

**REMARKS PREPARED FOR DELIVERY  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
REGIONAL RAILROADS OF AMERICA  
WASHINGTON, D.C.  
APRIL 5, 1995**

**Good afternoon. I'd like to thank \_\_\_\_\_ for that introduction, and the RRA board for inviting me to speak to you this afternoon.**

**I'd like to speak about several topics that affect our rail industry, and then take your questions.**

**I was at DOT when the first wave of deregulation moved through the transportation community during the Carter Administration.**

**I have to say that no industry has responded with greater enterprise over the last 15 years than this nation's regional railroads.**

**You're the biggest success story in transportation -- and becoming bigger with each passing year.**

**At the heart of your growth is a commitment to providing American business -- and the American public -- with the first-rate transportation services they need -- and that's a customer services lesson we at DOT can learn from.**

**This afternoon I'd like to speak about how we're addressing the transportation challenges that we face -- and how we're working to give America the transportation system it needs for the 21st century.**

**We're doing that through a series of coordinated strategies that have at their heart the empowerment of an entrepreneurial spirit, both in private industry and in government.**

**This afternoon, I'd like to discuss three of these strategies:**

**...deregulation...**

**...safety partnerships...**

**...and our proposed restructuring of DOT.**

**Since its earliest days, our nation's prosperity has depended on moving people and goods safely, quickly, and efficiently.**

**From the colonial post roads to the transcontinental railroads to the Interstate Highways, America's economic progress has *always* been closely linked to advances in transportation.**

**But today we face challenges that are as great, and in some ways more complex than, those of the past.**

**Steadily-rising traffic strains the capacity of existing railroads, highways, and airports.**

**There are growing demands for efficiency -- especially from businesses relying on prompt "just-in-time" delivery systems.**

**The estimates just to repair or replace America's *existing* transportation infrastructure run into the hundreds of billions.**

**And the reality is that -- in the current political environment -- there is a real -- and declining -- ceiling on federal spending, even for things like transportation investment.**

**The pressures are there to continue the dramatic reduction of the budget deficit that has taken place since President Clinton took office.**

**Although the Clinton Administration has increased public investment and brought out new sources of private investment to build the roads, bridges, transit lines, and advanced transportation technologies America needs, the federal government can't do it all alone.**

**Against this background, our challenge is to find *new -- and more cost-effective* -- ways to meet our transportation needs. We're looking at several key strategies.**

**First, deregulation. As a result of the deregulation of the U.S. transportation industry that began in the late 1970s under President Carter, the freight industry has never been stronger.**

**The railroad industry -- which teetered on the brink of financial failure in the late 1970s -- has experienced spectacular growth in traffic and profits, even as shipping costs have come down.**

**The numbers tell the story: in the year ended last September 30, the industry earned an 8.4 percent return on investment -- fully double its rate in 1980.**

**Over that same period, overall freight rates -- adjusted for inflation -- dropped 1.6 percent annually since 1980.**

**Since 1980, this success has helped to create some 350 new regional and short-line railroads -- sustaining services and meeting customer demands that otherwise would largely have been lost to abandonment.**

**In addition, deregulation of air cargo, trucking, and "piggy-back" traffic has triggered double-digit annual expansion in the intermodal sector.**

**The Clinton Administration is working to accelerate this growth by planning to carry deregulation to the next step**



**We're recommending the end of the Interstate Commerce Commission itself.**

**Quite frankly, the ICC as we know it has outlived its usefulness.**

**When it was created more than a century ago, there were legitimate concerns about the virtual monopoly that freight railroads held.**

**They dominated the economy to a degree that's unimaginable today, with revenues many times larger than the entire federal budget.**

**Conditions have changed. Transportation today is highly competitive and fully intermodal.**

**Much economic regulation of transportation now burdens the public interest it was meant to serve.**

**That's why the Clinton Administration has called for the sunseting of the ICC effective by October 1, 1996, with those activities which remain necessary being continued by DOT and other federal agencies.**

**In particular, we believe we need to preserve within DOT a few of the critical functions pertaining to motor carriers and railroads now at the ICC -- for example, motor carrier licensing, and the monitoring of safety and insurance compliance by domestic and foreign trucking companies.**

**In the rail area that means maintaining and honoring common carrier obligations, assuring access and fair pricing for captive shippers, mandatory interchange of traffic, and other requirements that are essential to the smooth functioning of our national rail system.**

**We'll also retain authority to ensure that the car hire agreement is fully implemented.**

**However, we think that the time has come to dispense with regulations that no longer serve any useful purpose in today's dynamic transportation environment.**

**That means doing away with things like tariff filing requirements, the arbitrary distinction between common and contract carriers, and special treatment for certain classes of shippers -- such as recyclers.**

**We're also proposing significant deregulation in the domestic maritime area. Our plan calls for ending all ICC and Federal Maritime Commission regulation of domestic water carriage, including tariff filings.**

**We're hoping to submit a legislative proposal on these deregulation issues to Congress very shortly, and we're optimistic that there'll be a productive dialogue -- and real action.**

**My second topic today is safety.**

**Ensuring the safety of transportation workers, the traveling public, and the residents of communities near transportation corridors is Secretary Peña's top personal priority.**

**A number of you participated in last September's Rail Safety Summit, and know from that experience that this Administration is committed to working with you -- and not against you -- in a common effort to make our railroads safer.**

**We want to build on the progress that you've made -- progress which indicates that 1994 may well have been the safest year ever on America's railroads.**

**We're looking at four steps to make this partnership work.**

**We're taking a systems approach to safety that examines problems as they affect overall rail systems.**

**That's a change of emphasis which is long overdue. It reflects the fact that the root of a safety problem may be far from its effects.**

**Recognizing this, we're refining our safety inspection strategies to better allocate resources to real problems.**

**We understand that on-site inspections -- the background of our safety monitoring effort -- don't give a comprehensive view of a railroad's safety.**

**Nor do they reveal solutions to system safety problems.**

**That's why we're taking a systemic approach, and working with the industry to identify -- and solve -- these system-wide problems -- and to allocate our resources accordingly.**

**It's a strategy which can benefit everyone -- but which requires trust between the railroad and DOT.**

**Through our dedicated and creative FRA Administrator, Jolene Molitoris, we're building those relationships every day.**

**Our second safety strategy is to reengineer our entire regulatory process.**

**Reducing the regulatory burden will let both industry and government better target their limited resources on real problems -- not on process.**

**We need to measure success in terms of performance outcomes, not inspection effort or enforcement actions.**

**That's something we've been doing for months now -- and it's been given powerful momentum by President Clinton, who personally ordered all federal regulatory agencies to review their regulations by June 1, and develop a list of those that are redundant or unnecessary.**

**We're interested in hearing your ideas on this -- which rules make sense, which don't, and how they can be changed to better serve the American people.**

**At the same time, the entire regulatory process needs to become more consultative and inclusive.**

**That's why we're emphasizing negotiated rulemakings -- like the one for roadway worker safety -- to bring us together to write regulations that really get the job done.**

**Our third safety strategy is consistent -- but common-sensical -- application of safety regulations.**

**With more than 400 inspectors nationwide enforcing highly-technical regulations, it's critical that we be consistent in their application. Anything less creates problems for all of us -- and damages the cause of safety.**

