DEPUTY SECRETARY OF TRANSPORTATION
MORT DOWNEY
1999 SPEECH LIST

***SPEECH WAS RELEASED IN FINAL FORM**

01/10/99*	TRB Committee on Education and Training Washington, D.C.
01/11/99	Changing the Culture: Policy and Practice of Pedestrianism -- TRB Committee on Pedestrians Washington, D.C.
02/01/99*	FY 2000 Budget Constituents Briefing Washington, D.C.
02/02/99*	National Association of Service and Conservation Corps Washington, D.C.
02/02/99*	Refocusing Planning for the 21st Century Transportation Research Board
02/07/99*	Transportation Research Board Washington, D.C.
03/29/99*	ITS Massachusetts Annual Meeting Boston, Massachusetts
04/19/99	Ninth ITS America Annual Meeting Washington, D.C.
04/20/99*	Earth Day Partnership Event and MOU Signing Washington, D.C.
05/03/99*	"Civil Aviation: Changing International Markets" Global Air and Space `99 Conference Crystal City, Virginia
05/14/99	AFL-CIO Transportation Trades Department Transportation Exhibit Center Ribbon Cutting
05/18/99	European Conference of Ministers of Transport Panel on Public/Private Partnerships in transport Infrastructure Financing Poland, Warsaw **Talking Points**

05/19/99*	James A. Farley/Pennsylvania Station Redevelopment New York, New York
05/24/99*	Transportation's Role in the Digital Economy -- ENO Transportation Foundation's Leadership Development Program Seventh Conference on Transportation Policy American Public Transit Association Washington, D.C.
05/25/99	Central New Jersey Mayors' Day Washington, D.C. **Talking Points**
05/27/99*	American Iron and Steal Institute's Annual Meeting New York, New York
06/01/99	Representative John J. Duncan's Town Hall Meeting Knoxville, Tennessee
06/02/99	The DOT Flagship Initiatives and Their Significance for ONE DOT -- The Executive Leadership Conference Washington, D.C.
06/03/99	The Role of Fatigue In Driving News Conference
06/09/99*	Transportation Solution and the Federal Role -- Traffic Congestion: A Global Perspective New Strategies for Moving People and Goods in the 21st Century Cambridge, Massachusetts
06/11/99	American Bar Association Forum on Air and Space -- Global and Domestic Competition, Market and the Law Chicago, Illinois **Talking Points**
06/14/99	ENO Transportation Foundation, Inc.'s Seminar Series on Global Warming Washington, D.C.
06/15/99	ONE DOT Strategic Plan Kickoff Meeting Washington, D.C. **Talking Points**

06/15/99	Senior Leadership Team Workshop U.S. Coast Guard Academy New London, Connecticut **Talking Points**
06/21/99	Office of Inspector General Annual Mangers' Conference Arlington, Virginia **Talking Points**
06/21/99	Diversity Awareness Session Washington, D.C.
06/23/99	Retirement of Dr. John J. Fearsides Fort Myers Officers Club Arlington, Virginia
06/24/99	Spirit of Innovation in Transportation Conference -- Next-Generation Cybertechnology, Session II
06/29/99	Making New York's Transportation System Efficient and Competitive New York, New York
07/07/99*	National Corridors Movement 10th Anniversary Conference -- "The National Corridors Movement: Ready for Prime Time" Washington, D.C.
07/15/99*	Opening the Door to Opportunity Transportation Oregon Transportation Marketplace Portland, Oregon
07/16/99*	Strategic Education for the New Millennium TransNow Workshop Conference Seattle, Washington

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REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
AMTRAK MANAGEMENT CONFERENCE
INTRODUCTION OF WILLIAM HENDERSON, U.S. POSTMASTER GENERAL
PHILADELPHIA, PA
JANUARY 8, 1999

It's a wonderful privilege and opportunity to introduce our next speaker. First some information about him.

William Henderson is the 71st Postmaster General of the United States of America. He assumed the position last May, with 26 years of service with the Postal Service.

While we think of Amtrak as a large operation, Mr. Henderson manages a $58 billion-a-year agency, having over 38,000 facilities and employing over three quarters of a million employees serving 7 million customers a day!

Bill Henderson has been an innovator throughout his postal career. He has already done and been involved in many of the very types of initiatives we are introducing at this conference.

You're focusing on customer-oriented service standards -- he established the Postal Service's first customer standard back when he was a Division Manager in North Carolina-- now "Five Minutes or Less" is the national standard.

You're focusing on behavior and performance-based management evaluations and consequences. He introduced the 360° degree feedback system for executives. He has overseen the organization's largest restructuring, as well as its largest incentives pay out.

In terms of moving an organization to a commercial focus, Mr. Henderson served as Chief Operating Officer during the Postal Service's three consecutive operating surpluses.

In addition to Bill Henderson serving as an advisor today, he also comes to us as one of our most important clients and partners.

Amtrak and the U.S. Postal Service have a relationship which dates back to 1971. Under a current four-year contract which extends to 2002, Amtrak operates a Mail Network which utilizes a combination of rail and highway transportation to provide door-to-door transport service to 45 of 96 of the Postal Service's Area Distribution Centers.

As we all know, mail and express constitutes one of Amtrak's six key strategies, and as such, I am particularly pleased with the continuing and growing relationship with the Postal Service and Bill Henderson.

I know that you are working hard to strengthen the Post Office partnership. To that end:

- Managers in this very room are working with the Postal Service's Marketing and Logistics staff to improve service to mailers of periodicals. Service has been started directly to several mailer plants in Minnesota, Kentucky, Wisconsin and Pennsylvania.

- While the majority of the Amtrak-handled mail volume is now periodicals, an emphasis is being placed on increasing first-class mail, such as that between the Northeast Corridor and Florida which had previously been handled by air (Eastern Airlines). The change has reduced the Postal Service's cost while maintaining, and even improving, its service.

- We want more of that! I want to let the Postmaster know that you are diligently working to improve our service reliability, developing systems capable of tracking individual pallets and containers, investing in more Mail RoadRailers, and fine tuning our overall operational protocols.

Amtrak's mail business is now worth approximately $74 million and is expected to grow to at least $123 million by 2002. (Maybe we can improve on that over lunch this afternoon!)

So, please help me welcome our keynote speaker, Mr. William Henderson, an outstanding manager, CEO and business partner!

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U.S. Department of Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590
http://www.dot.gov/briefing.htm

REMARKS PREPARED FOR DELIVERY
FORUM ON TRANSPORTATION EDUCATION AND TRAINING: RESPONDING TO THE CHANGING NEEDS OF THE PROFESSION
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
TRB COMMITTEE ON EDUCATION AND TRAINING
WASHINGTON, DC
JANUARY 10, 1999

Thank you, Kelley. I'm impressed by the turnout and I'm happy to be here with you today to talk about transportation education and training, an area that is becoming ever more important in the complex world of transportation decision-making on the verge of the 21st century.

First, I would like to acknowledge several organizations that have been in the forefront of improved education and training. Their leadership has set the stage for today's program.

The TRB Education and Training Committee and ITS America have all made great contributions, as have our sponsoring institutions, the University of Michigan, Texas A&M, Virginia Tech, and the University of Minnesota.

And I believe that DOT's emphasis on Professional Capacity Building has also advanced the cause. Finally, John Collura deserves our thanks for putting this event together.

It's no coincidence that John and many other distinguished transportation educators here are associated with the Department's University Transportation Centers Program. We strive for excellence, you consistently produce it.

Also, this week will mark the last TRB conference for Frank Francois as executive director of AASHTO. He has always helped us move forward on transportation education and research and we will miss his unique perspective.

As many of you may know, John Horsley will be leaving his position as Associate Deputy Secretary at DOT to take Frank's place at AASHTO. If you don't yet know John, I can tell you he will bring tremendous energy, enthusiasm and knowledge to the job. AASHTO could not have made a better choice.

As we talk about education and training today, it is important, first, to understand the nature of the transportation system we hope to have in the 21st century. We must ensure that our transportation professionals have the tools and capabilities that match the technologically advanced, intermodal and context-sensitive system we envision.

To be prepared for that future, we must first determine what we want in a transportation system and what it must accomplish. We must have a big picture vision of the transportation system of the 21st century because, as Yogi Berra said, "You got to be careful if you don't know where you're going because you might not get there."

Well, transportation is far more complex today than it was when Yogi traveled, largely by train, between eight American League cities, with none west of St. Louis, in the 1950s and 60s. In fact, it is far more complicated today than it was a only a decade ago and it is becoming more complex with each passing year.

In today's world, we are attempting to achieve our transportation goals using established means as well as innovative methods that deal with new realities. To lead our nation and the world in this difficult task we must have people with broad vision and multi-disciplinary training.

