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STATEMENT OF THE SECRETARY OF TRANSPORTATION, ALAN S. BOYD, BEFORE THE
TRANSPORTATION SUBCOMMITTEE OF THE HOUSE APPROPRIATION COMMITTEE,
MONDAY, JUNE 12, 1967

Mr. Chairman and Members of this Committee:

I am pleased to appear before you again at this final hearing of your Committee on the first budget of the Department of Transportation. I have received daily reports on the hearings you have held over the past three weeks on the budgets of the Administrations, the Coast Guard and the National Transportation Safety Board. I sincerely appreciate the interest you have shown by your questions and observations on the Department's estimates for 1968.

I have two purposes today: first, to discuss the budget requirements of the Office of the Secretary for 1968 and second, to answer any general questions you might have as the result of the testimony you have heard over the past three weeks.

You will recall that my statement of May 22 stressed that the Department would operate on a decentralized basis, with the heads of the modal Administrations reporting directly to me. I also indicated that the Office of the Secretary would focus its efforts on matters of policy, management and external relationships which cut across the various transportation modes and can be most effectively handled at the Secretarial level. It is basic to the Department's organization and management concepts that the Assistant Secretaries and the General Counsel will serve largely as staff officials responsible for functions that cut across the various modal Administrations. The Assistant Secretaries are not in the chain of command, but they will be my chief

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staff advisers in the functional areas for which they are responsible. In a few cases, they will also have "doing" or operational responsibilities which I will mention later.

We are proposing two appropriations for the Office of the Secretary, a new Salaries and Expenses appropriation, and an appropriation for Transportation Research projects similar in purpose to the one made to the Department of Commerce in previous years.

I will first summarize our estimates for the Salaries and Expenses appropriation for which we are requesting \$8.3 million and 515 positions in 1968. Of the requested positions, 98 were transferred by Determination Orders to the Secretarial Offices, largely from the Department of Commerce.

As you know, the Department of Transportation Act authorized the use of appropriations available to the modal Administration to finance the initial staffing of the Office of the Secretary in 1967. Under this authority, the Federal Aviation Administration and the Coast Guard each contributed about \$1 million. With these funds, we have made a good start on staffing and equipping the staff offices of the Assistant Secretaries. By June 30, we hope to have on-board about 350 employees, principally in the key executive and staff positions and in the jobs needed for essential support services. We estimate that to finance these jobs and their associated costs on a full year basis in 1968 will require about \$7.3 million of the \$8.3 million we are requesting.

I will summarize for you briefly the functions of my Assistant Secretaries and General Counsel.

The Assistant Secretary for Public Affairs will be my main adviser on all matters concerning public information, legislative relations, Congressional liaison, relations with Federal agencies, ~~and~~ State and local governments, ^{and business & labor organizations,} We are requesting 54 positions to perform these functions in 1968. This will provide at best a minimal staffing for these functions, which are clearly essential if the Department is to present a coherent, accurate expression of its views on transportation matters to the Congress, other ~~Government agencies,~~ ^{units of government} and to the public.

We are requesting 72 positions for the Assistant Secretary for Policy Development. He will be my principal adviser on the Department's overall policy objectives, the appraisal of transportation procedures and practices, and the development of programs that will assure a coordinated and effective transportation system. His functions span a broad range of activities which will be carried on by economists, systems analysts, and other professionals to assure that I have the best staff advice available on the adequacy of existing programs in the Department and on new proposals for solving transportation problems.

For the Assistant Secretary for International Affairs and Special Programs, we are requesting 60 positions in 1968. He will have the responsibility for advising me on all transportation matters that have international implications. He will also be responsible for the functions relating to emergency transportation transferred from Commerce and for other special programs such as transportation telecommunications, ~~and~~ facilitation ^{and oil spillage.}