**We're taking steps to meet this challenge -- recently creating five FRA nationwide technical resolution committees to ensure consistent technical interpretations and enforcement policies.**

**They'll focus on especially sensitive areas -- hazardous materials, motive power and equipment, operating practices, signal and train control, and trackage.**

**Making this effort successful requires your help. We're creating ways of getting customer input -- such as**



**formal surveys, and the possibility of industry participation on these committees.**

**As we do so, we still seek your advice -- both formal and informal.**

**Our final safety strategy is improved communications.**

**We've simply *got* to have better communications between DOT and our customers.**

**We're trying several methods to achieve this -- for example, the FRA Administrator's Roundtables and the Office of Safety Field Liaison.**

**We've already seen several successes -- such as resolving labor safety complaints, establishing technical resolution committees, and training staff in customer service techniques.**

**And we're coming up with new ways to expand communications -- and welcome any ideas that you may have.**

**I'd like to turn now to our restructuring of the Department of Transportation, which is Secretary Peña's top priority this legislative season.**

**Virtually every Secretary of Transportation since DOT's inception in 1967 has proposed reorganizing the Department -- usually at the end of their terms of office.**

**They found that DOT -- with 10 separate operating administrations, such as the FHWA and FAA -- wasn't really an integrated organization, but a kind of holding company -- much like the giant business conglomerates of the 1960s.**

**Well, those dinosaurs didn't keep up with the drive for efficiency and customer service that swept corporate America during the 1980s and '90s.**

**Now, the federal government is finally facing up to these realities.**

**In the first two years of this Administration, we moved quickly to implement the recommendations of Vice President Gore's National Performance Review, which has had tremendous success at cutting costs to save taxpayer dollars.**

**In just two years, DOT has cut its civilian workforce by more than seven percent while improving customer service through automation and regulatory streamlining.**

**Now we're taking the next step by proposing a structural to make DOT a more efficient, customer-driven organization.**

**Our proposal would consolidate from 10 operating administrations to three: a new Intermodal Transportation Administration, the Federal Aviation Administration, and the Coast Guard.**

**The Intermodal Transportation Administration would integrate all of our surface transportation and civilian maritime functions -- reducing bureaucracy, cutting red tape, and giving our customers one-stop shopping.**

**It ends the artificial distinctions between modes that our current structure promotes -- one that complicates things for state and local government and private businesses -- while preserving the modal expertise that's been developed over the years.**

**Our new structure also offers the opportunity to further reduce the federal workforce and the administrative cost of running the Department -- costs that are artificially high because of the duplication of 10 personnel offices, 10 procurement offices, and so on.**

**Of course, the restructuring isn't *just* about organization: it's also about streamlining and simplifying DOT's transportation funding programs.**

**DOT now has *more than 30* different programs just for infrastructure investment -- each with its own rules, applications, and criteria.**

**Our proposal is to reduce the number of federal infrastructure funding programs to three, and to return authority and flexibility to state and local governments.**

**We believe that -- with tighter budgets on the horizon -- decisions about what are the most important projects**

**should be made by people in states and local communities -- and not in Washington -- and that their chief focus should be on getting projects built, not sorting out paperwork.**

**We're looking at three primary infrastructure programs.**

**First, unified allocations of funds to states and metropolitan areas, with few strings attached -- and with private funds allowable as match to encourage business participation.**

**The second new program concept is state infrastructure banks, which would provide federal seed money to let states leverage private or additional public dollars into funding partnerships.**

**We see this as a possible source of credit for smaller railroads, which have the potential to generate the necessary revenue to repay loans, but face difficulty obtaining private credit.**

**Finally, federal discretionary grants for projects of regional or national significance -- such as high-speed rail or national freight corridors -- that are difficult for a single state to fund or to coordinate.**

**Part of this plan is -- for the first time -- to make rail projects fully eligible for these programs -- increasing flexibility so that states and communities can spend federal**

**funds to meet their transportation greatest needs -- regardless of mode.**

**These innovations are going to make us more effective and more efficient -- and let us spend more time and money moving people and less time moving paper -- as the Secretary says, "building bridges, not bureaucracy."**

**There you have it -- an ambitious agenda, but one that makes sense.**

**The next step is to submit legislation to Congress. We're planning to do that this week for our reorganization and the creation of the air traffic control corporation.**

**And we're also going to submit a set of principles on our funding program proposals -- basic ideas that we believe should serve as the foundation for reforming these programs, and which will serve as the basis of a dialogue with Congress on these issues as we move towards reauthorization.**

**The legislative process is like a box of chocolates -- you never know what you're going to get.**

**But we're hopeful that -- in this time of dramatic change in the federal government -- Congress will respond accordingly.**

**This is a time for change, and our proposals sets a comprehensive agenda to meet these challenges in an**



**effective way. We're ready to work with Congress as they come forth with their ideas.**

**You are very much a part of that equation. Through your work, you're intimately familiar with the need to change to respond to new circumstances -- and the benefits that can come from that change.**

**You've helped to build the finest transportation system in the world, and *you* must be part of changing the federal role to ensure that we can meet the challenges of the future.**

**We look forward to working with you to fulfill that responsibility.**

**And now, I'd be happy to take your questions.**

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REMARKS PREPARED FOR DELIVERY  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
DOT RESTRUCTURING LEGISLATION PRESS BRIEFING  
WASHINGTON, D.C.  
APRIL 6, 1995

Thank you, Mr. Secretary.

This morning I'd like to review some of the highlights of our reorganization as embodied in the legislation we're submitting today.

Most importantly, this legislation creates a new Intermodal Transportation Administration -- or ITA -- and reorganizes the Office of the Secretary of Transportation.

The ITA would be comprised of the Federal Highway, Transit, and Railroad Administrations, the National Highway Traffic Safety Administration, the Maritime Administration, and the safety-related programs now assigned to the Research and Special Programs Administration.

In this new agency, we integrate all of our surface transportation and civilian maritime functions -- as the Secretary said, promoting far better coordination between modes and giving our customers one-stop shopping.

And in terms of our budget, by ending the need for 10 of everything -- 10 counsel's offices, 10 budget offices --

we'll eliminate wasteful duplication -- and contribute to a streamlined department.

This will also reduce the incompatibilities between our agencies in everything from policymaking to E-Mail systems.

As drafted, this proposal would put the new ITA in place on October 1 of this year -- the beginning of Fiscal Year 1996 -- so we urge Congress to move quickly.

During FY 1996 we'd make the transition for Washington headquarters functions and staff of the merged agencies.

Recognizing the huge number of DOT field offices and their good working relationships with their state, local, and industry officials, we plan to carry out the field office transition over a longer period.

That process would begin on October 1, 1996 -- the beginning of FY 1997 -- to prevent the disruption of existing relationships.

The second major element of our reorganization proposal focuses on what's now known as OST -- the Office of the Secretary -- with the aim of making it fit appropriately in a new, streamlined department.

Today, this collection of offices performs a variety of departmentwide tasks -- such as administrative services --



and provides yet another level of oversight and review for the operating administrations.

In a reinvented department, we don't think that this is always necessary.

It's more sensible to give most administrative responsibilities to the operating agencies.

