

# U. S. Department of Transportation

# news:

Office of Public Affairs

Washington, D.C. 20590



FOR RELEASE TUESDAY  
November 1, 1977

DOT 116-77

## HAZARDOUS MATERIALS REGULATIONS TOPIC OF DOT SEMINAR IN DECEMBER

The U.S. Department of Transportation will hold two 2-day seminars on department regulations governing the safe transportation of hazardous materials.

The seminars will be held on December 13-14, 1977, and December 15-16, 1977, at the Holiday Inn, Newark Airport, Newark, N.J. Each seminar will cost \$30.

The sessions are designed as introductions to persons who have recently become involved in hazardous materials transportation and as a refresher and update session for those persons already familiar with the DOT regulations. The seminars will not take the place of the in-depth training necessary to comply with the regulations.

Space for the seminars is limited and will be assigned as registrations are received. Registration checks must be made payable to "U.S. Department of Transportation," and mailed to the Office of Hazardous Materials Operations MTH-30 (Seminar), U.S. Department of Transportation, Washington, D.C., 20590. No refunds will be made after December 7, 1977. Persons desiring hotel accommodations should contact the hotel directly.

Persons wishing more information should contact Ms. Joan Harris or Roosevelt McKinley Jr. at (202) 426-2301.

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# U. S. Department of Transportation news:



Office of Public Affairs  
Washington, D.C. 20590

FOR RELEASE TUESDAY  
November 1, 1977

DOT 118-77  
Phone: (202) 426-4321

## ADAMS URGES URBAN COMMUTERS TO SHIFT TO PUBLIC TRANSIT

Unless Congress passes an energy bill containing fuel-saving measures proposed by the President, the nation may find itself without the means to operate its transportation system, Secretary of Transportation Brock Adams said today.

Secretary Adams told Ford Motor Company executives meeting in Washington that gasoline consumption this year is running six percent ahead of 1976, despite the larger number of fuel-efficient cars on the road. The nation's daily oil imports went up 30 percent last year alone, he said, and one of every two gallons of gasoline put in our cars now comes from foreign sources.

Stating his confidence that the automobile industry will meet the 27.5 miles per gallon fuel economy standards for 1985, Secretary Adams said, "But your best efforts will have gone for naught if we do not make commensurate improvements in the way we make our transportation decisions and use our transportation systems."

The Secretary urged a reduction in urban auto travel and a shift to greater use of public transportation. "Transit can never carry the total load, but there is tremendous capacity -- both present and potential -- that could be better used," he said.

Citing Census Bureau figures that show that 86 percent of all commuters use private vehicles, Secretary Adams said, "It is little wonder that local automobile travel takes an estimated 22 percent of the petroleum products used in this country.

"We would be wise," he said, "to curtail the use of the private motor vehicle where it is inefficient and preserve its utility where it is most efficient -- on uncongested roads. To do that," Adams said, "we must develop better transportation alternatives in the urban environment, which means everything from carpools and vanpools to more efficient public transportation."

The federal government's role in shaping the future of the automobile Secretary Adams defined as one of not stifling or restraining the auto industry, "but to clearly indicate to the auto manufacturers those matters of national policy, social concern and public necessity that influence the development and production of motor vehicles in a timely and coordinated fashion."

It was by this reasoning the Secretary said that he coordinated his decisions on fuel economy standards and automatic passenger protection devices with congressional action on fuel emissions.

Secretary Adams told the Ford executives that DOT's National Highway Traffic Safety Administration is preparing a new rulemaking plan for that agency's regulation of motor vehicles. "We intend to include," he said, "not only a schedule of any rulemaking actions, but to identify as well those areas where additional rulemaking appears to be unnecessary."

The Secretary asked the Ford executives to join with government in focusing on three areas of motor vehicle safety that require improvement.

These are, he said:

1. Better protection to drivers and passengers in side crashes and rollovers than that which will be provided by mandated occupant restraint systems.
2. The adaptation of passenger car safety standards to increasingly popular vans and light trucks.
3. Sharper focus on protection of the pedestrian, the victim of 20 percent of highway accidents.