At DOT, we have defined our strategic goals for the transportation system in performance terms relating to safety, mobility, economic growth and trade, human and natural environment and national security.

We are attempting to reach specific objectives in these areas in a world where the realities are an aging population, economic growth and globalization of commerce, increasing urbanization and motorization, uncertain safety and security for the global transportation system and growing environmental concerns. These are the realities that make life interesting for all of us.

But, we can achieve our goals if we work together in four key areas of transportation: better vehicles, better facilities, better management, and, perhaps most important for the 21st century, the increasing application of technology and information systems.

The transportation experts of the 21st century must know more than simply how to get from here to there. They must be prepared to not just build a transportation system but to operate it intermodally.

The straight line from point to point that once defined our transportation system has been displaced by the intricate spider web of the Internet.

People working in this environment must understand the uses of technology, the world of

innovative finance, the sensitive issues of dealing with neighboring communities, the impact on environmental resources and the potential of alternative modes of transportation, among many other needs.

The transportation professional of the 21st century will be faced with the challenge of understanding the policy implications of the technology.

How do you train researchers and policy developers to recognize, let alone deal with, the policy options and issues? How do we get legislators to create policy in areas when there is very little understanding of the technical issues?

We must communicate the implications of technology policy to decision makers in a simple, straight forward way.

Once, we defined transportation experts only as engineers. Now, many other skills are required to complement sound engineering knowledge. Changes in transportation will be a major part of the information and communications revolution, coupled with the transition to a mission of management and operations.

We will need a body of knowledge to support the operation and management of our transportation system much like the body of knowledge that supports current business operations. That body of knowledge will involve a combination of systems engineering, traffic engineering, economics, political science and other subjects.

At a more basic level, we will need a much deeper understanding than we currently have of human behavior as it affects transportation.

Let's look at two of DOT's strategic goals for our transportation system. First, we have set safety as our number one priority. We work toward the elimination of transportation-related fatalities, injuries and property damage. Absolute reduction in these measures is our definition of success.

Without question, movement toward this goal is a tremendous challenge in a world of greater congestion, higher speeds, larger vehicles on land and in the air, high-pressure economic competition on a global scale, the aging population, increasing leisure travel and more trips per household.

There is no more important challenge than saving lives. But the transportation safety expert will also have to understand operator performance, technology and information systems, community relations, public awareness campaigns, and business trends. Are the transportation experts of the future being trained to appreciate all these important tasks?

Another of our strategic goals which receives less attention than some of the others is national security. We must see to it that the transportation system is secure and available for defense mobility and that our borders and our computer systems are safe from illegal intrusion.

The President's Commission on Critical Infrastructure Protection found the nation's transportation system to be robust but new information-based systems are creating new vulnerabilities that we don't yet fully understand.

We have experience with responding to natural disasters and other threats while keeping our transportation system running but, for the most part, little consideration has been given to the growing vulnerability of our information-based systems.

The challenge is how to protect our transportation system during a national emergency. Now, instead of a bomb in a truck, we must deal with time bombs in our computer systems capable of crippling corporations, whole industries, and major portions of our economy.

The most frightening aspect is that the threat is largely unknown and undefined in the traditional sense. We have no idea of how extensive a problem we might have.

To accomplish our National Security goal, we must implement systems that protect the transportation system from outside threats and maintain a transportation and information network that is always ready to move personnel and material at times of national emergency.

We will require new applications of technology and information along with sensitivity to defense-related infrastructure needs, geo-political trends, greater security awareness and enhanced security training. Do we have the transportation security expertise to take on these challenges?

What we have to do is create the transportation environment that will attract high-quality, forward-looking people to the field -- people who want to take on these complex challenges, whether they are management, political, environmental or financial. We want people who can approach problems from new perspectives, who can break out of the box.

The transportation professional of the future must understand the scope of the challenge to deal with the many issues that relate to transportation. We want contributors who play a broad-scale role founded on their skills in particular areas. To do that requires a broad-scale education and that education must continue for a lifetime -- a lifetime of continuous change.

As many of you may know, President Clinton's highest priority for his second term is education. Under his leadership and that of Vice President Gore, Secretary Slater has initiated the Garrett A. Morgan Technology and Transportation Futures Program to help America's young people with the skills they will need to become the transportation workforce of the 21st century.

By helping students become literate in math, science and technology, we can ensure a future workforce with the necessary basic skills. At the same time, we can offer them a taste of the many great opportunities in the transportation field.

As these students become acquainted with transportation issues during their pre-college years and acquire some of the necessary skills, they will then continue with transportation-related courses in college and graduate school.

Through that process, we will get the transportation leaders of the 21st century -- people who understand the information and technology issues, people who will be able to look at system solutions.

We need people who can ask the right questions. It's not necessary for them to come out of graduate school knowing everything and having all the answers. In fact, I think most of us are suspicious when they think they do.

But what is important is that they are able to ask the right questions. They have to understand the dynamics of transportation and see the trade-offs. To get to the good transportation solutions that people want, our future professionals must be able to look at problems from different viewpoints.

The transportation professional of the 21st century will require a broad vision with the ability to understand the different modes and solve a variety of problems involving the application of information technology.

These are the questions for the university leaders:

Have you created the linkages within your own institutions that will produce students with the necessary broad-scale vision?

Do your students have the chance to develop career linkages through: internships with public or private sector transportation organizations; involvement in research projects; and participation in teams involving multiple fields and disciplines?

Will they understand the need to develop new partnerships outside the transportation field to solve the complex problems they will face?

Do they understand the importance of looking for cross-cuts -- the contributions and insights that can come from different disciplines -- to help us confront the major issues?

Most important, are we developing students with a strategic vision?

Do they understand the need to establish strategic goals for a transportation system and then to develop a system to reach those goals?

Will they be ready to help us reach strategic goals of safety, mobility, economic growth and trade, human and natural environment and national security?

As we begin 1999 with this forum on education and training, these questions should be addressed by the transportation and education communities. I urge you to think about what we are doing right -- because we are doing a lot right -- where we can improve, and how we get from here to there.

In closing, let me emphasize that the global transportation system is changing continually and rapidly. The transportation professionals of the next century will have an opportunity to make their mark on a changing world -- if they have the tools and the skills.

It is up to us to create the transportation environment and the educational programs to provide them with those tools and skills. Thank you.

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News:

U.S. Department of Transportation

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REMARKS PREPARED FOR DELIVERY
CHANGING THE CULTURE: POLICY AND PRACTICE OF PEDESTRIANISM
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
TRB COMMITTEE ON PEDESTRIANS
WASHINGTON, DC
JANUARY 11, 1999

Thank you, Ann. I appreciate this opportunity to talk about the future of the oldest form of transportation -- walking.

I want to congratulate you for the work you have done at Walk Boston, along with the many other similar organizations around the country that have been promoting walking as a transportation option. I also want to commend TRB for the focus that has been placed on walking and bicycling at this year's conference.

As we all know, walking is the oldest means of transportation but it also competes as the cheapest, the most environmentally sound and the healthiest. Walking can and should be an available alternative for people to get around their own neighborhoods -- to the stores, the schools and the parks.

But if walking is so great, why don't more people do it? If it's because driving is just easier, we have to work on changing public attitudes. But it's also because there are too many neighborhoods in this country where public actions discourage walking by making it unsafe or simply by providing no facilities for pedestrians.

It was exactly 86 years ago today that the first sedan was unveiled at an auto show in New York and, since then, walking has been on the decline. For too many years, transportation policy in this country has been the sole province of those who believed that people wanted to ride everywhere in those sedans.

The automobile has been a valuable addition to the daily lives of many people but not enough thought was given to the consequences of the automobile-oriented society and little or nothing was done for the pedestrians.

Now, we have begun to change that policy. The commitment of the Clinton Administration and the attention of Congress to new and flexible means of transportation give us the tools to do so.

The state and metropolitan planning processes are the forums where advocates of walking must make their voices heard. The TEA-21 provisions calling for continued public involvement -- especially by consumers -- in that planning process should help.

Under TEA-21, pedestrian projects are broadly eligible for funding from most of the major Federal-aid highway, transit, and safety programs. National Highway System, Surface Transportation Program, Transportation Enhancement, and Congestion Mitigation and Air Quality Improvement program funds may all be used to construct pedestrian facilities.

In addition, funds set-aside from STP for Hazard Elimination may be used to identify and correct locations that are a danger to pedestrians. Transit funds may also be used to increase pedestrian access to transit facilities.

Decisions to allocate these funds are now and will continue to be made at the state and metropolitan level but we intend through consultation to encourage strongly the funding of pedestrian facilities.