And -- just as it makes sense to give states and localities the authority to decide what the best transportation projects are for them -- then it also makes sense to give the new operating agencies the authority to make operating decisions without a lot of second-guessing or review.

We want to do that -- and limit OST's role to those matters which truly require a departmentwide focus -- essentially those strategic tasks that must have executive leadership and that set the department's future course.

Loosening oversight and giving administrative responsibilities to the operating administrations also will let us reduce DOT's size.

The National Performance Review set a goal of a 50 percent reduction in the staff providing administrative services -- and -- through consolidation -- the new operating agencies will have the mission of doing just that.

We propose to create a Transportation Administrative Services Bureau -- "owned" by the new operating administration -- to perform common administrative tasks -- but with an entrepreneurial approach that's in keeping with the NPR.

After a transition period, the new operating administrations will have free rein to decide how to obtain services such as building management, printing, or even personnel or procurement processing.

They'll be able to have their own staff carry out any and all functions -- *as long as they meet the NPR goals.*

Or they'll be able to contract with the Transportation Administrative Services Bureau -- or even contract with private business or with other public agencies.

This new, business-like spirit is going to help us to recognize these internal services as what they are -- a means and not an end -- in order to deliver them more efficiently and at lower cost to the taxpayers. This way, we can focus our resources on serving our customers -- the American people.

This reorganization proposal will get us back to basics -- our core missions of safety, infrastructure investment, and national security.



**We look forward to working with Congress to make it  
-- and the budget that is based on its enactment a reality  
by year-end.**

**# # # # #**

REMARKS PREPARED FOR DELIVERY  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
NATIONAL PRESS CLUB  
WASHINGTON, D.C.  
APRIL 7, 1995

*Opening*

A lot of this week's press attention has focused on the conclusion of the Contract With America's Hundred Days.

Well, Speaker Gingrich and his troops aren't the only ones who have been busy over the last hundred days.

The Clinton Administration has been quietly moving ahead with detailed plans to achieve *real* change -- the specific steps to reform government so that it not only costs less but works better for our customers.

Not the least of these initiatives is in transportation.

This week we've sent to Congress a comprehensive series of legislative proposals that -- together -- would revolutionize transportation in America.

We've submitted four bills: reorganization of the Department of Transportation, creation of an air traffic control corporation, AMTRAK restructuring, and Interstate Commerce Commission sunseting.

We've also sent to Congress a statement of principles for reforming transportation funding programs -- a statement we expect to serve as the basis of legislation in the future.

We also sent our maritime reform package to Congress a few weeks ago.

Today, I'd like to touch briefly on each of these initiatives -- what they are, and what they mean -- individually and as part of a package --for transportation.

### *The importance of transportation systems*

Safe, efficient transportation systems are critical to our economic security and our quality of life, but now we're facing a slow-motion disaster.

We have a transportation infrastructure deficit that some estimate as being in the hundreds of billions of dollars...

...rapidly-growing travel demand that's outstripping capacity...

...increasing needs for efficiency -- for example, by businesses relying on prompt deliveries for "just-in-time" manufacturing...

...and the reality of declining federal funding as the budget deficit is further reduced.

**Our legislative proposals will give us and our partners the tools to meet these challenges.**

### ***Reorganization***

**Last December Secretary Peña joined President Clinton and Vice President Gore in announcing a historic modernization of the Department of Transportation.**

**Restructuring of this department carries forward the commitment to positive change that President Clinton began two years ago.**

**DOT has been a leader in this effort -- cutting our civilian work force by more than seven percent to date, racking up savings of more than \$260 million a year in personnel costs alone.**

**At the same time, we've improved customer service through automation and by streamlining procedures and regulations.**

**But we recognize that this still won't be enough to meet the challenges I mentioned a moment ago.**

**The problems start with DOT's organizational structure, and the 10 separate operating administrations it has collected since its founding on April 1, 1967.**

**This antiquated structure hinders our ability to develop creative partnerships, to make strategic**

transportation investments, and to fashion innovative financing mechanisms to fill our nation's infrastructure deficit.

The reorganization legislation we propose this week would address that by consolidating DOT's 10 agencies into just three:

a revamped Federal Aviation Administration;

the Coast Guard;

and a new Intermodal Transportation Administration that would integrate all of our surface transportation and civilian maritime functions.

Consolidating our operating agencies also enables us to streamline the Office of the Secretary of Transportation -- make it smaller, focus it on issues such as strategic planning and policy.

Through these steps, our proposal achieves three key results:

First, it repositions DOT to help develop the transportation system of the 21st century -- one that promotes intermodalism: using the most efficient form of transportation to move people and goods and to interconnect modes into a seamless transportation system.



**This is essential if we're going to make the most of our existing transportation infrastructure in an era of limited new construction.**

**Second, the reorganization will help us to better serve our customers by giving them one-stop shopping.**

**We now have multiple agencies with overlapping concerns.**

**This fragmentation and duplication creates inconsistencies and a lack of coordination that wastes time and frustrates our customers and our partners.**

**Integrating *all* of the surface transportation agencies into the new ITA will put an end to this frustration.**

**Third, this reorganization helps us find the ways to responsibly and strategically reduce DOT's size -- saving the taxpayers money.**

**It eliminates the duplication and incompatibility that comes from having 10 separate agencies -- each with its own personnel office, its own procurement department, and so on.**

**This will help us to meet our commitment to reduce our workforce by 12 percent -- and achieve a 50 percent cut in back-office administrative staff -- while we protect those who are serving our customers on the front lines.**

Over five years, the reorganization we're proposing will save over \$1.5 billion -- in large part because of the administrative changes we've proposed -- while improving service.

### *Air traffic control*

We've also submitted legislation for the creation of a new government corporation for air traffic control services.

The FAA currently has this responsibility, and the skill and dedication of its employees have made our airspace the world's safest.

But over the next decade, the number of travelers in our air system will grow by 60 percent.

The current system does not have the resiliency to handle that growth both safely and efficiently.

And, since we'll never compromise on safety, air travelers face higher costs, delays, and inconvenience on a massive scale.

Why? Because the FAA -- bound by outdated, inefficient federal rules -- can't make -- and implement -- the sensible decisions that would be logical for any business confronted by growth.

**Cumbersome procurement regulations mean that new technologies often don't come on line before they're already obsolete.**

**Rigid personnel rules make it hard to deploy staff where they're needed, or to reward outstanding work.**

**And a budget process that relies on an annual appropriations cycle makes strategic planning virtually impossible.**

**The United States Air Traffic Services Corporation will be a non-profit government corporation that would operate and develop the air traffic control system -- and have the freedom to do so in a business-like manner.**

**At the same time, the FAA would continue to be responsible for the system's safety, with full authority to monitor the system and take action to protect the traveling public.**

**This proposal offers us the opportunity to bring an entrepreneurial spirit to an important government function -- without in any way compromising how the public is served and protected.**

## ***AMTRAK***

**Our third piece of legislation restructures AMTRAK.**

**AMTRAK is a crucial part of this nation's transportation system, but it's at risk -- the victim of inadequate capital investment and a reliance on subsidies over the years that make it hard for it to provide service competitively.**

**AMTRAK's Board of Directors has made tough business decisions in recent months to cut costs and focus service where the demand is highest.**

**Just yesterday, the Board announced service cuts designed to help close its projected \$200 million 1995 budget gap.**

**Supporting these efforts by Tom Downs and the Board, we've submitted to Congress the AMTRAK Restructuring Act of 1995 to give AMTRAK the tools it needs to be competitive.**

**Topping the list is the upgraded equipment and facilities it needs to increase its on-time performance and other measures of quality service.**

**The Administration's proposal provides this by continuing AMTRAK capital funding at high levels.**

**We also want to give AMTRAK the flexibility to negotiate support from state and local governments, so that these stakeholders can help to support services that are important to their interests.**

As these partnerships are formed and AMTRAK gets its costs under control, we'll finally be able to reduce federal operating assistance.