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For further information:  
William W. Bishop



# U.S. Department of Transportation news:



Office of Public Affairs  
Washington, D.C. 20590

FOR RELEASE 12 NOON WEDNESDAY  
November 2, 1977

DOT 11577  
Phone: (202) 426-4321

## ADAMS URGES TRUCKING INDUSTRY TO BACK PRESIDENT'S ENERGY PLAN

The trucking industry has a major stake in the outcome of congressional action on the President's energy program, Secretary of Transportation Brock Adams said today.

Speaking in Las Vegas, Secretary Adams told the annual convention of the American Trucking Associations that if Congress passes the energy bill proposed by the Senate Finance Committee, which contains none of the three major price shifts proposed by the President to reduce the use of oil, "we will simply be deferring for a short time the energy crunch that is bound to come."

"If we continue to use fuel excessively and wastefully," the Secretary said, "we may get by for a time, but soon we will have to pay a stiff price, either in dollars or in the disruption of our economy."

Secretary Adams said the Administration has not yet taken a position on the need for legislation to reform regulation of the trucking industry, but he said the question is being studied carefully.

Stressing the Administration's commitment to the orderly reform of economic regulation including the transportation industry, the Secretary said, "It's my personal view that many of the motor carrier modifications needed can be achieved through reforms, not deregulation." He pointed out that Interstate Commerce Commission Chairman Daniel O'Neal has already made good recommendations for motor carrier reform. "I think it is entirely possible to make improvements in the structure of motor carrier regulations without injuring the system," Adams said.

President Carter's primary energy objectives, Adams said, are to shift a greater share of industrial use from oil to coal, thus making available more petroleum to truckers and other essential elements of the nation's transportation system that cannot use alternative fuels; and secondly, to reduce the overall dependence on oil through conservation and improved energy efficiencies.



Secretary Adams pointed out to the trucking executives that one of every two gallons of fuel sold for highway use now comes from foreign sources. "If the OPEC nations decided suddenly not to sell us their oil," he said, "half of the trucks on the highways would quit running."

In addition to enactment of the President's energy program, Secretary Adams recommended to the convention five ways the nation can relieve the heavy pressure on petroleum resources.

These are, he said, reducing the heavy nonessential use of the automobile, increasing the fuel economy of motor vehicles, observing the 55 mph speed limit, improving the maintenance of highways and increasing the interconnectivity of transportation modes.

"An inordinate amount of our total petroleum consumption is now expended for private car commuting and other urban uses, where carpooling and mass transit make far better sense," Adams said. "One of the things we must do is restructure the federal surface transportation grant programs so that metropolitan communities can acquire alternatives to the personal automobile."

Pointing to his action of having established interim fuel efficiency standards for cars manufactured through 1984 and the ultimate standard of 27.5 miles per gallon to be achieved in 1985, the Secretary said that improving the fuel economy of cars from an average of 20 mpg in 1980 to 27.5 in 1985 will result in a savings of 10 billion gallons of gasoline.

"We must not, of course, nullify these savings by frittering them away through careless and unnecessary driving," the Secretary said.

On adherence to the 55 mph speed limit, the Secretary acknowledged that for the individual driver the fuel-saving may seem small, "but," he said, "collectively we could cut overall consumption by three to four percent -- an enormous amount of fuel -- just by slowing down to the legal speed."

Secretary Adams delivered to the American Trucking Associations a congratulatory message from President Carter for the membership's support of the national speed limit.

Secretary Adams said he has found widespread agreement among transportation leaders throughout the nation that the construction of the Interstate Highway System should be accelerated and the unfinished key segments completed.

"I believe we must concentrate first on the essential gaps and at the same time start the shift that is necessary toward resurfacing, restoration and rehabilitation," the Secretary said. "We have a tremendous investment in our highway system, and should protect the investment as we extend it."

An almost hidden waster of energy is the poor relationship between the nation's different types of freight carriers, the Secretary said.

