

U. S. Department of Transportation news



Office of Assistant Secretary for Governmental and Public Affairs
Washington, D.C. 20590

STATEMENT OF U.S. SECRETARY OF TRANSPORTATION NEIL GOLDSCHMIDT BEFORE THE SENATE BANKING COMMITTEE, THURSDAY, DECEMBER 6, 1979.

I am pleased to appear before you today in support of Theodore Lutz, President Carter's nominee to be the Administrator of the Urban Mass Transportation Administration. And, as always, I welcome the opportunity to answer any questions you may have regarding the Department of Transportation and my administration of it.

We have entered a period of American history in which it is difficult to over-emphasize the importance of public transportation.

It represents an important tool for affecting virtually every item on our national agenda: it is a tool for conserving energy and reducing our reliance on foreign imports; for fighting inflation; for producing jobs; for guaranteeing mobility regardless of energy cost or availability; for providing increased opportunity for the young, the old and the disabled; for spurring urban revitalization and limiting urban sprawl; for cleaning up the air.

With so much to be done, the administration of the Urban Mass Transportation Administration takes on added significance -- made even more substantial in view of some of the criticisms which have been levelled at the agency in the past and by the absence of a confirmed administrator for too long a time. To meet the challenge of transit in the 80's, we must have solid leadership at the top of UMTA and we must have additional resources. President Carter is looking with confidence to Ted Lutz to provide the former, and both he and I are looking forward to working with this Committee to develop programs to provide the latter.

Ted Lutz, I believe, has the qualities and experience needed at UMTA. He has the hands-on operating experience required to identify and remedy the real needs and problems of transit agencies. And he has the administrative and budgetary experience required to evaluate program expenditures and recommend transportation investments that will prove most cost-effective.

At a time when we are proposing to increase the nation's spending on public transportation from \$15 billion in the 70's to \$50 billion in the 80's, Ted Lutz's skills make him the right person for the job -- to deal with the need for increased bus production, improved maintenance procedures, system improvement and completion, decisions on potential new starts, 504 regulations and other pending critical issues -- and I urge this Committee to recommend his confirmation.

Closely related to the subject of money and our release of discretionary grants is a matter which I know concerns this Committee, about which I have already spoken with some of you, and which concerns me, as well.

This hearing seems a good and appropriate time to clear the air regarding remarks attributed to me concerning the use of discretionary funds. Quite simply, my position is now and always has been as follows: I have never and do not now intend to use the power of my office in managing the taxpayers' money provided by the Congress to deprive people of funds or projects to which they are entitled and which they ought to receive based upon merit and need.

As you know, there is one particular official with whom I have a personal problem, and in this instance our Department will simply find other responsible public officials or authorities through whom to work to assure the people of the region the services they need and deserve.

Any other understanding of my position is flat wrong.

In point of fact, as the Members of the Committee know, most of the allocations the Department makes are based on legislative formulas which assign funds to communities. And where there are discretionary funds, such as in UMTA, in large measure the decisions regarding their allocation are driven by historical commitments, pre-negotiated commitments and a technical assessment of project alternatives. In the past, these commitments and assessments were based primarily upon the demonstrated merits of projects and the needs of communities. Future decisions regarding discretionary funds will be based on these criteria, as well.

The task we share -- UMTA, the Department of Transportation and the Congress -- is to build the transit program that will accomplish the objectives I mentioned earlier. To do that we need a strong, well-managed program at UMTA and we need the funds to implement it. Both Ted Lutz and I are looking forward to working with you toward these objectives.