ISTEA and TEA-21 have written pedestrian walkways into the planning process, requiring state and metropolitan planners to accommodate pedestrians in their long-range plans and to consider projects and strategies to increase the safety and security of nonmotorized users. Again, this is a key place for pedestrian advocates to make an impact.

TEA-21 not only directs consideration for pedestrians in the planning process but it also requires consideration of walkways in conjunction with all new construction and reconstruction of transportation facilities, except where walking is explicitly not permitted. Hopefully, that prohibition will be applied to a dwindling number of places and only on a sound safety basis.

At our request, TEA-21 established the Transportation and Community and System Preservation Program -- another potentially powerful tool to link transportation with community development and help create more livable communities across our nation.

State and local officials may apply for funds to plan or implement transportation strategies that will also reduce environmental impacts and the need for costly public infrastructure investments. We anticipate making the first round of selections early this year.

Secretary Slater has stressed that this program gives communities an opportunity to integrate transportation with environmental, social and economic priorities. It can help us build truly sustainable communities.

On average, a pedestrian is killed in a traffic crash every 99 minutes and injured every 7 minutes. These are people who are simply walking -- many of whom lack access to cars. When cars collide with pedestrians on the roads, pedestrians lose. We must make sure that in the planning and design battles they win and that they are protected on the roads.

As the most technologically-advanced nation in history, we should be able to provide opportunities for people to walk safely in their communities. We expect the new planning and design tools that have been developed in recent years to reduce the rate of fatalities and injuries among walkers.

Our Intelligent Vehicle Initiative is developing new technology to help make drivers aware of pedestrians whom they might not see in today's cars. Infrared detectors will give drivers greatly improved night vision while sensors will warn drivers of the presence of obstructions, including pedestrians, in the vehicle's path or in blind spots.

We are, at DOT, committed to creating a role for the oldest form of transportation as we develop the transportation system for the 21st century. For example, the Federal Transit Administration's Liveable Communities program includes a strong emphasis on improving pedestrian access to transit facilities.

By encouraging walking, we promote long-term sustainable development and *vice versa*.

The goal of sustainable communities, as defined by President's Council on Sustainable Development, is to "encourage people to work together to create healthy communities where natural and historic resources are preserved, jobs are available, sprawl is contained, neighborhoods are secure, education is lifelong, transportation and health care are accessible, and all citizens have opportunities to improve the quality of their lives."

That's a recipe for pedestrian friendly development patterns.

As Secretary Slater says, transportation is about more than asphalt, steel, and concrete: it's about people, and about giving them the opportunity to lead better, more fulfilling lives. Transportation alone doesn't solve anything if it doesn't take people where they want to go; economic development can't achieve its promise if people can't get there.

We need smart decisions targeted at sustainable prosperity and a sound quality of life, and we in the Clinton Administration want to give communities the tools they need to make them. Through the guidance and policies that DOT has issued, and through TEA-21, state and metropolitan planners can make the decision to invest in safe and accessible pedestrian facilities and to promote sustainability.

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REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
UNIVERSITY TRANSPORTATION CENTERS PROGRAM
OUTSTANDING STUDENTS OF THE YEAR AWARDS
WASHINGTON, D.C.
JANUARY 11, 1999

You will be introduced by Kelley Coyner.

2nd intro for Kelley

I am pleased to be with you tonight, as I have been for the past 5 years, to honor outstanding students in the field of transportation. We honor them not only for what they (you) ***have achieved***, but for what we know they (you) ***will achieve***.

They are the right people in the right place at just the right time. As we start the last year of this century, we face many new transportation challenges. And I can assure you we need a new generation to bring us new ideas and varied perspectives.

The transportation field has become more complex and multi-faceted in the last decades. The straight line from point to point that once defined our transportation system has been replaced by intricate, interconnecting transportation and information webs. So transportation experts of the 21st century must know more than simply how to get from here to there.

In the past, "transportation expert" was synonymous with "engineer." Today, successful transportation professionals must understand new technology, contemporary finance, geo-political trends, environmental impacts and defense and security issues. They don't need to know all the answers, but they certainly need to know the right questions.

Tonight we recognize the technical, academic, and leadership accomplishments of some who will be leaders in the transportation field of the future.

The U.S. Department of Transportation established the University Transportation Centers program in response to the need for a better-trained and better-educated transportation workforce. Since its inception in 1987, the program has brought talented, committed men and women to transportation education, research, and technology transfer ... forward-looking people who are ready to take on the complex challenges of transportation's future.

The program has grown and delivered. And last June, when President Clinton signed the new transportation bill -- the Transportation Equity Act for the 21st Century, or TEA-21 -- it included reauthorization ***and*** expansion for the UTC program. TEA-21 authorized $194.8 million for grants to establish and operate up to 33 University Transportation Centers throughout the country. Ten of these centers -- which are designated as regional centers -- will be selected by competition this year. The other 23 centers are located at universities named in TEA-21.

The recent legislation established 13 new UTCs, and reauthorized 14 existing UTCs and six centers formerly known as University Research Institututes. And those of us who understand the magnitude of our transportation needs welcome them all!

Education is a top priority for this administration, whether it's a commitment to 100,000 new teachers, paying off college costs for graduates who teach in underserved areas, tougher academic standards, or higher quality after-school programs. The UTC program has firmly established higher education as a primary objective of the U.S. Department of Transportation. We are committed to excellence in transportation education ... and we are willing to put our money where our mouth is.

We have already seen quite a return on our investment.

Some of the first students of the year have gone on to become professors and advisors to more recent award recipients.

Dr. Lazar Spasovic, who is in the audience today, is the Center Director at the Mid-Atlantic Institute of Technology. He was attracted to transportation in graduate school because he was offered a scholarship funded by the Mid-Atlantic Universities Transportation Center.

The University of California Transportation Center has supported Professor Donald Shoup's research on parking policy which has really paid off for the nation. Professor Shoup proposed offering commuters the option of cash in lieu of a parking subsidy. Last year, the federal tax code was changed to adopt his plan, resulting in an annual total of $169 million in new federal revenue ***and*** a major tool in transportation policy -- not bad for an idea proposed by a university researcher. So a small investment in university research on transportation policy will pay big benefits to commuters, employers, taxpayers, and the environment.

One more story. In 1993, Iowa State University's Center for Transportation Research and Excellence advertised for a junior civil engineering faculty member with interests in transportation engineering. They received a dozen applications, four of which looked good. They interviewed one of the four, offered him the job and felt lucky when he accepted the offer.

Five years later --just last year -- Iowa was looking for another junior faculty member. This time, their ads brought 60 applications, almost all of whom were qualified. They had a hard time coming up with a short list.

The UTCs were set up as internationally recognized centers of excellence, fully integrated within institutions of higher learning, serving as a source of leaders prepared to meet the nation's need for safe, efficient, and environmentally sound movement of people and goods. As we see by tonight's award recipients, we have been successful.

And today's students of the year were drawn from a wider pool. Traditionally, all awardees have been affiliated with the UTC program, which is administered by the Research and Special Programs Administration.

But the UTC program is not DOT's only investment in future transportation professionals. After consultation with the UTC program, the Federal Aviation Administration in 1990 established four Air Transportation Centers of Excellence to help FAA conduct critical air transportation research. For the first time this year -- in the spirit of what we call One DOT (and I hope you've heard of that concept) -- the Department tonight also honors a student from the Air Transportation Centers of Excellence. To lead our nation and the world, we must have people with multi-disciplinary training and a broad vision.

The transportation professional of the future must understand the scope of the challenge to deal with the many issues that relate to transportation. We need people who can use their particular skills while seeing the big picture. To do that requires a broad-scale education, an education that continues throughout a lifetime.

And we think this education should start early. So at DOT, we have initiated the Garrett A. Morgan Technology and Transportation Futures Program to help America's young people with the skills they will need to become the transportation workforce of the 21st century.

By helping students become literate in math, science, and technology, we can ensure a future workforce with the necessary basic skills. At the same time, we can increase their understanding of the many great opportunities in the transportation field.

As these students become acquainted with transportation issues during their pre-college years and acquire some of the necessary skills, they will then continue with transportation-related courses in college and graduate school. And in future years, they will be at this award ceremony. ~~for recognition.~~

Through this process, we will get the transportation leaders of the 21st century -- people with a broad vision, with the ability to understand the different modes and solve a variety of problems involving the application of information technology.

And now, I'd like you to join me in recognizing the outstanding young men and women who have that vision and who are ready for its challenge. Their achievements, and their promise, are great. These are the men and women who will lead us in the future. The future of transportation is in excellent hands.

Presentation of awards. Elaine Joost will read the names & you will present the award.