"I am concerned," he said, "about the ability of motor carriers to connect with railroads and barges and the regulations that may frustrate easy interchange at critical terminal points."

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For further information:  
William W. Bishop

# U.S. Department of Transportation news:



Office of Public Affairs

Washington, D.C. 20590

FOR RELEASE WEDNESDAY  
November 2, 1977

DOT 11777  
Phone: (202) 426-4321

## DOT AWARDS THREE CONTRACTS TO IMPROVE TRUCK FUEL ECONOMY

The award of three contracts totaling more than \$500,000 to improve the fuel efficiency of heavy duty trucks was announced today by Secretary of Transportation Brock Adams.

DOT will purchase from Rockwell International of Troy, Mich., the instrumentation to validate measurements of truck fuel economy developed by the Society of Automotive Engineers on a fleet of eight test trucks donated by manufacturers. The value of the contract is \$377,000.

A \$26,125 contract has been awarded to Calspan Corporation, Buffalo, N.Y., to develop on its flat surface tire test facility accurate rolling resistance values for the tires mounted on the test trucks.

The third contract, in the amount of \$180,000, was awarded to Transportation Advisers, Inc., Fort Lauderdale, Fla., for truck fuel economy information, testing and advisory services to assist operators of smaller truck fleets and individual owner-operators in adopting fuel-conservation equipment and procedures.

The contracts support DOT's Voluntary Truck and Bus Fuel Economy Program, designed to reduce through the cooperation of equipment manufacturers and operators the fuel consumption of heavy duty commercial vehicles, which account for approximately 14 percent of highway fuel consumption.

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For further information:  
William W. Bishop



# U. S. Department of Transportation

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Office of Public Affairs

Washington, D.C. 20590



FOR RELEASE WEDNESDAY  
November 2, 1977

DOT 12077  
Phone: (202) 426-4321

## DOT PROPOSES CHANGES IN AIR CHARTER RULES

The Department of Transportation today urged the Civil Aeronautics Board to liberalize regulation of charter flights in order to provide attractive, low-cost air service to consumers and to enable charter operators to compete effectively with low-cost flights being offered by scheduled air carriers.

In its comments to the CAB, DOT cited President Carter's September 26, 1977, message to the board in which he emphasized the need to expeditiously reform the existing charter rules.

"President Carter has made clear his commitment to low-cost competitive international air service and the importance of more liberal charter rules in achieving that goal," DOT said.

While supporting the initiative and direction exercised by the CAB by proposing interim charter rules on October 14, 1977, DOT General Counsel Linda Heller Kamm said, "More liberal rules are both necessary and feasible to guarantee the availability of low-cost air services to consumers."

Specifically, DOT recommended:

- Abolishing the round-trip group travel requirement in favor of one-way advance booking charters (ABC);
- Allowing substitution or original sale on ABCs up to the day of flight of 25 percent of the total seats chartered;
- Revocation of minimum stay requirements for all ABC and one-stop inclusive tour charters (OTC).

The adoption of DOT's proposed provisions in addition to the 15-day advance booking period for ABCs and the 20-seat minimum group size requirement for both ABC and OTC charters as proposed by the CAB would be a positive response to the President's September 26 request, DOT said.

The recent institution of low-cost scheduled fares, DOT said, has raised doubts concerning the availability of charters to compete effectively against low-cost scheduled fares under present restrictions. "Therefore," it said, "liberalization of the Board's charter rules is necessary."

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# U. S. Department of Transportation news:



Office of Public Affairs  
Washington, D.C. 20590

FOR RELEASE WEDNESDAY  
November 2, 1977

DOT 12177  
Phone: (202) 426-4321

## ENERGY CONSERVATION TO CHANGE HIGHWAY, MASS TRANSIT PROGRAMS

The need for energy conservation will change the way this country handles its highway and mass transit programs, a Department of Transportation official said today.

Speaking to the annual meeting of the American Association of State Highway and Transportation Officials in Atlantic City, N.J., DOT General Counsel Linda Heller Kamm said new actions and new programs are needed.