AMTRAK also needs greater flexibility to negotiate with its own employees on issues such as labor protection and contracting out of services.

That will let AMTRAK cut costs and operate in a more business-like manner while preserving its partnerships with its employee unions.

Finally, we want to give AMTRAK the right to adjust its service to meet customer demand -- instead of being micromanaged by Washington.

We're encouraged by AMTRAK's willingness to reinvent itself -- and that's why we're proposing legislation that should put this railroad on the right track.

### *ICC sunseting*

The final piece of legislation we're proposing this week is Interstate Commerce Commission sunseting.

The transportation industry deregulation that began under President Carter in the late 1970s has strengthened most sectors of the transportation industry. They're not only profitable -- but they've been able to cut costs for users as well.



**The Clinton Administration is working to accelerate this growth by carrying deregulation to the next step.**

**We're recommending the end of the Interstate Commerce Commission itself.**

**Quite frankly, the ICC as we know it today has outlived its usefulness.**

**When it was created more than a century ago to control the freight railroads, there were legitimate concerns about the virtual monopoly that they held.**

**They dominated the economy to a degree that's unimaginable today, with industry revenues that were many times larger than the entire federal budget.**

**Conditions have changed. Transportation today is highly competitive and fully intermodal.**

**Much economic regulation of transportation now burdens the public interest it was meant to serve.**

**That's why the Clinton Administration has called for the sunsetting of the ICC by October 1, 1996, with those activities which remain necessary being continued by DOT and other federal agencies.**

**This proposal will further downsize the federal government and terminate an agency that performed necessary work for a century -- but whose time is past.**

## *Program reform*

The final action is not legislation, but lays the foundation for it.

We're providing Congress with a set of principles for the reform of transportation funding programs.

Today, we now have more than 30 different programs for transportation infrastructure alone -- each with its own rigid rules, applications, and criteria.

That places an unacceptable burden on state and local governments and private industry -- especially as they struggle to make the most of increasingly-limited federal funds.

We propose to reform this system.

Our principles -- consolidation of the more than 30 infrastructure funding programs, simplification of their requirements, and increased flexibility and authority for states and localities to determine which projects should receive federal funding -- are the basis for sensible reform.

Our statement of principles elaborates on the concepts we announced in December and responds to a number of concerns raised since then by our customers.

**We think these principles should begin a dialogue with Congress that will lead to legislation.**

**They will guide us through both the short-term amendments process and the reauthorizations that will come.**

**This is the context that we need if we're to be more than just budget-cutters and dismantlers.**

### ***Closing***

**In closing, let me reiterate that our restructuring plan will make us more effective and more efficient -- and let us -- and our partners -- spend more time moving people and less time moving paper -- building bridges, not bureaucracy.**

**Its elements -- cutting bureaucracy and red tape, reforming programs, empowering states and localities and businesses -- are at the heart of this Administration's effort to reinvent government.**

**Over the coming months, we look forward to working with Congress on these initiatives as we continue to develop transportation systems for America's future.**

**# # # # #**



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**REMARKS PREPARED FOR DELIVERY  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
TEL8 DEDICATION  
FARGO, NORTH DAKOTA  
APRIL 10, 1995**

*(Introduction to be made by Gene Griffin, Executive Secretary of TEL8)*

***Opening***

**Thank you, Gene, for that introduction. I'd also like to thank you for your leadership in making TEL8 a reality.**

**I'm happy to join Congressman Pomeroy and all of you at today's dedication of the TEL8 Network.**

**And I'd like to bring you greetings from Secretary Peña, who has made the development and deployment of advanced technologies like TEL8 one of his key strategic goals for the department.**

**Before I begin my remarks, I want to thank our hosts here in North Dakota...**

**...Lt. Governor (Rosemarie) Myrdal...**

**...Transportation Commissioner (Marshall) Moore...**

**...and President (Jim) Ozbun of North Dakota State.**

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**I also want to offer my congratulations to Gene Griffin and his fellow TEL8 board members...**

**Rich Griffin of the Colorado Department of Transportation... Richard Gutkowski of Colorado State...**

**...Barbara Martin of the Montana DOT... Gary Berreth (*Bare-ath*) and Denver Tolliver of North Dakota State...**

**...Jerry Jacobsen of the South Dakota DOT... Neal Christensen of Utah DOT...**

**...Bill Grenney of Utah State... Eugene Wilson of the University of Wyoming... and Tom Atkins of the Wyoming DOT.**

**Finally, I want to acknowledge the contributions of the federal officials who have been a part of this effort and who are here with us today...**

**...Bill Evans of the Federal Highway Administration...**

**...and Elaine Joost of the federal Research and Special Programs Administration.**

**You and the other participants -- and I know there's a long list -- have done an exceptional job.**

***(Let's give them a round of applause.)***



## ***New ways of meeting transportation needs***

Today we celebrate the introduction of an outstanding *new* tool to improve transportation services for the people of the six states participating in this project.

It's especially appropriate that it has been the departments of transportation -- both state and federal -- that have cooperated with the academic community in developing this system.

Transportation agencies are in the business of moving people and goods -- and we're committed to doing so in the most efficient ways possible.

However, we recognize that sometimes the best ways to do this aren't traditional transportation projects.

For instance, we spend a lot of time and money building roads to move people -- when what we *really* need to do is to enable them to communicate and exchange information. *under their lives better in to*

That's been clear to transportation providers for a long time, and it's why the Pony Express was replaced by the telegraph -- which in turn was replaced by the telephone and -- now -- by far more efficient technologies.

Each of these has further reduced the need for costly and time-consuming physical travel.

*advancing technology has*  
**At the same time, they've increasingly freed people to live and work where they chose.**

**The Information Highway will never end the need for the Interstate Highways -- but in the future far more highways will be made from fiber optic cables than from asphalt and concrete.**

***TEL8: reducing travel demand***

**Videoconferencing systems such as TEL8 are the latest in this long series of technological innovations.**

**By providing two-way, interactive video networking, they sharply reduce the need for physical travel for meetings and events.**

**That's important here in the west, where the distances make travel time-consuming and expensive.**

**But it's also important in the east -- and everywhere in the country that's faced with traffic congestion.**

**I've spent most of my career in New York, and I can tell you that networks like TEL8 have the same appeal for commuters stuck in traffic on the Long Island Expressway that they do for someone faced with getting from Bismarck to Denver for a routine meeting.**

## *Sharing expertise*

TEL8 also greatly expands the opportunities for *Full* participation in a wide range of transportation-related programs and events.

Today, state transportation professionals and academic researchers in six states are ~~able to take~~ *taking* part in today's dedication.