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REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
STRATEGIC OVERVIEW OF THE INTELLIGENT VEHICLE INITIATIVE
TRANSPORTATION RESEARCH BOARD, SESSION 129
WASHINGTON, D.C.
JANUARY 11, 1999

It isn't often that you see the Deputy Secretary, the Federal Highway Administrator and the Deputy Administrator for the National Highway Traffic Safety Administration on the same panel at TRB. But today, it's no coincidence. Our being here makes a statement about what is the number one goal of the Department – Safety, and what is the number one safety problem in transportation – auto crashes.

That's
It's not a complicated idea -- even if we are exploring complex issues. There are too many automobile crashes and we are committed as a department to pursuing each and every course that will bring that number down. We've done a lot with vehicle construction -- and there may be more we can do. We've done a lot with behavior -- especially speed, belts and alcohol and we know that more is possible. But beyond these, we still need to do more, in partnership with industry, to find new breakthroughs and the next frontier is the use of advanced technology to --

- enhance driver performance; so that we prevent crashes from occurring.

- enhance existing safety systems on vehicles, again in a preventative strategy

- and to enhance medical response in the event of a crash

That same technology holds the promise of not only making cars, trucks, and busses safer, it also holds the promise of making them more efficient and productive for a double or triple win. But I'm ahead of our story.

I want to spend a few minutes this morning setting the parameters of the safety situation on our surface transportation system: this is a situation, if it were occurring in our aviation or rail system, would be capturing national headlines on a regular basis.

In 1996, transportation crashes or accidents caused about 44.5 thousand deaths --

- About 42,000 (95%) were ~~caused by~~ involved automobiles

- Just for the record aviation accounted for a little less than 400 (394) and there were headlines that week that the commercial aviation sector registered zero deaths

- Rail accounted for 550 -- mostly from trespassers and grade crossing crashes

In essence we are tolerating the equivalent of a major airline crash every other day. How do you think that would play ~~in the press~~ with the public if ~~that~~ it were actually happening?

The cost of automobile crashes isn't just the fatalities. When we add the property damage, the medical costs, the disability costs, the time lost at work – we are incurring over $150 billion in annual losses ~~due to these crashes~~. That is 2.2% of the Gross Domestic Product or $580 per person. Moreover, some of those costs are coming our of "our" taxpayer pocket. Twenty-four percent of the medical costs resulting from motor vehicle crashes are paid from public revenues.

Perhaps we have become somewhat comfortable with these dramatic figures because, over the years, we have made great strides in reducing the number of highway fatalities. We've done it with improved brakes, mirrors, lighting systems and displays. We've improved the structural integrity of the car so it hold up better in a crash and we've seen major breakthroughs in saving the life of a crash victims thru the use of seatbelts and airbags.

And we have certainly made the driving public more aware of safe driving practices thru aggressive consumer education campaigns. The results have been impressive – a 68% reduction in the rate of fatalities per vehicle mile traveled since the 1960s.

Nevertheless, losing the equivalent of the entire city of Charlottesville, Virginia every year on our highways and wasting 2.2% of our GDP, is still too much. And with the baby boom generation approaching their 60's and 70's in the next two decades we are likely to become more vulnerable, to crashes, injuries and death.

The good work that we have been doing in crash worthiness and making the driving public more aware, needs to continue. But it is unlikely to continue to give us the dramatic declines we saw in the early years of seatbelt use.

We need to explore the technological breakthroughs, keys like

~~We're talking about~~ the use of sensors to warn drivers that a car in the next lane is approaching too fast and he cannot safely merge;

- detecting fatigue in a truck driver and warning him that he needs to pull off the road
- the use of wireless communication to provide better in-vehicle warning at highway rail grade crossings
- the use of infra - red part of the spectrum to enhance our vision at night
- sensing to detect the presence of obstacles ahead, or a child in a blind spot

Some of

Our friends in the automobile manufacturing industry may legitimately say – "not in our lifetime" and ~~correctly~~ point out that many of these technologies are still very expensive and function~~ing~~ at less than the 100% reliability that we would all like to see.

Many will point to difficult liability questions and challenging human factors issues. However, I remember when fuel efficiency and air quality were the challenges of the day. These issues seemed so large. Who would have thought that we could achieve three times the efficiency in automobiles and reduce particulate matter emissions the way we have? People said those breakthroughs couldn't be found, either.

We accomplished them and we can do this too. In fact, we are beginning to see every one of the technology applications I mentioned on the market???

- Responsive cruise control is already on the market in Japan and will likely be on the market in the U. S. next year. Freightliner has already put it on the market for trucks.

- Nissan is putting a very elementary drowsiness detection system on some of its vehicles.

- Several truck and bus fleets are experimenting with blind spot detection systems.

- There are some bold experiments going on in Sweden and the Netherlands in automatic speed limit warning and speed management.

- Here in the U. S. GM has recently announced the availability of night vision on the Cadillac.

- And Ford has announced an impressive use of sensing and intelligence to adapt the deployment of airbags to the passenger, speed of the car and impact.

From my perspective, the technology is here and we are ~~running out of~~ other options to challenge the waste and loss ~~that is occurring on our~~ highways ~~due to~~ crashes. I see no other alternative but to pursue the potential of "Intelligent Vehicles." We, together with industry, must plot an aggressive research and development strategy that will make the promise of this intelligent technology real.

Phil Recht will talk about where we have been to date with our research efforts in this area and where we are going. Ken Wykle will follow with a discussion of how we get there.

###

Transportation Research Board

INTELLIGENT VEHICLE INITIATIVE

Talking Points for

Mort Downey

- It isn't often that you see the Deputy Secretary, the Federal Highway Administrator and the Deputy Administrator for the National Highway Traffic Safety Administration on the same panel at TRB. It is deliberate. We, together, want to make a statement about the number one goal of the Department – Safety, and the number one safety problem in transportation – automobile crashes.

- The statement is simple : there are too many automobile crashes and we are committed as a department to pursuing a course, in partnership with industry, that we believe will make a significant breakthrough in bringing that number down. That course is the use of advanced technology to

  - enhance driver performance; to prevent crashes from occurring.
  - enhance existing safety systems on vehicles and
  - enhance medical response in the event of a crash

That same technology hold s the promise of not only making cars, trucks, and busses safer, it also holds the promise of making them more efficient and productive. We believe it has the potential for a double or triple win. But I'm ahead of our story.

- I want to spend a few minutes this morning talking about the safety situation on our surface transportation system; talking about a situation, that if it were occurring in our aviation or rail system , would be capturing national headlines on a regular basis.

- In 1996, transportation crashes or accidents caused about 44.5 thousand deaths.

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- Our friends in the automobile manufacturing industry may legitimately say – "not in our lifetime" and correctly point out that many of these technologies are still very expensive and functioning at less than the 100% reliability that we would all like to see. Many point to difficult liability questions and challenging human factors issues. However, I remember when fuel efficiency and air quality were the challenges of the day. These issues seemed so large. Who would have thought that we could achieve three times the efficiency in automobiles and reduce particulate matter emissions the way we have? People said ~~it~~ couldn't be ~~done~~.

- We accomplished ~~that~~ and we can do this. In fact, we are beginning to see every one of the technology applications I mentioned ~~already~~ on the market.

  - ~~Automatic~~ cruise control is already on the market in Japan and will likely be on the market in the U. S. next year. Freightliner has already put it on the market for trucks.

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  - Here in the U. S. GM has recently announced the availability of night vision on the Cadillac

  - And Ford has announced an impressive use of sensing and intelligence to adapt the deployment of airbags to the passenger, speed of the car and impact.

- I've also been impressed with the Advanced Technology truck that Freightliner is showing and their commitment to bring some of the technology to market in the next couple of years. One only has to read the newspaper lately to see that average drivers

perceive trucks to be 80,000 pound monsters that are ~~intimidating~~ and dangerous. The fact is, trucks and busses – with their higher capital cost and professional drivers – may be the platforms where we see this advanced safety technology enter the mainstream market. Advanced safety technologies on these vehicles may reframe some of our perceptions of these vehicles, reshape some of our policy discussions and, most important, lead the way in creating a mass market that will give manufacturers the confidence they need to make these technologies part of their marketing strategies.

- From my perspective, the technology is here and we ~~have run~~ are running out of other options to ~~seriously~~ challenge the waste and loss that is occurring on our highways due to crashes. I see no other alternative but to pursue the potential of "Intelligent Vehicles." We, together with industry, must plot an aggressive research and development strategy that will make the promise of this intelligent technology real.

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- Nevertheless, losing the equivalent of the entire city of Charlottesville, Virginia every year on our highways and wasting 2.2% of our GDP, is still too much. And with the baby boom generation approaching their 60's and 70's in the next two decades we are likely to become more vulnerable, to crashes, injuries and death.

