized regulation will exist that the compact was intended to replace.

Section 5 will also contravene the administrative guidelines established by the Presidential memorandum on March 3, 1966, and the accompanying Budget Bureau circular to determine when the Government should provide services.

As noted in paragraph 2 of the circular, the guidelines are "in furtherance of the Government's general policy of relying on the private enterprise system to supply its needs."

Several instances are specified under paragraph 5, on pages 2 through 6 of the circular, as justifying a departure from such general policy. None of these instances is applicable to the provision of public transportation on the Mall and to the Visitor Center.

In this connection, Mr. Chalk desires to assure the subcommittee that D.C. Transit stands ready, willing and able to provide any transportation services needed by the Secretary for the accommodation of visitors to the Capital. There is simply no reason for the Secretary to be directed by the Congress to disregard the mandate of the President expressed in his memo of March 3, 1966, and the accompanying Budget Bureau circular.

Let me digress for a moment, Mr. Chairman and members of the committee, that D.C. Transit is perhaps in the most favorable position to provide such service, because it is a home-based company. It has personnel. It has equipment that is in existence. And it has maintenance facilities second to none. It has had experience in the local area for the last 10 years.

Mr. SCHWENGEL. Mr. Chairman.

Mr. GRAY. Yes.