The system that lets them do that will greatly expand the opportunities for cooperation and the sharing of expertise.

That's important in states with small populations and relatively small economic bases -- but with much the same need for technical expertise as states with ~~more~~ greater resources.

Not every state <sup>*might*</sup> ~~can~~ have an expert in every aspect of transportation technology -- but by pooling resources through TEL8, the resources of one state will be available to all.

TEL8 also will allow greater and more economical access to federal training and technology transfer programs, such as those provided by the National Highway Institute.

And it will enable researchers in both government and academia to communicate far more readily -- sharing

results, conducting discussions, and collaborating -- especially through the federal University Transportation Centers Program -- which was instrumental in supporting TEL8's development.

This broadened access is going to empower employees, researchers, and students at *every* level -- and let them serve people in a cost-effective manner.

### *Administration commitment*

TEL8 is only one of the results of the Clinton Administration's commitment to advanced technologies -- a commitment shown by the National Information Infrastructure initiative.

This effort is intended to give America the information and communications technologies needed to compete in the global economy of the 21st century -- one in which speed and access to comprehensive information will be the keys to success.

In a world that's increasingly competitive, the only way we'll be able to maintain our standard of living will be to raise our productivity -- and technologies like TEL8 are one of the most effective ways to do that.

This Administration understands that, and has taken steps across the board to support the advanced technologies we need for the future.

**Here in Fargo -- and in Salt Lake City -- and in Pierre -- and seven other cities throughout this region, we're seeing the future *today*.**

**Let my close by again congratulating everyone involved in developing this superb system -- and wishing you well as you use it to better serve our customers -- the American people.**

**#####**



**REMARKS PREPARED FOR DELIVERY  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
EARTH DAY  
WASHINGTON, D.C.  
APRIL 21, 1995**

*(Introduction to be made by Melissa Spillenkothen.)*

**Good afternoon. Before I begin my remarks, I ask you to stand for a moment of silence in memory of those who died in Wednesday's bombing in Oklahoma City.  
(Pause)**

**Thank you.**

**This is truly a tragedy that hits all of us here at DOT especially hard, since so many of our colleagues were affected. 10 of our co-workers from the FHWA are still unaccounted for. Thankfully, all of the FRA employees have been safely accounted for.**

**We'll be keeping you -- and our employees in all DOT offices -- updated as more information becomes available.**

**We thought about cancelling today's Earth Day events -- but that would have been wrong.**

**That's exactly the type of response wanted by those who carry out this sort of atrocity. That's the only victory that can be gained from such a cowardly act, and we're not going to let them have it.**

***Yes, we will increase security where it's needed to protect American lives, and take every precaution to prevent another such tragedy -- but we will not be imprisoned by fear, because we are a free people.***

***And yes, we must honor the memory of those who died -- but we can best do so by continuing our work and serving the nation as best we can -- because Americans are a people who will carry on and not be intimidated.***

**Our sense of community has allowed us to prevail in the past -- and it will in this instance as well. We all are proud of the tireless efforts of the rescuers and the intensive work of law enforcement officials who will deliver on President Clinton's promise of swift and severe justice for the perpetrators.**

**I ask that you keep the victims of the Oklahoma City bombing and their families in your thoughts and in your prayers -- and that all of us continue serving the public as we always have.**

**And now, I'd like to turn to Earth Day -- which offers us such a sense of hope and optimism.**

**That's especially true on this -- the 25th anniversary of the first Earth Day. The fact that Earth Day takes place in April is also appropriate -- since spring is a time of renewal for the earth. Its coming reminds us that nature's beauty was only sleeping through the long winter.**

**I'd like to thank you for joining me here, especially those of you who worked so hard to produce the tremendous activity we see all around us.**

**Today, I want to talk about what Earth Day means to us. Improving the environment through DOT's day-to-day operations is a key goal of Secretary Peña's Strategic Plan.**

**He -- and I -- are deeply committed to seeing that goal achieved: but that can't happen without support from *each* of us.**

**Although we're a diverse nation, a tapestry woven of many fabrics, we're joined by the threads of our common goals.**

**None of these goals is stronger than our yearning for a better life for our children and grandchildren, and our obligation to pass along a better world for them to inherit.**

**Our commitment to our national heritage -- to our natural environment and our communities -- reflects these values we hold so deeply.**

**That includes the preservation of our environment. We've made great progress over the past 25 years -- our air is cleaner, our water is purer. Regal old-growth forests are being spared, and endangered species are being protected. Critical resources are being conserved, and scenic vistas preserved.**

**Much has been done, but much more needs to be done. We are at the point now where the easy progress has been made -- and must be sustained. This isn't a time to relax the efforts that have brought us so far.**

**But everything from increasing travel demand to a thriving economy to a growing population places stresses on our environment.**

**We've made progress in the past in spite of this -- for example, greatly improving air quality despite a doubling of vehicle travel over the past 25 years -- but we can't always count on more of the technological advances that have achieved so much of this improvement.**

**That's why it's important for all of us to take steps to reduce the impact of our own activities -- through recycling, energy conservation, and the use of environmentally-friendly products.**

**Under Melissa Spillenkothen's leadership, we're transforming DOT's own daily operations with more efficient lighting, energy-saving computers and air conditioners, recycled office products, and cleaner-burning vehicles.**

**It's important that we lead by example, because those of us in transportation have a special responsibility. Transportation -- like most human activity -- can't avoid having an impact on the environment.**



It's our *professional* responsibility to reduce those impacts as much as possible.

And it's our *personal* responsibility to set an example by reducing unnecessary vehicle travel -- by using mass transit, carpooling, and consolidating trips.

I urge you to do this in your own communities, and to make environmental concerns part of your daily work here at DOT. I want us to show that our efforts -- personal *and* collective -- *can* make a difference for our environment.

Every mode at DOT is helping to improve the environment -- and they're here today to share information with us -- and to let us know what we can do. For example:

- ✉ The FHWA is working to reduce automobile air pollution (*Station #9*);
- ✉ MARAD has a display showing how it's working to prevent oil spills; (*Station #11*)
- ✉ FAA is implementing programs to reduce noise pollution around airports; (*Station #22*)
- ✉ FRA is providing technical support for electrification of the Northeast Corridor to provide high-speed rail service and less environmental impact; (*Station #4b*)



- ✚ RSPA is demonstrating how it protects oil and gas pipelines from damaging ruptures; (*Station #19*)
- ✚ NHTSA is demonstrating how to create compost; (*Station #13*)
- ✚ The Coast Guard has extensive marine pollution prevention and safety efforts; (*Station #15*)
- ✚ FTA is conducting research and demonstrations on alternatively-fueled buses -- it's out on E Street (*Station #8*);
- ✚ The St. Lawrence Seaway has begun using advanced oil spill tracking equipment; (*Station #3*)
- ✚ OST has displays on some of the things we're doing to make the Nassif Building environmentally-friendly; (*Stations #24a, 24b*)
- ✚ And we have guests -- from Chrysler, Clean Air Cab, VPSI, the GSA, and Metro -- who are demonstrating how *you* can help to reduce pollution.

These efforts help to make *every* day Earth Day. As the poet Wordsworth wrote, we must "live, and act, and serve the future hour." I ask all of you to accept these responsibilities to our communities and to our world, and to take pride in our accomplishments.