- The good work that we have been doing in crash worthiness and making the driving public more aware, needs to continue. But it is unlikely to continue to give us the dramatic declines we saw in the early years of seatbelt use .

- Our next breakthroughs are likely to come from using advanced technology to enhance

  - to enhance the performance of drivers **to prevent crashes**
  - to enhance the performance of our the safety systems we have in automobiles now, **to further mitigate the impact of crashes**

  - and to enhance the performance of our emergency response and emergency medical care.

- We're talking about

  - the use of sensors to warn drivers that a car in the next lane is approaching too fast and he cannot safely merge.

TALKING POINTS
DEPUTY SECRETARY DOWNEY

Protecting Critical US Infrastructure
TRB Annual Meeting
January 11, 1999

- America's critical infrastructure underpins every aspect of our lives. There is no more urgent priority than assuring the security, continuity and availability of our critical infrastructure.
- The nation's infrastructure gets us where we are going; it is essential to our national defense, prosperity and social well being. In essence, it is the artery of our nation's life.
- Not only do we have to protect the more traditional physical infrastructure of roads, ports, terminals, but also the ~~more~~ ~~challenging~~ cyber aspects of our infrastructure. The information age has made information and communications systems critical elements of all transportation systems. This cyber dimension has ~~rounded out~~ an already vulnerable national lifeline. Cyber threats offer a new and challenging problem that we have not seen before - -the virtual threat.
- As we become more dependent on information technologies and our systems become more interconnected, our vulnerability to cyber attacks is increasing dramatically. We ~~cannot~~ afford a steep learning curve, ~~and~~ need to team with information security experts ~~in other agencies in this swiftly emerging technology area.~~
- Most important is recognizing that the owners and operators of our critical infrastructure are our first line of defense and the most vulnerable to cyber attacks. This vulnerability, coupled with that of the more traditional infrastructure gaps, jeopardize our prosperity as

a nation, as well as the traditional national security.

- The Year 2000 Crisis, or Y2K, also looms on the horizon. It has raised our awareness of vulnerabilities. Efforts to improve the transportation system's efficiency, effectiveness and global reach are making it more vulnerable to disruption. Y2K is a harbinger of the future of transportation security. It has been there as a wake up call - ~~or a drill~~ - for us.
- Many programs have already reached the year 2000 in forward processing - months before January 1, 2000. And Federal regulations require that key businesses be compliant by the end of 1998. Conversions, safeguards and contingency plans must be in place. Security is a major issue in Y2K compliance, from the aspect of individual password/timeframe protocols to total operational shutdowns. Contingency plans must be in place.
- Systems *appearing* to be down due to Y2K causes could actually be under attack, or be vulnerable to attack while down. ~~Y2K dated~~ viruses may leave already vulnerable systems open to ~~miscreant~~ tampering.
- The Department is conducting an effort to bring the transportation industry into Y2K compliance. We have met regularly with the major ~~rail~~ providers and are requiring remediation plans in place and continue to do this with all modes of transportation. It's bad enough that the cyber connections are vulnerable due to programming glitches, but worse when intentional attacks are possibilities.
- Along with the cyber threat, ~~there are also~~ physical, ~~and~~ chemical and biological threats.
- The physical threat is also becoming more and more ~~prevalent.~~

Many high explosives are relatively easy to manufacture. For example, the Ammonium Nitrate/Fuel Oil, used in the Oklahoma City bombing in 1995, can readily be formulated from ~~ammonium nitrate~~ (fertilizer) and fuel ~~oil~~. ~~In addition~~, the Bureau of Alcohol, Tobacco and Firearms reports that many different types of explosives are reported stolen in the United States, so access to such weapons through theft is ~~probable~~.

- The chem-bio threat illustrates some of the most ~~gruesome~~ scenarios. In the last few years, we have seen the emergence of ~~some of the~~ deadliest man-made biological and chemical weapons ~~ever~~. Weapons grade pathogens, along with lethal chemical weapons, are becoming more readily available ~~to the general public~~ and pose an increasing threat to the nation's transportation terminal facilities.
- In sum, the threat is real. We are seeing more and more attempts at subversion. Most recently, there were attempts to corrupt the CIA and New York Times homepages. A teenage hacker got into the phone system and disrupted airport operations in Worcester, MA. California officials have responded to at least twenty intentional anthrax scares in recent months, and ~~tallied up~~ millions of dollars in response efforts. And we are all aware of the terrorist attacks at the World Trade Center, the Murrah Federal Building, and at the Atlanta Olympics.
- Worldwide, over one third of terrorist attacks have been ~~directed at~~ transportation assets.
- We, ~~here~~ in the United States, have been singularly lucky that we have not had more direct exposure to terrorism. We need to be vigilant, aware and protect the nation's infrastructure. We ~~can not~~ wrap ourselves in ~~our~~ imaginary security blanket ~~any longer~~. We need to take action ~~and~~ begin to shore up our infrastructure.

- But [illegible] human reasons
- This will be particularly challenging, as we are in a unique situation, in that much of the transportation infrastructure itself is privately held. Yet the Federal government has stepped up to the plate to begin the protection effort. — we cannot let our transportation
- assets be turned against us as weapons of destruction or opportunities to exact political response.
- For those of you who are new to this topic, I'd like to give you a little background on how this effort has come about.
- The President's Commission on Critical Infrastructure Protection, or PCCIP, was formed in 1996 to advise the President by recommending a national strategy for protecting and assuring critical infrastructures from physical and cyber threats.
- In October of 1997, the Commission issued a comprehensive report on the potential threat to the entire range of the nation's key infrastructures – including transportation, energy distribution, telecommunications and information systems, banking and finance, and vital human services. You will be getting a brief overview on this from _____who is/was the _____. (General Marsh cannot make it, but we are attempting to get Bill Harris to give a PCCIP overview.)
- Shortly thereafter, the Research and Special Programs Administration's Volpe Center completed the congressionally directed Surface Transportation Vulnerability Assessment. These two efforts took the first steps in laying the groundwork for developing a roadmap for a protection plan for the nation.
- The final report, which was reviewed by the National Academy of Sciences' Advisory Committee on Ground Transportation Security will be issued this month. It is intended to be a comprehensive report of the full assessments by transportation mode. As Kelley

Coyner, the RSPA Administrator, will describe, ~~it provides~~ a powerful methodology for assessing the vulnerabilities of all modes of surface transportation and their interfaces.

-
- ~~This will~~ lay the foundation ~~for~~ identifying top priorities to address vulnerabilities ~~of the transportation system.~~ Since the system is primarily developed, monitored, and operated by the private sector, the focus ~~will~~ be on ~~innovative~~ partnerships with state and local governments and industry to identify vulnerabilities ~~and best practices to mitigate them~~ and to train ~~all~~ modal security staff to utilize various ~~first responder automated models~~. These models are intended to decrease response time and increase the level of awareness and preparedness.
-
- This Administration has made the fight against terrorism a top national security objective.
-
- The President signed two Presidential Decision Directives (PDDs) in May of this past year. PDD-62 creates a new and more systematic approach to fighting the terrorist threat of the next century. It reinforces the mission of the many U.S. agencies charged with roles in defeating terrorism.
-
- It also codifies and clarifies their activities in the wide range of U.S. counter-terrorism programs, from apprehension and prosecution of terrorists to increasing transportation security, enhancing response capabilities and protecting the computer-based systems that lie at the heart of America's economy.
-
- PDD-63 calls for an "interagency partnership" to implement the recommendations of the Commission. The National Coordinator for Security, Infrastructure Protection and Counter-Terror, Mr. Richard Clarke, will oversee the broad variety of relevant policies and

programs, including such areas as counter-terrorism, protection of critical infrastructure, preparedness and consequence management for weapons of mass destruction.