We are still searching for the right man to assume the duties of the Assistant Secretary for Research and Technology and we hope that he

will be found in the very near future. Meanwhile Mr. Lang, the Federal Railroad Administrator, who was in charge of transportation research for me in the Department of Commerce, has been helping me plan the activities of this office. This Assistant Secretary's basic responsibility is to provide me with advice and assistance on all matters involving the application of research and technology to the improvement of the Nation's transportation system. One of his important assignments will be to review and provide advice on the improvement of the transportation research programs now being conducted in each of the Administrations. He will also be responsible for insuring that the Department's programs for regulating the transportation of hazardous materials are effective and for conducting necessary related research. In addition, he will provide Departmental level leadership in the development of programs to abate noise caused by transportation systems, particularly aviation. Finally, this Assistant Secretary will be in charge of the program transferred from the Department of Commerce relating to transportation information planning. This program, which is funded separately by the High-Speed Ground Transportation appropriation has already been discussed by Mr. Lang during the hearings on the Federal Railroad Administration. Excluding the 12 positions requested for the transportation information planning function, 50 positions are proposed for the offices under the Assistant Secretary for Research and Technology.

For the General Counsel, 33 positions are proposed for 1968. He serves as my principal adviser on all legal matters arising within or referred to the Department and coordinates and reviews the legal work of the operating elements of the Department.

The Assistant Secretary for Administration is responsible for providing staff advice on all matters of organization and management in the Department. His offices also provide direct administrative support to the Office of the Secretary. Moreover, in the interests of efficiency, certain personnel, administrative and other management services will be provided to the National Transportation Safety Board and the Federal Railroad Administration, organizations which are not large enough to efficiently establish a full cadre of support personnel. For these Departmental management policy and direct support functions, we are requesting a total of 196 jobs in 1968.

Finally, the budget includes 50 positions for my immediate offices, the offices of the Under Secretary and Deputy Under Secretary, a Contract Appeals Board, and an Executive Secretariat.

That, very briefly, describes the structure I hope to create to manage the Department.

I want to urge your approval of the proviso in our appropriation language which will permit shifts of staff functions from other elements of the Department to the Office of the Secretary when I determine that they can be performed more effectively and efficiently there. This flexibility is needed, at least during the coming year, to allow me to make adjustments that will ensure the best possible use of our personnel resources. I assure you that the authority will be used sparingly and with care. Any shifts which we make will be based on thorough surveys of the activities involved.

Starting as we are from scratch, we cannot provide past workload statistics or projections of future workload. This, in fact, may be a continuing problem in some of the staff areas where the principal

output is advice to me on what the shape of the Department's transportation programs should be in the future. My concern is that we obtain the best possible people to do the analyses and work that needs to be done to achieve the objectives which the Congress had in mind in creating the Department.

I will say in candor that we have not defined in detail the tasks of the various Assistant Secretaries nor have the relationships of my office and the Administrations as yet been worked out in detail. The organization of the offices reflected in these estimates--like any organization--is likely to change. In short, we are organizing to reorganize, but we believe we have a sound basic structure to start with and I believe it will produce results.

My colleagues and I will be happy to answer any detailed questions you might have on the functions and plans I have outlined for the Office of the Secretary.

For our Transportation Research appropriation, we are requesting for 1968, \$6.1 million, compared to the \$3 million appropriated in 1967 to the Department of Commerce. I believe this higher level of effort is essential if the Department is to fulfill the broad responsibilities placed upon it by the Department of Transportation Act. The funds will be used for a wide range of studies and research projects designed to give us a fuller knowledge of existing and future transportation needs and problems and to suggest possible solutions. Most of the work will be performed by contracts with universities, non-profit research organizations and private research firms. I intend to allocate these funds

for use within the Office of the Secretary and by the Federal Railroad Administration. The detailed budget justification indicates that of the \$6.1 million, \$2.5 million will be used by the Assistant Secretary for Policy Development, \$800 thousand by the Assistant Secretary for Research and Technology, and \$2.8 million for the Federal Railroad Administration. The bulk of the \$2.8 million for FRA will, as Mr. Lang has explained, support the continuing study of transportation in the Northeast Corridor. Based on our present knowledge and plans, this allocation of effort appears reasonable, but I expect to monitor this program closely and I would appreciate some flexibility in reallocating funds among functional areas, as new opportunities for productive research become apparent during the year.

The subject areas to which these research funds will be applied are spelled out in the justification material. Mr. Mackey and Mr. Densmore are here to discuss in more detail the research program we are proposing for 1968.

Mr. Chairman, that concludes my statement and we are all available to answer the Committee's questions--not only on the estimates for the Office of the Secretary but, as I said earlier--on any other matters concerning the Department's budget.