

report priority attention with a view to moving ahead in this very important area.

Through the fiscal year 1969, Congress has authorized \$675 million to fund programs authorized by the act, of which \$620 million has been appropriated. Grant approvals through February 29, 1968, total \$378 million for capital improvements of mass transportation systems; \$53 million for research, development, and demonstration projects; \$2 million for the new systems study; and \$7 million for managerial training, technical studies, and urban transportation research.

How will Reorganization Plan No. 2 affect the administration of these programs? First, it will transfer all of the authority to make grants and loans for the acquisition, construction, and improvement of mass transportation facilities and equipment from the Secretary of Housing and Urban Development to the Secretary of Transportation.

Second, it will transfer to the Secretary of Transportation certain technical authorities of the Secretary of Housing and Urban Development contained in other acts but necessary to the administration of urban mass transportation programs.

Third, it will reserve certain functions to the Secretary of Housing and Urban Development which relate to the role of his department in urban planning assistance and coordination. Thus, there is reserved so much of the authority under sections 3, 4, and 5 as is necessary to permit the Secretary to participate with the Secretary of Transportation in establishing joint criteria to be followed by local planning agencies in developing coordinated transportation systems as part of comprehensive urban development. There is also reserved the authority necessary to permit the Secretary to advise and assist the Secretary of Transportation in making findings and determinations as to whether the projects for which Federal assistance is sought are related to a program for the development of an urban transportation system as part of a plan for the comprehensive development of an urban area. Finally, the plan reserves to the Secretary of Housing and Urban Development part of the authority in sections 6, 9, and 11 to undertake research or make grants for technical studies and research in problems of urban transportation. Here, the Secretary's authority would be limited to grants and research primarily concerned with the relationship of urban transportation systems to the comprehensively planned development of urban areas, or the role of transportation planning in overall urban planning.

The plan does not involve any change in the authority of the Secretary of Labor with respect to the labor protective provisions of section 13(c). Those provisions will continue to be administered by the Secretary of Labor and we will work closely with his Department on the labor aspects of the grant applications which come before us.

To administer the transferred functions, the plan creates within the Department of Transportation an Urban Mass Transportation Administration, headed by an Administrator appointed by the President, by and with the advice and consent of the Senate, and compensated at Level III of the Executive Pay Schedule. The Administrator will report directly to the Secretary. This will place the urban mass transportation program on the same footing within the Department as the aviation, highway, and rail administrations. As you know, by virtue of the highway and airport grant programs and rail studies