

U. S. Department of Transportation news:



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REMARKS PREPARED FOR DELIVERY BY SECRETARY OF TRANSPORTATION BROCK ADAMS TO THE AMERICAN ROAD AND TRANSPORTATION BUILDERS ASSOCIATION, WASHINGTON, D.C., FEBRUARY 13, 1978.

In accepting your invitation today, I knew the date would coincide closely with submission of our new highway and public transportation legislation.

We went earlier for two reasons. One, we wanted to get our recommendations to the Congress as soon as possible, so that hearings could begin; and, two, I knew that the details of our legislation would be no surprise to the officers and members of this Association.

We spent a year on this program, in consultation with governors, mayors, transportation people - including ARBTA members - in public hearings and with the staffs of the concerned Congressional committees. I talked personally with the chairmen of all the committees. In other words, we have tried to work out a program based on careful thought and extensive consultation - one that can move through the hearings and be in place for the start of the new fiscal year next October.

Our proposal is complicated because the programs have been complicated. But it is not revolutionary. It extends the Highway Trust Fund. It calls for the continuation, to completion, of the Interstate system. It authorizes spending at approximately the same or slightly higher annual levels over the next five years. The proposal, in short, reaffirms the importance of America's surface transportation program and commits new resources to its further development.

So in these respects the bill is very conventional.

But the legislation also seeks to bring Federal surface transportation assistance programs in line with changing needs and priorities. We have a road system we can be proud of; our foremost challenge now is to improve that system, and protect our investment in it.

When the Interstate system was planned, no one was very concerned about energy or urban congestion. 'Environment' was not yet a household word. Gasoline was less than 30 cents a gallon and there was plenty of it. Highways were going to solve city traffic problems, not add to them.

All of that, of course, has changed - and our policies and programs must change. We are not going to give up our automobiles. We are going to continue to use our roads. But we are at the mercy today of foreign energy supplies. The \$44 billion we spent last year for imported oil was the major cause of our \$26 billion trade deficit. The crisis is real. And private motor vehicle travel accounts for 31 percent of our petroleum consumption, making the personal automobile the nation's biggest petroleum user.

What we are trying to say to people in the cities and counties is that the Federal strategy will be responsive to their needs.

In other words, is there an alternative to the automobile for part of the average person's daily travel? Can we show people in rural areas that they can go where they want to go even if they do not own, or cannot drive a car?

In a sense we are doing in our national policy what you did when you renamed your organization the American Road and Transportation Builders Association. We both recognize that after three-quarters of a century of dedication to road-building, our job has not ended. But our tasks today, our concerns and our responsibilities are much greater and far broader.

The legislation we are proposing provides \$50 billion over the next five years for highway and public transportation construction and development. But it also reflects a new viewpoint -- one of greater concern for the effect that transportation decisions have on our cities, our environment and our energy consumption.

To achieve that goal we must, first, revise our thinking and then, second, reform our programs. We must take the energy situation seriously. We must look upon highways and public transportation systems as allies, not rivals. It is no longer necessary to force local transportation decisions through the use of many rigid categories and through a variety of Federal funding percentages.

The Administration's proposal, and the Surface Transportation Act introduced in the House by my good friend Jim Howard, both address these basic issues. The Bills we have proposed must harmonize highway and transit programs and move rapidly in the direction of the comprehensive surface transportation program I believe is essential.

Although some in this audience may know the subject in great detail, I want to take just a few minutes to touch on the principal objectives of our proposal.

First, I favor the timely completion of the Interstate system. Our bill sets an environmental review deadline of October 1, 1982, and a construction start deadline of October 1, 1986 which should achieve the goal of completion by 1990. To assist the states in getting on with the approximately nine percent of the system not yet built, we are proposing several actions:

- (1) The apportionment formula will be revised so that half of the Interstate funds will have to be used to complete essential gaps in the system, but we still protect each state with the half percent system.
- (2) States will be permitted to borrow against the following year's Interstate apportionment if current year funds have been obligated; and
- (3) After two years, a state's right to unused Interstate funds will lapse and the funds will be reallocated to other states, and we thus rotate the system every two years.

I'm inclined to agree with Bill Cox that 1977 was a good year for Interstate progress. The states spent about \$3 billion in Federal-aid funds for Interstate construction. Another 800 miles were opened to traffic - 370 of these miles represented 'gaps' in intercity routes that were finally closed. It was my pleasure to participate in ceremonies last December marking the completion of I-75 at Marietta, Georgia. That road, running 1,540 miles from the Canadian border to the Gulf of Mexico, is the first trans-national Interstate to be completed.

So last year was a good year, and I think by setting some benchmark dates - which means making 'go' or 'no-go' decisions by 1982 - we can move ahead in these succeeding years and close out the Interstate construction program by 1990, and make proper use of the balance in the trust fund as well as the new money coming in. We will thus have work in the construction industry in a steady flow without it going up and down with the swings in Federal allocations.

This brings me to the key section in our legislative proposal about the beginning swing toward increased Federal assistance for resurfacing, restoration and rehabilitation.

You have heard me say before that I do not want to see our magnificent highway system collapse. There are sections of the Interstate that are now 20 and 25 years old. Certain of our primary and secondary roads are deteriorating. We are falling behind in bridge repair and replacement.

So as our spending for new construction declines, spending for reconstruction will increase. We know that while the original plan called for the states to maintain the Interstate highways within their borders, that is becoming more and more difficult as costs rise and state highway revenues level off. Our legislation, therefore, liberalizes Federal aid for '3-R' work, authorizing 80 percent Federal funding to restore Interstate routes in use more than five years. We are also recommending a doubling of the bridge replacement fund and a substantial expansion of the bridge rehabilitation program.

Finally, our proposal takes what I consider to be two very important steps toward a more even-handed Federal approach to state and local surface transportation needs:

- (1) It establishes an equalized funding system, with the Federal share set at a uniform 80 percent for all construction programs, except Interstate and Interstate transfer projects which will remain 90/10 through the completion of those programs.
- (2) It takes the present plumber's nightmare of funding categories - more than 30 in all - and consolidates them into seven broad program categories, including the Interstate system; the Primary system, joint planning funds, bridge replacement, safety, assistance for large urban areas, and assistance for small urban and rural areas.

Those are the basic objectives of our legislation -- to simplify, to put our dollars where they are most needed and to give the cities, counties and states more flexibility.

Before closing, I want to say a word about the recent report of DOT's Coal Transportation Task Force.

This task force went out to Kentucky and West Virginia and Pennsylvania and other states to look at the problem -- and I went out on some of them such as the trip to Hazard, Kentucky so I could see the mines and the coal roads. The result was a report on some of the things the Federal Government might do to move the huge volumes of coal the nation will need in the 1980's.

The recommendations came down to these points:

- (1) DOT should consider a coal roads program, helping states, when necessary, to upgrade existing coal roads or build new ones.
- (2) Federal funding for such a program could be leveraged by requiring 20 percent in matching funds from the states.

- (3) Rail transportation of coal may require an investment of as much as \$10 billion, but the private sector should be able to raise most of that amount -- and still find a profit in the high volume of new businesses.

I will be studying the recommendations of the task force and of the new Energy Transportation Task Force set up by DOT and the Department of Energy. We are going to meet the President's goal of a two-thirds increase in coal production by 1985, and move it where it needs to be used.

In energy policy and in surface transportation, we need the support of your organization. I think you'll agree there is plenty of work for all of us to do, and I want to work with you so we get the job done.

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