The transportation industry must be in the forefront of energy conservation efforts, she pointed out, because transportation consumes 26 percent of all energy used in the United States and, more importantly, 50 percent of U.S. petroleum consumption.

Kamm said energy conservation and environmental protection are compatible goals. For example, the fuel crisis has already led to lower speeds and improved safety.

She added, "Smaller cars, and more passengers in each will mean lower pollutant emission per seat mile, reduced noise emissions, and lower traffic counts."

DOT's highway and mass transit programs involve \$10 billion a year, Kamm said, with much of the money going into urban areas. "This money has tremendous potential in creating jobs and in stopping the spread of urban blight," she noted.

Kamm told the highway and transportation officials that the general direction for future highway and mass transit programs would be as follows:

- Updated and more flexible grant programs. The more than 30 separate highway programs would be reduced to about half a dozen categories.

- Re-examination of who gets grant money and who can decide to use it. She noted that highway funds go to and sometimes through the states, while transit money is handled by local transit agencies. "We know from the environmental disputes we have had in the highway program that the local interests are often the most anxious to get a project built, while state and federal officials often have broader perspectives and therefore show greater sensitivity to environmental issues."
- More intermodal planning. For example, Kamm said, "It's very frustrating to build a new airport and then to find out that there's no reasonable ground transportation to that airport. We have to think in intermodal terms."
- Completion of the interstate highway system, which is 90 percent built. Greater emphasis should be placed on allocations for projects that would allow completion of essential gaps in the system and permitting states to draw advances on future funding apportionments.

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For further information:  
Howard C. Coan

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# U. S. Department of Transportation news:



Office of Public Affairs  
Washington, D.C. 20590

FOR RELEASE AFTER 2:30 P.M. EDT  
Thursday, November 3, 1977

DOT 119-77  
Phone: (202) 426-4321

## SECRETARY ADAMS URGES TOUGHER ANTI-HIJACKING RULES

U.S. Secretary of Transportation Brock Adams urged today that all nations begin screening passengers on all foreign and domestic flights to prevent air hijacking.

Speaking to a special Council meeting of the International Civil Aviation Organization (ICAO) in Montreal, Canada, Mr. Adams said the United States will provide technical information and advice on airport security "within the limits of existing resources."

A recent study of 28 airline hijackings throughout the world this year indicated that at least 20 were attributable to inadequate screening procedures or to failure to screen at all, Secretary Adams pointed out.

"It is significant to note that, since strengthened U.S. security measures went into effect at the start of 1973, not a single hijacking incident has occurred attributable to failure to detect guns or other weapons in the screening process," he said.

Secretary Adams went to Montreal to express President Carter's deep concern over the problem of hijacking and airborne terrorism. ICAO is an inter-governmental organization related to the United Nations. It is based in Montreal.

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Secretary Adams asked the Council to consider strengthening anti-hijacking resolutions adopted by the ICAO Assembly in October -- specifically recommendations which require ICAO to develop and to update air security recommendations and standards and those which urge nations to make it possible to provide screening and inspection facilities for international air transport services.

He asked that all nations adhere to standards and recommendations developed at previous conventions on the prevention of airline hijacking and "safe havens."

The Secretary also praised ICAO for conducting two seminars in the Far East and Pacific regions to aid in the implementation of aviation security programs, and he encouraged the organization to continue the seminar program.

"In this connection," he added, "my government stands ready to assist ICAO in any appropriate way in this program and will continue to provide assistance, within the limits of existing resources, to those nations which request it."

Secretary Adams urged that nations make airline hijacking "the highest national priority."

"The problem of unlawful interference with civil aviation is worldwide in scope," he said. "It is therefore appropriate that this body deal with this increasingly severe threat."

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# U. S. Department of Transportation news:



Office of Public Affairs

Washington, D.C. 20590

FOR RELEASE THURSDAY  
November 10, 1977

DOT 123-77  
Tel: (202) 426-4531

## DOT GRANTS \$25,000 TO AID NATIONAL WOMEN'S CONFERENCE

The U.S. Department of Transportation today announced a grant of \$25,000 to support the national conference of the Commission on the Observance of International Women's Year being held in Houston, Tex., Nov. 14-22.

