

SECRETARY OF TRANSPORTATION ANDREW H. CARD, JR.
WORCESTER AREA CHAMBER OF COMMERCE
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WORCESTER, MASSACHUSETTS

It's great to be back. I'm not here to talk about transportation. I am here to attend the Olympic Boxing Trials at the Worcester Centrum. A lot of people don't know this about me, I used to be a boxer. They called me Kid Canvass. My career was cut short by a serious hand injury. The referee stepped on it.

Seriously, it's a pleasure to be back in Central Massachusetts, and particularly here in the City of Worcester. You in this -- the largest Chamber of Commerce in New England -- are the business people who really move our economy.

While serving in the Massachusetts legislature, I learned a tremendous amount about this great city. Working in Washington, D.C., has made me realize what a unique community you have in terms of transportation planning. And the local economic benefits are tremendous.

WHAT TRANSPORTATION MEANS TO WORCESTER

Most everyone outside Massachusetts has heard of the "Port" of Worcester. All the double stack trains from the West Coast unload their cargo here. Then the trucks fan out all across New England.

But few people outside of Massachusetts realize that your excellent central location and transportation connections make this area the heart of New England.

The new biotechnology research park puts Worcester on the cutting edge of a new technology with as much potential as the computer industry had in earlier decades. Your Worcester Centrum gained national attention as host for the NCAA basketball tournament. U Mass Medical Center and your consortium of 10 colleges and universities are the crown jewels of Worcester. These enterprises thrive on good transportation.

SPEECH THEME: INTERMODALISM AND DEREGULATION

Today, I will focus on two Bush Administration initiatives -- intermodalism and trucking deregulation.

Intermodalism is more than the train-truck interchange you see at the distribution center here. It's concentrating on moving goods and people in the safest, most efficient way, irrespective of mode. The 21st century demands that we use all modes of transportation -- mass transit where mass transit fits the need, highways where highways are needed, trains, and airplanes, barges and boats.

Worcester's plan for the Central Massachusetts Transportation Projects is intermodal and it directly strengthens the economy of New England.

The I-290 Ramp System -- linking downtown Worcester directly to Interstate-290 -- will significantly enhance downtown development. The productivity gains are expected to be very substantial.

Speaking of productivity, I don't know how anyone could expect to operate the biggest freight distribution center in New England with trucks bottlenecked on a two-lane highway. The Route 146/Massachusetts Turnpike Connector project is long past due.

Federal Highway Administration officials have been working with the Massachusetts Turnpike Authority and the Commonwealth to move this project along as quickly as possible. The project should qualify for National Highway System funds. Shippers -- and therefore, consumers -- all over New England will benefit from removal of this three-mile bottleneck.

Your plans for an intermodal transportation passenger center are outstanding -- right on target. Don't let anything derail these plans because they are the tie that binds.

The MBTA Commuter Rail Extension from Boston to Worcester is a forward thinking brand of intermodalism. It will mean as much to the economy of Worcester as any other project. That's why Governor Weld is interested in this project and so am I. We both recognize the importance of moving passengers as well as freight in the most efficient manner possible.

And finally, the \$13 million airport terminal is being built with state, federal and local funds. But there's more to building an airport than the terminal itself. Airports are complex undertakings. As we all know, airports require local effort as well as FAA involvement, and we are ready to work with you in making Worcester airport one of the finest. The Worcester airport has applied for authority to use the passenger facility charge to raise \$2.3 million for runways and taxiways. The FAA will rule on that application by July 28.

ISTEA

Now, let's turn to Washington for a moment. Last December President Bush signed the revolutionary Intermodal Surface Transportation Efficiency Act -- ISTEA, for short.

The act authorizes \$151 billion over its six-year life. But ISTEA is much more than a big dollar figure. ISTEA

forces us to think intermodally -- to focus our resources on delivery of service in surface transportation broadly, rather than in a single mode of transportation.

In every way ISTEA encourages the kind of intermodal planning that you here today have been doing for years.

The act provides flexibility for a state to use up to 69 percent of its highway funds on mass transit if that's what it takes to meet the needs of the residents of that state.

ISTEA gives state governments and regional planning offices a much greater say in the kind of transportation we will have in the 21st century. It reaches out to the private sector to try to involve private enterprise at every possible turn.

ISTEA immediately opened the door for \$11 billion in federal highway and transit obligations this fiscal year. These monies are to be used by state and local governments solely to rebuild and maintain our transportation system. The President also ordered us at DOT to expedite the release of these dollars as quickly as possible -- in order to support some 600,000 jobs this fiscal year.

WHAT ISTEA MEANS FOR MASSACHUSETTS & WORCESTER

Here's what ISTEA means for Massachusetts. The act allocates over \$5 billion for Massachusetts for the next six years.

As of June 4, Massachusetts had obligated just over 50 percent of the \$692 million apportioned to the Commonwealth this year.

Let's bring it even closer to home. What does ISTEA do for the city of Worcester? It authorizes the creation of a National Highway System. The final map for the NHS has to be approved by Congress, but the system will include many of Worcester's existing principal arterial routes. The balance of your streets that are now eligible for federal-aid will be eligible for Surface Transportation Funds.

Although Worcester doesn't yet meet federal standards under the Clean Air Act, the good news is that ISTEA created a special category of funds to help such areas comply. It's called the Congestion Mitigation and Air Quality Improvement Program. Massachusetts received \$34 million from that fund this year.

ISTEA recognizes what you in Worcester already know: For our economy to grow and compete internationally in the 21st century we must build an intermodal transportation system, and do it now.

TRUCKING DEREGULATION

And we cannot have a seamless transportation system until we break down the remaining regulatory barriers to our trucking industry. Just as we are forging the important links between modes of transportation, we must remove the remaining economic regulation on trucking. Anyone in this audience who has a relationship with the "Port" of Worcester no doubt would agree. Shippers and carriers alike stand to gain from further trucking deregulation.

One of my first official acts as Secretary of Transportation was to take the Administration's trucking deregulation bill to the Hill and tell the Congress: enough is enough. It's time to act.

Partial deregulation of the motor carrier industry has worked at the federal level the past 12 years. Benefits to shippers and consumers exceed \$15 billion per year -- and that by conservative estimates. And it has worked in the states that have deregulated their trucking industries.

But the remaining regulation of trucking at the state and federal levels is a drag on our national economy. For example, in Massachusetts, state regulation of trucking costs the Massachusetts economy between \$144 and \$189 million a year.

Trucking deregulation must happen -- sooner rather than later. The smooth and efficient operation of our market economy demands it. We are no longer competing exclusively in state and local markets. We are competing in a world economy. We simply cannot afford the costs and inefficiency of these parochial regulations.

Almost everyone now agrees that the federal reforms of the 1980s did not go far enough. They left in place too many barriers, especially at the state level.

The Administration's legislation would remove essentially all remaining federal and state economic regulation of interstate trucking operators, but with no reduction of safety regulation. I intend to push for it as hard as I can, and I hope I have your support.

CONCLUSION

So, ladies and gentlemen, let me emphasize that we want to work with you. We will continue to promote intermodalism. We will continue to cut needless

regulation, and to bring the private sector into government operations. You in the private sector have brought revolutionary change to Worcester in recent years.

President Bush is pushing five reforms that will continue that revolution in Worcester and the nation. The President is carrying revolutionary change to education, health care, world trade, and our legal and legislative systems. And with you as partners, that revolution will succeed.

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