-
- The National Coordinator will work with the National Security Council, report to the President through the Assistant to the President for National Security Affairs and produce an annual Security Preparedness Report. He will also provide advice regarding budgets for counter-terror programs and coordinate the development of guidelines that might be needed for crisis management.
-
- As a result of the Presidential Directives, the White House established the Critical Infrastructure Assurance Office. The Office will develop the infrastructure protection plans, ~~which will~~ to be carried out by ~~the Executive agents~~ various government agencies. ~~The effort is an industry-government partnership, which offers quite a challenge.~~
-
- The planning process is already underway. The ~~Critical Infrastructure Assurance~~ Office Information Security Assistance Team was in place November 1, and by mid-December, all primary agencies, ~~such as the~~ including our Department ~~of Transportation~~, had submitted Protection Plans. These plans be the basis for a national ~~plan~~ report to protect the services that we depend upon daily; telecommunications, banking and finance, electric power, transportation, gas and oil, emergency services and government services.
-
- Within the Department of Transportation, there are three key individuals. Admiral Kinghorne is the Transportation Sector Liaison Officer. You will be hearing from him shortly. Melissa Allen, Assistant Secretary for Administration, is the Department's Critical Infrastructure Assurance Officer. Kim Taylor acts as the Department's Chief Information Officer.

responsible for our physical facilities

not career for the Systems that Special admin Rose Crumby

- relationship
- This initiative will require a new ~~level of commitment to~~ partnership between the public and the private sectors, specifically in the areas of policy formation and information sharing. My challenge to you today is to work with us ~~to protect the critical~~ infrastructure of our ~~nation~~. We, ~~the government~~, can help you with the tools to protect the system. You, as the researchers, designers, developers, operators and owners, need to put the tools to use.
- We have ~~been~~ successful in creating a number of private public partnerships in the past, particularly in the research and development area. And, we have done it with the two information sharing offices that have been established under the new Critical Infrastructure Assurance Office.
- Now the formidable task is to do it with our physical and cyber framework - - quickly and efficiently, without hindering our posture in the global marketplace.
- , our systems, we can't protect them
- You own it, ~~we can't do it~~ without you. We plan to work closely with state and local agencies, transportation providers and industry groups. Some groups already actively participating are: the National Defense Transportation Association, the National Security and Telecommunications Advisory Committee, and TRB.
- Guy Copeland and Edward Honor will be filling you in on industry buy-in and participation. And, Elaine Sudanowicz will be giving you the local perspective.
- We, along with these groups, are working to ensure that effective strategies are developed and deployed. How do we create more of these partnerships? I encourage you to work with us. Help us ~~usher~~ usher in a new and ~~safe~~ millennium. the safety we don't have American public expect + deserve.

- we will hear from
- With that said, I'd like to introduce our panel today. Our speakers come to us from private industry and the public sector. They will be speaking on the various initiatives involved in ensuring the continuity and viability of the US transportation infrastructure in the 21st Century. Also, on the panel, we have a stakeholder who will tell us how it is, where the rubber hits the road.
-
- So, without further ado, let me introduce:
-
    - To be determined
    - President's Commission on Critical Infrastructure Protection
    -
    - RADM Bert Kinghorne, USCG, Office of Intelligence and Security

    Ms. Kelley Coyner, Administrator, Research and Special Programs Administration
    -
    - Mr. Guy Copeland, Director, Technology, Computer Sciences Corporation, and National Security Telecommunications Advisory Committee
    -
    - LTG Edward Honor, USA (Ret.), President, National Defense Transportation Association
    -
    - Ms. Elaine Sudanowicz, Deputy Commissioner, Boston Transportation Department, and Assistant Director, Office of Emergency Management
    -
- I would like to introduce our first speaker…….
    -
- PANEL PRESENTATIONS

-
- (To the panel members) Thank you for taking your valuable time to give the transportation community an overview of the steps that your organizations are taking to improve the security of the nation's transportation infrastructure.
-
- In closing, I want to repeat my challenge to you today. ~~Regardless~~ of ~~whether you are in~~ state and local government, industry, academia, professional associations, or a member of the traveling public, the Federal government needs your help in establishing the private/public partnerships the nation will need to address the threats to our nation's transportation infrastructure.
-
- The President, Secretary Slater and I have made a commitment to advance the nation's vital security interests. We need ~~you, the designers, the developers, the operators and the owners of the system~~ to make this happen.
-
- Thank you.

DRAFT

TALKING POINTS
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
PARTNERS FOR ITS Y2K ROUNDTABLE
TRANSPORTATION RESEARCH BOARD
WASHINGTON, D.C.
JANUARY 13, 1999

- Good afternoon and thanks for joining us. Want to take advantage of Transportation Research Board week to check in with our partners from the Y2K Summit that was held last July -- back then we were 521 days away from the Year 2000, today we are 351 days away. The clock is ticking.

- To bring you up to date on where the Department is on Y2K --100% of the Department's mission critical systems have been renovated; the mission critical systems of ~~three~~ two of our operating administrations (Federal Railroad Administration; St. Lawrence Seaway Development Corporation; and ~~Research and Special Programs Administration - pending OIG certification)~~ and the Surface Transportation Board have been certified as fully Y2K compliant. We will be substantially completed with our validation phase at the end of this month -~~some~~ although FAA systems are scheduled to be completed by the end of March. RSPA is done but is pending OIG certification. End-to-end testing of ATC systems scheduled for April. most of our systems will be substantially by March - will same FAA + EG Allowing us to approach June.

- OUTREACH: Serving as the chair of the Transportation Sector --an interagency coordinating body for the Y2K issues that affect the transportation functions of the federal government. Assembled an Outreach Action Team within the Department to leverage the Y2K outreach efforts of each of our operating administrations. Regional meetings/workshops -- FHWA hosted a regional workshop in Maryland last December to look at how traffic signal systems could be affected by Y2K .....; APTA/FRA/FTA will hold a Y2K Conference in Houston next week. International outreach -- meetings with foreign transportation officials (Japan, Korea, ICAO, IMO). At every relevant speaking engagement (and at even the ones that aren't relevant) -- I take the opportunity to ask the question, "Are you Y2K okay?"

(and we would be happy to provide material for you who want to put on a similar at your roundtables.

website

- CONTINGENCY PLANNING: Since we're now less than a year away, we need to make sure that our information technology systems have been fully tested so that they are functioning as well on January 1, 2000 as they were the day before. We cannot overemphasize the need to make contingency plans --- as long as the traveling public knows that there is a viable backup plan, there will be less mass ~~hysteria~~ anxiety should we find that some of the systems don't work on January 1st. Continue to coordinate with your state and local partners -- it's not only important that your systems are Y2K compliant but also those systems that you interface with.

- TOOLS TO HELP: "Steps for Action" brochure which was developed during the Y2K Summit in July -- we have distributed _____ to our DOT field offices and Y2K partners. 1000 copies of the "R U Y2K OK" video have been distributed. We have put together some generic slides which you can ~~be~~ use in presentations at meetings. Just this week, we launched our new "Outreach Activity Database" on our Y2K webpage where you can search for information on Y2K outreach activities sorted by mode, date or sector -- the address is www.y2ktransport.dot.gov

- FEEDBACK: The most important thing about getting together this afternoon is taking the opportunity to share with each other our progress to date and some of the challenges that still exist. We want to hear from you -- how your own Y2K efforts are coming along but also how we can assist you in the weeks and months ahead. I look to hearing from ~~each of~~ you -- I'll turn the program over to Tony Kane who will introduce our next speaker.

DRAFT

REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
HOUSTON METROPOLITAN TRANSIT AUTHORITY GRANT ANNOUNCEMENT
HOUSTON, TEXAS
JANUARY 22, 1999

You will be introduced by

Thank you, Mayor Brown, for that introduction and for all of your work on behalf of the people of Houston. We've worked together in both Washington and here at home, and it's good to see you here at last.

I'd also like to thank Congressman Nick Lampson and Congressman Bentsen for their leadership in the Congress, especially as we worked to pass last year's transportation bill. And to Robert Miller, Chairman of the Houston Metropolitan Transit Authority Board, our thanks go to you for all of your efforts on this project and for everything you do to keep Metro one of the best transit systems in the country -- one that works for the people of Houston.

Is Sheila DeLibero going to be here – I'd want to recognize her!

The Secretary who was here yesterday asked to me to bring his greetings and congratulations for the announcement that we'll be making today.

On Tuesday evening, President Clinton addressed the nation on the State of the Union and provided his agenda for the last year of this century and his vision for the new millenium. A key component of ~~his~~ that agenda and ~~his~~ our vision is building livable communities for the 21st century that will ensure a high quality of life and strong, sustainable economic growth.

The Southwest Freeway Transitway Project is an excellent example of what the President means when he talks about building livable communities for the 21st century. ~~And Houston was ahead of its time because this project got started over ten years ago.~~

The Southwest Freeway Transitway Project is helping to ease congestion so that commuters can get into and out of downtown more quickly, directly and safely. And the less time that the people of Houston spend on the freeway, the more time they get to spend with their families and loved ones.

Today, I'm pleased to tell you that the Clinton Administration is awarding Houston METRO $18.9 million for Segment V of the Southwest Freeway Transitway Project. These funds will be used for a 2.1 mile, two-lane one-way reversible barrier separated HOV section, ~~and~~ when it's completed, it will be the last major segment ~~within~~ in METRO's service area for the 14.3 mile HOV Lane project. This grant fulfills the federal commitment of $64.5 million for the Southwest Transitway Project. — we like to finish what we start, and I know you do, too.