In a letter to former Congresswoman Bella Abzug, the conference presiding officer, Secretary Brock Adams said his department was "pleased to help with such an important matter as the National Women's Conference."

Adams noted that the week-long Houston conference is "the culmination of more than two years of meetings, discussions and studies to define barriers and practices that prevent women's full participation in the life of the country."

He said the conference will be discussing transportation services as they affect women and he requested "feedback on the recommendations made by the conference body."

The IWY Commission made requests to government agencies for assistance in support of the conference and DOT joined the Department of the Interior and The National Aeronautics and Space Administration in providing funds as well as staff aid. The General Services Administration also is providing space and equipment for the conference.

Linda Heller Kamm, DOT General Counsel will address the conference on Saturday, Nov. 19. Also participating in the conference meetings will be Ellen Feingold, director of the department's Office of Civil Rights, and Wanda Reyna, coordinator of DOT's Federal Women's Program.

The DOT provided \$35,000 to the initial International Women's Year observance in 1975 as part of an administration-wide fund of \$500,000. This year's national conference in Houston follows statewide meetings in all 50 states, U.S. territories and Puerto Rico.

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# U. S. Department of Transportation

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Office of Public Affairs

Washington, D.C. 20590

FOR RELEASE MONDAY  
November 14, 1977

DOT 124-77  
Tel: (202) 426-4321

ADAMS NAMES COLE PRESIDENT  
OF U.S. RAILWAY ASSOCIATION

Secretary of Transportation Brock Adams has recommended the appointment of Donald C. Cole to the presidency of the United States Railway Association.

The recommendation is subject to affirmation by USRA's board.

Cole, 40, has been acting president of the Association since July 1977. He joined USRA in July 1974 as vice president, secretary and assistant to the chairman, and later became vice president for governmental affairs and secretary.

Prior to joining USRA, Cole was general counsel to Fruit Growers Express Company and Western Fruit Express Company, firms jointly owned by several railroads. He was from 1970 to 1973 assistant general counsel to Trailer Train Company of Chicago.

During the period from 1967 to 1970, Cole was in private law practice in Seattle, and from 1959 to 1960 he was staff counsel to the Senate Commerce Committee.

A native of Coulee Dam, Washington, Cole was graduated from Whitman College in 1959 and received his law degree from the University of Washington in 1965. He lives in Alexandria, Virginia.

USRA is a government corporation established to plan and finance the reorganization of the bankrupt railroads in the Northeast into what is now the ConRail System. Its present responsibilities include administering the investment of public funds in ConRail, monitoring the railroad's performance and representing the federal government in the litigation stemming from the reorganization.

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For further information:  
William W. Bishop



# U. S. Department of Transportation

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Office of Public Affairs

Washington, D.C. 20590

FOR IMMEDIATE RELEASE  
Wednesday, November 16, 1977

DOT 125-77  
(202) 426-4321

Secretary of Transportation Brock Adams today outlined a blueprint for the evolution of national transportation policy. Noting that the nation's transportation system had been built "a layer at a time," he called for a restructuring of Federal grant programs, reforms in the regulated transportation industries, and establishment of a combined transportation account to remedy the problem of "fiscal imbalances" among the modes.

Speaking to the National Transportation Policy Study Commission in Newark, New Jersey, chaired by Senator Harrison Williams (D-N.J.), Secretary Adams said that he had gone about "as far as is presently possible" in reshaping the Department of Transportation through reorganization. He acknowledged that Presidential reorganization actions may lead to the "further consolidation and streamlining" of the Department to serve as an effective tool for implementing national transportation policy.

Next on the Department's agenda, he said, are the legislative proposals to be sent to the Congress in January. While the details are still under review, the proposals will recommend specific changes needed in the transportation grant programs to bring transportation developments in line with national energy, environmental, social and economic goals.