**And now I'd like to show you the Department's latest effort to enhance our environment.**

**Although I'm an old public transit person, I know that you can't take METRO or ride the bus everywhere. Sometimes, cars *are* the only choice. That's why we want the cars that DOT uses to have as little impact on the environment as possible.**

**The car in the plaza today is assigned to me for official business. It's powered by a compressed natural gas system -- and it's just one of 672 alternatively-fueled vehicles in DOT's fleet across the country.**

**These cars will produce far less pollution than their gasoline-powered counterparts, greatly improving air quality here in Washington. It's evidence of our commitment to both a clean environment *and* mobility. *Let's step over to it now.***

**# # # # #**

FINAL

B

3.30

**TALKING POINTS  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
GREATER CLEVELAND RAPID TRANSIT AUTHORITY  
HARVARD BUS GARAGE DEDICATION  
CLEVELAND, OHIO  
APRIL 26, 1995**

*(Introduction to be made by RTA General Manager Ronald Tober)*

- \* **I'm happy to join you here today in Cleveland -- America's Comeback City. I'd like to begin by thanking Ron Tober for that introduction -- and for his leadership here at the RTA.**
- \* **I also want to acknowledge the contributions of two other people with us who have been instrumental in making this garage a reality: Bill Fritsche, the president of East Ohio Gas, and Joel Ettinger, the Federal Transit Regional Administrator.**
- \* **The Harvard Avenue Bus Garage exemplifies the Clinton Administration's commitment to providing efficient, environmentally-sound, and cost-efficient mobility for America's cities. This project moves us forward on several fronts.**
- \* **First, Cleveland's planning process showed the nation how a facility's architects can treat its users like customers -- and benefit from it.**



- \* By having operations, maintenance, inventory, and safety staff involved in design from the start, they cut \$2 million from the garage's cost -- savings that can go to meet other pressing needs.
- \* Second, the garage incorporates state-of-the-art technology for bus maintenance. That's going to cut the RTA's operating costs while improving the quality of maintenance -- and extend the life of these vehicles.
- \* Clevelanders aren't the only ones who benefit from this: it also protects the federal government's investment in these buses.
- \* Third, this is an environmentally-sound facility. Its ability to recycle the water used in washing buses and the fluids from their engines -- and its systems to monitor vehicle fumes -- are going to make it a good neighbor.
- \* And fourth, this garage is going to help make the RTA's goal of an all-natural gas bus fleet a reality -- and that's going to let Clevelanders breathe easier in the future.
- \* Those of us who have long been supporters of public transit know that it not only reduces traffic congestion -- but it's also good for air quality. Natural gas -- which is among the cleanest of fuels -- only increases transit's environmental benefits.

- \* This garage is the largest natural gas refueling facility in the nation -- with the capacity to refuel up to 200 natural gas buses within a single work shift -- and the capability of refueling a bus within six minutes.
- \* That makes this a realistic option for busy facilities that need to fuel vehicles quickly and get them back on the road.
- \* The federal government provided \$15.3 million -- about three-quarters of the total budget -- towards this garage's cost.
- \* These funds came from the FTA Administrator's discretionary budget and from the CMAQ Program -- the Congestion Mitigation and Air Quality Improvement Program.
- \* These programs require that applications go through rigorous analysis to ensure that they make sense.
- \* When we approved this project, we thought it was a wise use of taxpayers dollars -- and Cleveland has proven us right.
- \* I congratulate the RTA and East Ohio Gas -- its partner in this project -- on the Harvard Garage's completion. You're setting the pace for efficient, environmentally-friendly transportation, and we look forward to working with you on future projects to keep Cleveland moving. Thank you.

# # # # #



**REMARKS PREPARED FOR DELIVERY  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
BOSTON SOCIETY OF CIVIL ENGINEERS  
BOSTON, MASSACHUSETTS  
APRIL 26, 1995**

**It's a pleasure to join you tonight -- and to return to Boston. Although my career has been spent in New York and Washington, I grew up in the Boston area, and still think of this as the family home.**

**I also enjoy returning here because it's a city in which transportation *works* -- a city that embraced intermodalism before we knew to call it that. Many of you here tonight helped to make that system what it is, and you should be proud of your work.**

**Tonight's dinner is dedicated to the memory of Frank Keville, who did as much as anyone to create that system.**

**From the Red Line extension to the Southwest Corridor to Haymarket North -- and even to the Central Artery -- Frank played a key role in a generation of transportation projects.**

**Transportation professionals from around the country -- especially in engineering -- knew him and his work. He was proud of Boston, and gave Boston much to be proud of during his long career.**

Frank Keville's vision of what transportation could be to society is one that is shared by those of us at DOT. Tonight, I'd like to speak to you about how we hope to make it a reality.

We have the largest, the safest, *the best* transportation system in the world. It's why a continent-sized nation bounded by vast oceans and split by mountain ranges and rivers has been able to move people and goods so efficiently.

Transportation has been critical to our economic security and our quality of life.

Indeed, our transportation system works so well that most Americans take it for granted -- until congestion slows rush-hour traffic or their flight is stacked up in a holding pattern.

It's then that we realize that our system faces a slow-motion disaster as potentially disruptive as any flood or earthquake.

We have a transportation infrastructure deficit that some estimate as being in the hundreds of billions of dollars...

...rapidly-growing travel demand that's outstripping capacity...

...and increasing needs for efficiency -- for example, by the 50 percent of U.S. manufacturing businesses relying on prompt deliveries for "just-in-time" operations.

When confronted by such challenges, our strategy for more than a generation has been to look for public funds -- usually in the form of federal grants -- to build more highways, airports, and transit systems.

*But this era is at an end.* The need to reduce the budget deficit is going to limit future federal funding -- and so we need to develop new strategies.

Not only limited funding but the sheer cost of new construction -- especially in urban areas -- restricts our ability to undertake many of the types of projects that characterized the Interstate Highway era.

We can't build too many new roads when they cost \$127 million a mile -- as the Century Freeway in Los Angeles did -- although you don't have to look quite *that* far to find an expensive new road.

And money isn't the only factor: other legitimate concerns, such as impacts on the environment, limit new construction.

What's the answer? Well, there's no silver bullet -- but there *is* silver buckshot -- a variety of strategies and solutions that can work together to meet our transportation needs on the eve of the 21st century.