Improvements ~~such~~ like as these are win-win propositions, and it's clear who the ~~biggest~~ winners ~~will be~~ are: the people of Houston and this entire region, who will have better transportation and stronger economic growth, without ~~more~~ less congestion and pollution. That used to come along with road guest.

We're proud to be your partners in maintaining Houston's role as one of America's transit leaders, and we look forward to continuing that partnership.

Now, I'd like to ask Mayor Brown -- Congressman Lampson -- and Congressman Bentsen to join me as I present this check for $18.9 million to Robert Miller.....

[I'll sign this check to make it official.... This is one check you can spend in all one place...]

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REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
INFORMATION TECHNOLOGY OMNIBUS PROCUREMENT II
WASHINGTON, D.C.
JANUARY 14, 1999

Thank you, George and good morning. We're here for two important reasons -- first, to recognize the tremendous accomplishments of the ITOP program and second, to award the contracts under ITOP II.

It was nearly two and a half years ago that we awarded the first contracts under the ITOP program. At that time, we set up a framework to purchase up to $1.13 billion worth of information technology services and products over a seven period.

We knew that the program responded to Vice President Gore's National Performance Review challenge to reinvent government to work better, cost less and get results that Americans care about. What we didn't know was just how incredibly successful the ITOP program was going to be and what an impact it would have on other government agencies.

In less than three years, we have already issued orders for nearly $900 million worth of products and services.

We're saving time and that's important -- but more important is the fact that we're saving money because our federal employees are getting the tools they need when they need them-- state-of-the-art tools -- to do their jobs better and give the American people the services they deserve. To give you an idea of the time savings-- procurements that used to take over 700 days to complete are now averaging just 60 days. It's for these reasons that the Vice President's National Performance Review presented the ITOP program with a Hammer Award.

The ITOP program has not only revolutionized the way we do business at the Department of Transportation, but also the way other federal agencies do their IT procurement. The Departments of Justice, Army, Commerce and the National Archives have taken aspects of ITOP into their information technology procurement programs.

We're proud of what we've been able to accomplish with this program but we're also proud that we're here today to award the contracts for ITOP II which will build on the success and foundation established by its predecessor. It will still combine systems engineering -- systems operations and management -- and system security in a single procurement action to meet the Department's information technology needs over a multi-year time-frame. But it's bigger -- it will provide for $10 billion worth of products and services over a seven year period.

ITOP II will continue our efforts to help strengthen small and disadvantaged businesses showing that there is not a choice between strong commitment to those goals and our need for program efficiency. Roughly 45% of the contracts awarded today will go to highly-qualified small and disadvantaged businesses. Mr. Richard Hayes, Associate Deputy Administrator for Government Contracting and Minority Enterprise Development, with the Small Business Administration will have more to say on the significance of our small business efforts in a few moments.

Another improvement that we've made to the program is increased flexibility in contract team arrangements. The prime contractors will now have the ability to work with any sub-contractor that they think will help get the job done. You'll be able to put together the best team to meet the specific needs of a given project.

I want to take a moment to thank the people in the Department who have really made this program a success. George Fields, Director of our Transportation Administrative Services Center, and Richie Lieber, Nancy Martus and Dell Berry of TASC's Acquisition Services team. I also want to thank Luz Hopewell of our Office of Small and Disadvantaged Business Utilization. They deserve a round of applause.

Now, I'd like to invite Richard Hayes with the Small Business Administration to offer his thoughts on what ITOP means for the small business community. Richard...?

(YOU WILL MOVE TO YOUR SEAT IN THE FRONT ROW. AFTER RICHARD HAYES', YOU WILL RETURN TO THE PODIUM.)

Thank you, Richard. Now, we'd like to hear from a few of the contractors about what this program means to them. I'd like to ask Anita Talwar, President of Advanced Management Technology, Incorporated to say a few words. Anita.....?

(A REPRESENTATIVE FROM THREE DIFFERENT CONTRACTORS WILL SPEAK, ONCE THEY ARE FINISHED, YOU WILL RETURN TO THE PODIUM.)

Now, for the moment you've all been waiting for..... we'd like to award the prime contracts. I would like to ask Mr. Dell Berry, the ITOP Program Manager to assist me in awarding the contracts. I'd like to ask each company's representative to join us up here as its name is called.

(AWARDING OF CONTRACTS AND PHOTO OPS. GROUP SETTING BY FUNCTIONAL AREA BY BUSINESS CLASS. DELL BERRY WILL READ THE AWARDEES' NAMES AS YOU GREET THEM. RICHIE LIEBER WILL CLOSE THE CEREMONY.)

###

5

Melissa

Two Year Agenda For DOT's Mobility Goal
(As Revised 1/21/99)

1. Our mobility goal is to shape America's future by ensuring a transportation system that is accessible, integrated and efficient, and offers flexibility of choices.

Key Outcomes

2. ~~Taking all comments into account, we propose to retain the three criteria~~:

   a) Key deliverables, linked to our performance goals, in next 2 years.

   b) Failure in these areas would reflect poorly on DOT.

   c) Highly visible projects that we would take to the White House or other major sources for possible roll out.

   It has been suggested that the candidate list be prioritized, and that activities be included when they exemplify ONE DOT. These ideas could be discussed in the February meeting.

How will we achieve - check

3. The candidate list, revised with your comments:

- **Initiation of Amtrak high speed rail** – Begin high speed service between Boston and New York. (FRA)
- **Transit new start full funding grant agreements** – Implement TEA-21 programs to expand new start projects, improving mobility and productivity in our metropolitan areas. (FTA)
- **ITS deployment** - Demonstrate benefits of ITS deployment and integration. (FHWA, FTA, NHTSA, RSPA, FAA)
- **Free Flight (Phase I)** – Increase direct aircraft routing to increase efficiency (FAA)
- **Award of innovative financing (TIFIA) loans** -- Implement TIFIA program and demonstrate leveraging effects in infrastructure investment. (S, FHWA, FTA, FAA)
- **2002 Olympics** – Consistent with TEA-21, provide support for the 2002 Winter Olympics through transit investment in Salt Lake City. (S-3, FHWA, FTA)
- **Rural Transportation** – Support economic development in rural regions through mobility initiatives such as rural air service. (R, X)
- **GPS** – Develop and implement Nationwide Differential GPS and promote international acceptance of GPS in navigation. (R, CG)
- **Maritime Transportation System** – Deploy ports and waterways systems in New Orleans and Valdez. (CG)

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Two-Year Agenda for DOT's
Economic Growth and Trade Strategic Goal

What is the goal? Advance America's economic growth and competitiveness domestically and internationally through efficient and flexible transportation.

What key outcomes do we want to achieve?

- Reduced real cost of transportation
- Competitive domestic and international transportation markets
- Increased economic development and growth through transportation infrastructure investments
- Seamless, multimodal movement of people and goods through linkage of infrastructure and information technology investments
- Expanded opportunities and growth for small and disadvantaged businesses
- Increased awareness of career opportunities in transportation-related fields

How will we achieve these outcomes over the next two years?

- **Domestic Aviation** -- Enhance competition by reducing predatory behavior by domestic airlines, expanding slots for new entrants, increasing essential air service to small and rural communities, and eliminating barriers to airport services (K, C)

- **Free Flight (Phase I)** -- Achieve time and cost savings by increasing the use of direct routes for aircraft, or use of other indirect routes in bad weather (FAA)

- **Marine Transportation System Initiative** -- Strengthen the role of marine transportation in the global economy by assessing the adequacy of the nation's marine transportation system to meet projected world trade growth in a safe, efficient, secure and environmentally sound manner (CG, MARAD)

- **Multi-modal Integration** -- Enhance the seamless transfer of freight across modes through coordinated development and deployment of standard freight identification and automated information technologies (S-3, OST)

- **Corridors and Borders Program** -- Improve the safety and efficiency of the movement of people and goods across the U.S.-Canada and U.S.-Mexico borders through investment in infrastructure and information technology improvements (FHWA)

- **Global Transportation** -- Expand global competition and trade by: negotiating an "Open Skies" agreement with the U.K. and other significant aviation partners; sponsoring a "World-wide Open Skies" global aviation conference; negotiating reciprocal foreign access treatment in maritime trade with China, Brazil, and Japan; and supporting the

integration of Africa and Latin America into the global economy through Ministerial summits and related trade missions (?)

- **Job Access and Reverse Commute** -- Link welfare recipients to jobs and connect workers living in rural areas or central cities with job opportunities in the suburbs by providing grants to State and local governments and by connecting prospective employers in the transportation industry with those seeking employment (FTA)

- **Rural Transportation/Appalachian and Delta Initiatives** -- Support economic development in the Appalachian and Lower Mississippi Delta regions through improvements to intermodal connectors to the Appalachian Development Highway System and through investment in transportation improvements within the Lower Mississippi Delta (?)