In his prepared remarks the Secretary emphasized energy conservation. Pointing out that most of our transportation systems were built when "money was abundant and energy was cheap," the Secretary said that "to survive the energy crisis" we must now obey the twin dictums of conservation and conversion. "The President's energy program," he said, "sets the example of saving fuel and finding alternative sources for the years ahead."

- more -

The Secretary touched on efforts to date to develop legislative proposals for the extension of grant programs in the key areas of highways, public transportation and highway safety. He cited a need for:

- Better balance between "large city" and "rural" transportation needs;
- Greater attention to future transportation requirements, while not neglecting completion of present projects such as the Interstate system;
- Increased flexibility in funding and more freedom to "transfer" funds to meet local needs;
- Greater reliance on a uniform Federal share for transportation investment, to overcome the tendency of local officials to support projects that supply the most Federal dollars;
- Simplification of administrative requirements, to reduce "red tape;" and
- Acceptance of a combined transportation account.

"The way transportation programs are fragmented in their financing," the Secretary said, "has led to many imbalances among modes and within modes." He went on to note that "at no point in the process today is the Executive Branch or the Congress asked to view Federal transportation programs as a whole."

On the subject of the regulated industries, Secretary Adams predicted the passage of regulatory reform legislation "for all of the aviation industry" next year, and said he was working "with the President and other Cabinet members" to develop the "most workable approach" to motor carrier reform.

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# DEPARTMENT OF TRANSPORTATION

# NEWS

## OFFICE OF THE SECRETARY

WASHINGTON, D. C. 20590

FOR RELEASE THURSDAY  
November 18, 1977

DOT 85-76  
Phone: (202) 426-4321

### DOT ISSUES REPORT ON RURAL PASSENGER TRANSPORTATION

Millions of people in rural areas, mostly poor, elderly and handicapped persons, need an alternative form of transportation to the private auto, a U.S. Department of Transportation report said today.

Intercity rail and bus service do not meet the transportation needs of those rural residents who lack adequate access to autos, the main means of travel in rural America.

Only relatively few public rural bus systems are in operation, although the number is increasing, DOT reported. Most existing systems operate to serve special rural needs or groups.

The low population density in rural areas makes conventional taxi service uneconomical, the report said. Where they do exist, taxi systems generally are expensive and, in most instances, do not provide a reasonable form of transportation for most rural residents.

The report on rural passenger transportation was issued today by DOT's Transportation Systems Center in Cambridge, Mass. as part of the department's technology sharing program. It provides an overview of the topic with special emphasis on methods for improving mobility of rural residents. A particular focus is the role of small, specialized rural passenger transportation systems.

The 118-page document, including appendices, analyzes 75 selected rural transportation projects, including detailed descriptions of three typical systems in Missouri, Florida and North Carolina.

Rural transportation projects have been developed to augment existing public transit systems or to provide a substitute for private autos in areas where public transportation is non-existent, the report said.

- more -

Most of the transportation systems resulting from these projects, unlike urban systems, typically serve small population groups, such as the poor and the elderly, not the general public. Among the reasons for the limitation are restrictions on the type of person for which certain federal and state funds may be used, efforts to get around state public utility commission regulations and a desire to serve only those rural residents most in need of transportation.

Many projects surveyed in the DOT report operate in one county or a multi-county region, but some projects, such as the Pennsylvania Department of Agriculture system, are nearly statewide. The study pointed out that many projects have not achieved coordination between rural and urban areas.

"Cities and towns usually have some regulatory powers within their boundaries and have often attempted to limit the operations of rural transportation projects to protect intracity bus and taxi companies," the study said.

The report also discusses the issues technicians must address in planning and operating a rural transportation system.

The publication's supplementary materials include a full set of references, an outline of suggested steps for implementing a rural transportation system, rural transportation projects selected for funding by DOT under a demonstration program authorized by the 1973 Federal Highway Act, and a list of funding sources for rural public transportation projects.

Development of the report was sponsored by DOT's Office of Research and Development Policy, which provides overall direction to the technology sharing program.