**We've got to focus less on building, and more on managing our existing system.**

**Of course -- while construction may be less a part of the total solution than it has been -- we're still going to have to build -- and certainly we have to *re-build*. Doing that in an era of limits means doing it smarter.**

**Tonight, I'd like to talk about three strategies that I see as promising: Intelligent Transportation Systems, innovative financing, and improving the way that the federal government works with its partners in state and local government and the private sector.**

**Intelligent Transportation Systems -- or ITS -- is what used to be called IVHS -- Intelligent Vehicle-Highway Systems -- until we realized that it's not just about vehicles and highways -- but about entire transportation systems.**

**Many people think of ITS as automated highways, *period*, and think of it as science fiction. Well, the earliest of these systems are here -- *now*.**

**Over the past couple of years we've put in place the building blocks for wider ITS deployment.**

**We've launched nearly 70 operational tests, and learned what is deployable now -- with *today's* technology -- and what still needs further development.**

**We've also completed the first phase of a national architecture for ITS. This architecture is the equivalent of the genetic system -- the DNA that will guide the full deployment of ITS.**

**The process of defining an architecture also has helped us to define a core ITS infrastructure of communications and information links -- something that's essential to even the most basic services and products.**

**We've also charted an implementation course through the new ITS National Program Plan.**

**This plan details -- with broad and specific clarity -- where we want to go. Over the next year, many of the plan's elements will come to fruition.**

**For example, each of the four ITS Priority Corridors have completed planning. These corridors -- in California, Houston, the Midwest, and the Northeast, including Boston -- receive special ISTEA funding to develop integrated, regional ITS programs.**

**They're launching real-world, real-time traffic management and traveler information services -- much like SmarTraveler right here in Boston.**

**And by 1996, 100 MCSAP -- Motor Carrier Safety Assistance Program -- sites will have completed the second phase of plans for an Internet-type commercial vehicle data system.**



**Police or regulators in California would be able to access the records of a truck registered in New York -- *in real-time*. That will reduce -- and for many carriers even end -- the delays they now face at each state border they cross.**

**It also could streamline and speed up routine motor carrier regulation, letting states focus on other safety and law enforcement activities.**

**This is a model for new-style regulations, letting technology work for us.**

**Most significantly, the work we've done over the last few years has allowed us to understand the likely paths that ITS deployment will take.**

**Deployment will begin with a core infrastructure comprised of communications and information systems.**

**That will allow public agencies to manage traffic more effectively, provide real-time information on travel and transit services, and reduce the staff needed to monitor truck safety, perform vehicle registrations, and collect fuel taxes.**

**This core infrastructure will enable a number of private products and services to come on to the market, or increase the appeal of some that are already available -- things like Mayday devices and in-vehicle navigation and**

travel information -- both of which are being offered on model year 1996 cars.

This core infrastructure is deployable *now*.

The next phase of ITS deployment extends over the coming decade.

During that period ITS will grow substantially -- both in the number of services and users and in their sophistication.

Some of the products coming to market over that period should include advanced traffic control systems and expanded in-vehicle route guidance systems.

We'll see intermodal "smart cards" that could make market-based measures such as congestion pricing and user fees a practical solution for traffic growth.

The next phase takes us into the 21st century.

We'll see sophisticated features to improve driver performance and avoid crashes... Intelligent Cruise Controls... assisted steering... and assisted braking.

Finally, about 20 years from now, we'll begin to see the first full Automated Highway Systems.

Initially, they'll be in special applications -- such as congested bridges or tunnels in New York, or on western

highways where the long distances make driver fatigue an issue.

The federal government will support all of this by serving as a catalyst: a source of seed money and of expertise to foster deployment -- seeking to build the institutions and systems we need for future growth.

We'll also provide leadership in standard setting -- forging consensus on technological standards to reduce entrepreneurial risk and create a stable, common ground to foster compatibility for consumers, companies, and the interstate movement of people and goods.

Finally, we'll serve as a facilitator and promotor of technology development -- sponsoring research and building new alliances with American industry.

We're at an exciting juncture in the development of ITS -- on the edge of making systems that benefit the average person -- and the federal government will take a leading role in this process.

The next topic I want to talk about is innovative finance.

In January, President Clinton announced the Partnership for Transportation Investment -- which will jumpstart 35 new transportation projects -- in 21 states -- worth nearly \$2 billion.

By reinventing the way that the DOT does business, we're giving states and localities greater flexibility, more authority, and the ability to leverage private capital for transportation projects.

We've traditionally supported transportation projects through matching grants to the states -- but this process has become far too rigid and inflexible.

It's nearly impossible, for example, for states and localities to enlist the help of businesses and community organizations to get needed projects moving.

President Clinton -- who struggled with such outdated federal rules as Governor of Arkansas -- issued an executive order to promote better project decision-making and different ways of financing infrastructure.

Acting on his directive, DOT asked the states to propose projects that they wanted to build -- but hadn't been able to launch because of restrictive federal rules.

We assured them that we'd use maximum flexibility within the law to see that valid projects would be financed and built. *And that's exactly what we've done.*

For example: we're allowing states to use private dollars to substitute for the states' share of matching funds.



We're using federal funds to set up local revolving loan programs or to serve as collateral for state and local lines of credit.

And we're changing reimbursement rules so that states can start collecting federal funds *while* they're building -- instead of having to accumulate the full federal share *before* breaking ground.

The benefits will be impressive.

We'll see reduced congestion, faster freight shipping, and better air quality -- *years* ahead of our old ways of doing business.

We'll realize immediate economic benefits -- from more efficient movement of people and goods, from the strengthening of regional economies, and from tens of thousands of new jobs.

Taxpayer money will be saved -- because earlier construction will avoid inflated costs, and the interest burden on loans or bonds will be reduced.

These projects could realize savings of 15 percent a year *just from accelerated construction*.

This common-sense approach to cutting red tape also will attract more private resources -- leveraging them and freeing scarce public resources for other investments.



**We'll be announcing more such projects in the future -- and not just for highways, but for airports and seaports and transit systems and all the links between them.**

**We're asking the states to continue looking for such innovations in all areas -- much as Massachusetts has in proposing "wrap-up" insurance for management and design work on the Central Artery project.**

**This proposal -- which the FHWA recently approved -- will save between \$6 and \$12 million by consolidating liability insurance for the Central Artery's many consultants.**

**That's the type of innovation we need in every aspect of project development if we're going to control costs and make the most of taxpayer dollars.**

**I'd like to conclude tonight by speaking about how we want to reform the federal government so that it not only costs less -- but works better for our customers.**

**Three weeks ago we sent to Congress a bill to reorganize the Department of Transportation.**

**This proposal carries forward the commitment to positive change that President Clinton began two years ago.**

**DOT has been a leader in this effort -- cutting our civilian work force by more than seven percent, racking**

up savings of more than \$260 million a year in personnel costs alone.

At the same time, we've improved customer service through automation and by streamlining procedures and regulations.

But we recognize that this still won't be enough to meet the challenges we face. The problem starts with DOT's organizational structure: 10 separate operating administrations.

This antiquated structure hinders our ability to develop creative partnerships, to make strategic transportation investments, and to fashion innovative financing mechanisms.

The reorganization legislation we proposed would address that by consolidating DOT's 10 agencies into just three:

a revamped Federal Aviation Administration;

the Coast Guard;

and a new Intermodal Transportation Administration that would integrate all of our surface transportation and civilian maritime functions.

Our proposal achieves three key results:

It repositions DOT to help develop the transportation system of the 21st century -- one that promotes intermodalism -- to increase efficiency and to create a seamless transportation system.

That's essential if we're going to make the most of our existing transportation infrastructure in an era of limited new construction.

The reorganization will help us to better serve our customers by giving them one-stop shopping. We now have multiple agencies with overlapping concerns.

This fragmentation and duplication creates inconsistencies and a lack of coordination that frustrates our customers and our partners. Integrating *all* of the surface transportation agencies into the new ITA will end this frustration.

This reorganization also helps us to responsibly reduce DOT's size -- saving the taxpayers money. It eliminates the duplication and incompatibility that comes from having 10 separate agencies -- each with its own personnel office, its own procurement department, and so on.

