

Nixon to Approve 55-m.p.h. Limit

San Clemente

President Nixon decided yesterday to sign energy-conserving legislation limiting state highway speeds to 55 miles per hour and merging seven bankrupt midwestern and northeastern railroads.

Mr. Nixon's plans to sign the legislation today were announced by aides here, where the President spent part of New Year's Day reviewing bills Congress passed before the Christmas recess. Afterwards he relaxed with his family and watched holiday football games on television.

Under the Emergency Highway Energy Conservation Act, states will be under substantial pressure to establish the 55 m.p.h. speed limit because future federal aid for highway construction may be withheld in states which fail to act.

The legislation was passed by Congress in an effort to

force reduced consumption of gasoline and diesel fuel during the energy crisis. Some states already have set such limits.

Under the Regional Rail Reorganization Act, a new government corporation is to be established and given slightly more than \$2 billion in grants and federally guaranteed loans to arrange for consolidation of the seven financially ailing railroads. Another government corporation would be set up to run it.

Mr. Nixon's decisions were announced shortly after Charles G. Rebozo, the President's closest confidant, flew here from his home at Key Biscayne, Fla., indicating that Mr. Nixon would not be returning to Washington for at least several more days.

The pile of legislation awaiting Mr. Nixon's action has now been reduced to 11 bills.

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