Single copies of the report are available from R.V. Giangrande, Technology Sharing Program Office, Transportation Systems Center, Kendall Square (Code 151), Cambridge, Mass. 02142. Phone: (617) 494-2486.

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For further information, contact: Howard Coan  
Office of Public Affairs  
(202) 426-4321

# U. S. Department of Transportation

# news:



Office of Public Affairs

Washington, D.C. 20590

FOR IMMEDIATE RELEASE

November 28, 1977

DOT 129-77

Tel: (202) 426-0398

## DOT SUPPORTS CAB PLAN TO MINIMIZE OVERBOOKING

The U. S. Department of Transportation said today it favors a proposal developed by the Civil Aeronautics Board to reduce the number of passengers who are bumped from unintentionally overbooked airline flights.

In remarks filed with the CAB late Wednesday, the department said the board's new proposals, which would increase the rights of passengers to be compensated when they are denied boarding, represents a "constructive response" to the problem and should be adopted.

The denied boarding rate has risen from 4.6 per 10,000 passengers in 1973 to approximately 7.0 per 10,000 in 1976, DOT said. "Although the rate is relatively low, the actual number of passengers denied boarding is substantial -- 133,000 in 1976," the department added. Over half of the inconvenienced passengers receive no compensation under current rules, since they are carried on flights arriving within two hours of their original arrival times on domestic runs or four hours on international flights.

- more -



The proposed CAB regulations would require airlines to pay passengers up to twice the value of the passengers' remaining flight coupons -- subject to a \$50 minimum and \$400 maximum -- and to extend that right of compensation, at a slightly lower rate, to passengers for whom the airline successfully arranges alternative transportation.

DOT said it favors compensating passengers who are bumped from flights, but it believes compensation should be based on the value of the coupons remaining with the overbooking airline rather than on total remaining ticket value.

Adoption of the CAB's method of computing compensation, the department said, would place an unreasonable burden on regional carriers who are often involved only in one short portion of a passenger's longer trip.

"The adoption of such a rule might compel regional carriers to protect themselves . . . by minimizing or eliminating overbooking entirely. The resulting reduction in load factors could have undesirable consequences," DOT said.

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# U. S. Department of Transportation news:



Office of Public Affairs

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FOR IMMEDIATE RELEASE  
TUESDAY, November 29, 1977

DOT 130-77  
Tel: (202) 426-0398

## DOT RECOMMENDS ARIZONA AIR SERVICE

The U. S. Department of Transportation has recommended that the Civil Aeronautics Board (CAB) authorize federally subsidized air service to several small Arizona cities, pending enactment of a major aviation regulatory reform law.

In a brief submitted to CAB Administrative Law Judge Frank M. Whiting on Friday, November 25, the department urged that Cochise Airlines, an Arizona-based commuter airline, be authorized to receive federal subsidies on a temporary basis in order to serve the small Arizona cities of Kingman, Prescott and Winslow.

However, the department said, subsidies should be subject to a ceiling and should not be unlimited, and the subsidy authorization should be good for only three years.

"The Congress has recognized the inadequacies of the existing federal subsidy program for small community service and is now considering adoption of a totally new approach to federal involvement in such cases," DOT General Counsel Linda H. Kamm said. "Given the pending statutory reform, DOT believes the Civil Aeronautics Board should act to ensure small community air service."

Cochise Airlines now operates as a commuter airline, flying planes which carry fewer than 30 passengers, and is not subject to economic regulation by the CAB, unlike larger "certificated" airlines.

- more -

Under existing law, however, the CAB cannot provide federal subsidies to non-certificated airlines. The existing subsidy program is also inadequate because it emphasizes an airline's financial viability and not the quality of service provided. DOT recommended that Cochise subsidies be subject to a ceiling, unlike other CAB subsidies.

The department recommended that Cochise be authorized to receive subsidies for serving Kingman, Prescott and Winslow, Arizona. At Page, Arizona, either Cochise or Skywest, another commuter airline, should be certificated, the department said.

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