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TALKING POINTS PREPARED FOR DELIVERY BY U.S. SECRETARY OF TRANSPORTATION NEIL GOLDSCHMIDT, DOWNTOWN/TRANSIT TOUR, SEATTLE, WASHINGTON, JUNE 10, 1980.

We are seeing here what one city has done to help its downtown to grow and prosper by exerting some controls on auto traffic and expanding transit. If you want to visualize President Carter's urban transit program for the 1980s -- just look at what Seattle is doing. In many ways it symbolizes what the President would like to see all cities do -- expand transit capacity and ridership, make transit more attractive to people, provide fringe parking, create high-occupancy vehicle lanes, and make downtown a more pleasant place to work and shop.

Many of you want to improve and expand your transit systems. I want to emphasize that the Carter Administration has made a strong commitment to help you expand public transit capacity and ridership.

Only a few decades back, this country believed it had a seemingly endless supply of cheap energy and land. Because we were surrounded by plenty, we thought we could waste these resources. Now, 40 years later, we have learned how wrong we were.

We are rediscovering the city as part of the solution to a broad national problem, namely a dangerous dependence on foreign oil. It has taken some rude shocks -- two episodes of auto gas lines and gas shortages plus skyrocketing oil prices -- to wake us up. Seven years ago we paid \$8 billion for a year's supply of foreign crude. This year we will pay \$90 billion.

Last year alone, the average price of imported oil doubled. Today, the dollars we send overseas for oil account for one-third of the nation's inflation rate. These high energy costs hurt. They

are damaging the U.S. auto industry, raising air fares and literally robbing this country of much of its wealth and freedom of action.

Here are some of the efforts now underway at DOT to solve transit problems:

- We are working to increase public transit capacity so that commuters can have a choice of leaving the car at home and taking a bus.
- The President's program will expand transit capacity by up to 50 percent by 1990. That means adding 15 million riders to public transit systems. We will add \$10 billion to the funds already authorized for a total of \$16.5 billion for transit assistance. We have proposed using windfall profits money for this. But the President is committed to spending this \$10 billion for transit in the next decade regardless of whether the funds come from the windfall tax, as originally planned.
- This will add up to a \$50 billion Federal and local transit investment in the 1980s.
- We want to revise our method of distributing transit funds to provide more incentives to expand transit service, increase ridership, improve efficiency and encourage realistic fare policies. This will help cities to accomplish more with the limited resources available.
- Under the present formula, transit assistance funds are allocated in such a way that they do not recognize existing transit service levels. Allocation is based mainly on population and population density. Now we have proposed to base operating and capital assistance 50 percent on population and 50 percent on existing transit revenue miles.

We also proposed separate incentive grants for those communities that increase transit ridership by five percent or more over the previous year.

- Many of you would like to have more buses on the street today. The present lead time for bus procurement is much too long to meet today's needs. We plan to take action to speed the delivery of transit equipment to help cities build and expand their systems.
- When a transit authority wants and can use more buses, we want to get those buses on the street. We have proposed that the Urban Mass Transportation Administration be authorized to buy buses directly from the manufacturers and have a pool available for quick transfer to cities.

-- A bus reserve would stimulate useful competition in the industry and cut down production and delivery delays. And, by standardizing specifications, it could even reduce the cost of buses.

-- Of course, there is a limit to how many commuters transit can serve. Some employment centers are widely dispersed and not well served by transit. So we need to expand the productivity, if you will, of the 50 million cars that travel to work every day with just one occupant. We need to promote and create innovative incentives for carpooling, vanpooling and other forms of ridesharing. This has the potential to save large amounts of energy.

-- We are working toward the goal of getting 40 percent of the community workforce -- that's 30 million workers -- into some form of ridesharing by 1985.

-- We have invested vast sums of money in our transportation network. The present system of streets and highways represents a trillion dollar investment. We will need a strict conservation ethic to maintain our transportation system. We need to get more productivity out of what we have and to take care of the highways and transit systems we have.

-- One way to do this is through what we call Transportation Systems Management (TSM). Federal funds can be used to help in the construction of high-occupancy vehicle lanes, fringe parking for transit users and carpoolers, traffic control signalization, and pedestrian and bicycle facilities.

-- We believe that urban transportation projects should be used to serve as incentives for other urban economic development.

-- More cities are learning that improved transit systems -- while they do require tax support -- can add significantly -- to the tax base. In Washington, D.C., the partially completed Metrorail system is the key ingredient in the economic revival of downtown and in the rapidly rising property values in outlying suburban areas where the rail system is still two years away.

-- It's important to note that the President's conservation program is working. People are driving less. Transit ridership is up. People are doing more carpooling. Seattle is helping to set an example for the rest of the country. It's a pleasure to see these good ideas at work today.

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