This will help us to meet our commitment to reduce our workforce by 12 percent -- and achieve a 50 percent cut in back-office administrative staff -- while protecting those who are serving our customers on the front lines.

Over five years, the reorganization will save more than \$1.5 billion -- in large part because of the administrative changes we've proposed -- while improving service.

Separately from our reorganization proposal, we submitted to Congress a statement of principles for the reform of transportation funding programs. It's not legislation -- but it lays the foundation for it.

Today, we now have more than 30 different programs for transportation infrastructure alone -- each with its own rigid rules, applications, and criteria.

That places an unacceptable burden on state and local governments and private industry -- especially as they struggle to make the most of limited federal funds.

Our principles for reform of this system are simple: consolidation of the more than 30 infrastructure funding programs, simplification of their requirements, and increased flexibility and authority for states and localities to determine which projects should receive federal funding.

Our statement should begin a dialogue with Congress that will lead to funding program reform legislation.

The reorganization legislation and our statement of principles is what we need if we're to be more than just



budget-cutters and dismantlers -- but rather the makers of a government that better serves the American people.

This restructuring plan will make us more effective and more efficient and let us -- and our partners -- spend more time moving people and less time moving paper -- building bridges, not bureaucracy.

Let me conclude tonight by saying that these strategies -- Intelligent Transportation Systems, innovative financing, and government reform -- are at the heart of the Clinton Administration's effort to meet the challenges we face in transportation.

Their elements -- cutting bureaucracy and red tape, reforming programs, empowering states and localities and businesses, and increasing system efficiency -- will let us continue to move people and goods effectively in an era of fiscal constraint.

We look forward to working with Congress and with our partners in state and local government and private business to make them a reality.

Thank you.

# # # # #



**TALKING POINTS  
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY  
OKLAHOMA CITY MEMORIAL  
WASHINGTON, D.C.  
APRIL 27, 1995**

*You will open the event with very brief remarks.*

- ☛ **Good morning. I'd like to welcome you all to today's memorial for the DOT employees who were lost in last week's tragic bombing in Oklahoma City.**

**I'd like to extend a special welcome to the participants in "Take our Daughters to Work Day." We're pleased to have you with us on a day of such meaning for all of us in the DOT family.**

**This morning, we have several speakers who will give us their thoughts as we remember those who were lost.**

**Before we begin, I ask you to rise for the presentation of colors by the U.S. Coast Guard Ceremonial Honor Guard and a performance of the National Anthem by the U.S. Coast Guard Headquarters Band.**

*To the Coast Guard Ceremonial Honor Guard:*

- ☛ **Present the colors.**

*Presentation of colors by U.S. Coast Guard Ceremonial Honor Guard*

*Performance of National Anthem by the U.S. Coast Guard Headquarters Band*

- ☛ I ask that you remain standing for the invocation by Captain Thomas Chadwick, Chaplain of the United States Coast Guard.

*Invocation by Captain Chadwick.*

- ☛ Thank you, Captain Chadwick. Please be seated. Karen Whitney and Alonzo Terry of the FHWA will present "If I Can Help Somebody" in tribute to their colleagues.

*Presentation of "If I Can Help Somebody" by Karen Whitney and Alonzo Terry.*

- ☛ Thank you. Secretary Peña, may I ask you to offer your thoughts?

*Remarks by Secretary Peña. The Secretary should introduce Administrator Slater.*

*Remarks by Administrator Slater. There is no need for him to introduce the musical presentation.*

*Presentation of "Let There Be Peace On Earth" by Karen Whitney and Alonzo Terry.*

- ☛ **Thank you, Karen and Alonzo. Please rise for the benediction by Captain Chadwick.**

*Benediction by Captain Chadwick.*

- ☛ **I ask you to remain standing for "America the Beautiful" -- and to join in singing it. The words are printed on the back of your program.**

*Performance of "America the Beautiful" by the U.S. Coast Guard Headquarters Band*

*To the Coast Guard Ceremonial Honor Guard:*

- ☛ **Retire the colors.**

*Retiring of colors by U.S. Coast Guard Ceremonial Honor Guard. Conclusion of program.*

**# # # # #**

FP  
Memorial Service  
Washington D.C.  
4/27/95

draft 1 -- 7 minutes (by Ilene)

This has been a painful eight days.

I was in Portland, when I heard the horrible news. I'm sure many of you shared the same first thoughts. You want to know why ... why the children ... why the public servants ... and what about our people ... our colleagues ... our friends? Your heart sinks, but you hope and you pray it will all come right.

Then on Sunday, I went to the Memorial Service with the President and the First Lady. And afterwards I visited the First Christian Church, to spend some quiet moments with the DOT employees and their families.

There's not much you can do. I tried to comfort them. I hugged them. I told them they weren't grieving alone. We shared their anguish.

And then they took me to see the site. You've seen the grim pictures. Words could never describe it. Not the enormity of destruction. It was a nightmare. I just kept wondering -- how could anyone have such hate to do something so evil?

But there was good, too. The rescue workers -- Lord knows, we can never thank them enough. Well, as I was leaving the site, I was stopped by a young rescue worker. We should be thanking them, and what he wanted was to thank us for letting them use a plane to bring in rescue workers.

I know we have our daughters here today. I have two little



girls at home -- they're too young -- or else I would have brought them with me to work.

But I want you to know the hardest part of Sunday was after all the grown-ups were done asking all their questions, a little girl asked me hers: Are you going to find my daddy?"

#

Sunday's service was for the family members. We're a bit more distant. We can't feel the sorrow they feel -- no one can.

But we're all human beings. We all come to work everyday to do the same things they went to work for.

We're part of a larger family -- the Department of Transportation family.

What do you do when you work for the Federal Highway Administration? You build great structures.

You build the world's greatest highways, so millions of Americans everyday can go about their business.

This isn't just a week to mourn, this is a week to re-build. As bad as things are, my spirits were lifted last Thursday, one day after the terrible tragedy. Our people in Oklahoma City had a meeting, and they had but one request: they wanted to go back to work.

We found them furniture. We set up computers. And as of Monday, the Oklahoma office was open for business. Is that the epitome of public servants?

I know how much you want to help, because that's what family members do for one another.

I heard a wonderful story. The other day, Lt. Dave

Littlejohn of the Coast Guard brought in hundreds of cut tulips. Volunteers asked for donations, and they raised more than \$3,000.

Lt. Littlejohn doesn't know anyone in Oklahoma City -- he just has that old-fashioned American quality: he cares.

We all care. So I want to announce today that we have set up a Department of Transportation/Federal Highway Administration Memorial fund so all of us can donate money to the Transportation employees and their families.

I made one request to the people who organized the fund: I wanted to be first to make a donation.

How do you say good-bye to the people of Oklahoma?

By honoring those who made it ... by remembering those who didn't ... by praying for those still missing ... and by thanking everyone of them for teaching Americans the value of public servants.

Now Americans know: federal employees are good and decent people who work hard to build highways, and keep aircraft flying, and railroads running and doing the things government is supposed to do.

I know the character of federal workers. They'd want to know: did we make a difference?

They did. As the President said on Sunday, "Those who are lost now belong to God. Someday we will be with them. But until that happens, their legacy must be our lives."

Thank you.