- **Small and Disadvantaged Businesses** -- Expand economic opportunities for small and disadvantaged businesses by awarding at least five percent of the dollar value of DOT direct contracts to women-owned businesses ~~(ALL)~~ (OSDBU, ALL)

- **Garrett A. Morgan and Other Learning Initiatives** -- Increase education and public awareness of transportation opportunities and careers by reaching out to elementary, secondary education and college students concerning transportation opportunities and careers, and by providing life-long learning opportunities (RSPA, ALL)

TWO-YEAR AGENDA FOR DOT'S HUMAN AND NATURAL ENVIRONMENT GOAL

What is the goal? Protect and enhance communities and the natural environment affected by transportation.

What key outcomes do we want to achieve?

- Reduced emissions from transportation
- Livable communities
- Environmental justice
- Reduced aircraft noise exposure
- Reduced oil spills

How will we achieve these outcomes over the next two years?

Transportation, Communities, and System Preservation Program (TCSP): TCSP provides research and grants to develop and demonstrate effective strategies for States and local governments to use existing transportation systems and future investments to help create livable communities. Award FY99 and FY2000 TCSP grants. Increase TCSP funding in FY2000 budget. Provide technical and program assistance to TCSP awardees to maximize TCSP results. Showcase TCSP activities and successes in speeches, events, and publications. (FHWA, FTA, FRA, OST-Policy) ~~(Supports DOT Performance Goals 1, 2, 4, and 10)~~

Transit Investment: Increase transit funding in FY2000 budget. Encourage MPOs and states to use Surface Transportation Program and Congestion Mitigation and Air Quality Program to support transit. Promote consideration of transit alternatives in planning process. (FTA, FHWA, OST-Budget & Policy) ~~(Supports DOT Performance Goals 1, 2, 4, and 10)~~

Environmental Streamlining/NEPA Reinvention: Sign agreement with EPA, Corp of Engineers, et al., to improve and streamline environmental review process. Conduct NEPA reinvention pilots in 7 states. Issue final rule updating and improving NEPA process for DOT. (FHWA, FTA, FRA, OST-Policy & Counsel) ~~(Supports DOT Performance Goals 1, 2, 4, and 10)~~

Sustainability: Enhance and coordinate programs, education, and outreach to make transportation an effective tool for livable communities. Conduct 5 DOT-sponsored sessions at the National Town Meeting for Sustainable America in Detroit, May 2-5, 1999. Establish a virtual DOT Center for Climate Change and Sustainability to develop DOT-wide strategies. Coordinate Federal initiatives to reduce congestion and pollution in Washington, D.C. (OST-Policy and all DOT modes) ~~(Supports DOT Performance Goals 1, 2, 4, 5, and 10)~~

High Speed Rail: Initiate Amtrak high speed rail to Boston and plan for high speed

I think mobility goal comes in one.

service in 8 identified corridors nationwide. (FRA, OST-Budget, OST-Policy) (Supports DOT Performance Goals 1 and 2)

Advanced Vehicle Technologies: Cosponsor projects of state and local governments, academia, and U.S. companies to develop, demonstrate, and deploy advanced technologies for U.S. built medium- and heavy-duty vehicles. (RSPA) (Supports DOT Performance Goals 1 and 2)

Oil Spills: Reduce the rate of oil discharged from maritime sources by 20% from FY93 baseline, through a risk-based targeting plan for inspection of oil transfer facilities. Reduce oil spills from the Government-owned National Defense Reserve Fleet ships through monitoring and interventions. (USCG, MARAD) (Supports DOT Performance Goals 3 and 6)

Environmental Justice: Issue a focused, timely response to the Atlanta EJ litigation threat by the Environmental Defense Fund (EDF). Develop and execute a training plan on EJ, to raise awareness among transportation partners and DOT field staff and provide guidance on how to avoid and handle EJ problems. Partner with various organizations to meet these goals. (OST-Counsel, OST-Civil Rights, OST-Policy, and all modes) (Supports DOT Performance Goal 10)

Intelligent Transportation Systems (ITS): Increase ITS deployment, and promote ITS as an alternative to constructing new infrastructure.(Similar to ITS item proposed on the Mobility goal list.) (FHWA, FTA, FRA, OST-Policy, OST-Budget) (Supports DOT Performance Goals 1, 2, and 3)

More Stringent Aircraft Noise Standards: Develop a research plan and program for certification noise standards for turbojet airplanes that will be more stringent than the current Stage 3 standards, in order to reduce the number of individuals exposed to adverse noise levels from airport operations. (FAA, OST-Policy) (DOT Performance Goal 5)

ormance Goals:
Mobile source emissions
Greenhouse gas emissions
Wetland protection and recovery
Livable communities (transit service)
Aircraft noise exposure
Maritime oil spills
Fisheries protection
Pipeline spills
DOT facility cleanup
Environmental justice

Two-Year Agenda for DOT's National Security Goal

What is the goal? Advance the nation's vital security interests in support of national strategies such as the National Security Strategy and National Drug Control Strategy by ensuring that the transportation system is secure and available for defense mobility and that our borders are safe from illegal intrusion.

What key outcomes do we want to achieve?

- Reduce the vulnerability and consequences of intentional harm to the transportation system and its users.
- Ensure readiness and capability of all modes of commercial transportation to meet national security needs.
- Ensure transportation physical and information infrastructure and technology are adequate to facilitate military logistics during mobility, training exercises, and mobilization.
- Maintain readiness of resources including operating forces and contingency resources owned, managed, or coordinated by DOT necessary to support the President's National Security Strategy and other security-related plans.
- Reduce flow of illegal drugs and of illegal aliens entering the United States.

How will we achieve these outcomes over the next two years?

- **Protect the critical infrastructure (PDD-63)**: Identify key threats and vulnerabilities and recommend effective countermeasures to protect U.S. transportation system (all modes)
- **Reduce flow of illegal drugs/illegal aliens**: Create and implement a plan to address recommendations of National Drug Control Intelligence Architecture Study (OST, USCG, FAA)
- **Implement recommendations of White House Commission on Aviation Safety and Security**: Improve checked baggage screening, control of personnel access and movement. Guarantee same level of security on foreign carriers serving the U.S. Deploy advanced security technologies and procedures (FAA, OST)
- **Sealift/airlift**: Improve intermodal logistics contingency capability in support of DOD requirements (MARAD, FHWA, FRA)
- **Maritime Transportation System (Port Safety and Security)**: Ensure safety and security of embarkation and debarkation ports during contingency operations (MARAD, USCG, FHWA, FRA)
- **1999 Federal Radionavigation Plan**: Report to Congress describing status and effectiveness of the current system (OST-P, USCG, FAA)
- **Conduct peacetime engagement/nation-building operations**: assist developing nations and carry out foreign policy/defense assistance initiatives (USCG, FAA, FHWA, FTA)
- **Rail transportation of highly radioactive material**: Partner with Federal, state and local communities in addressing concerns and exchanging information (FRA)

Note 1: Agenda items provide "ONEDOT+" opportunities as well as an intermodal approach. They require wide cooperation between DOT and other federal agencies in national security concerns.
Note 2: Very specific FY99/00 items may be contained within the umbrella themes of one of the agenda

Two-Year Agenda for DOT's
Corporate Management Strategies

What is the goal? The goal of Corporate Management Strategies (CMS's) is to structure the organization and decision-making architecture of the Department to achieve effectively and efficiently the strategic goals. Our CMS's have been designed to build the environment in DOT that supports our strategic agenda. In other words, they are intermediate outcomes.

What intermediate outcomes do we want to achieve through the CMS's?

Intermodal, collaborative planning and processes (ONE DOT)
A work force ready for the 21st Century (HR Management)
Delivery of results customers want (Customer Service Management)
World-class research (Research and Development)
Secure, reliable, compatible, and cost effective information systems (IT Management)
Sound and innovative business processes (Business Process and Resource Management)

How will we achieve these intermediate outcomes over the next two years?

Working Better Together Building on the collaborative processes in DOT, we will capitalize on our human resource capacity by achieving and rewarding increased employee experience in multi-modal/ONE DOT activities.

Long Range Planning - Develop plausible future scenarios for transportation in the next 30 years to use as tools for testing our policies, and update and revise our strategic plan for 2000-2005.

Diversity Manage diversity under the Department's Managing Diversity Order (1/98), including completing organizational assessments and implementing appropriate interventions.

Workforce Planning In response to the demands for continued excellence in the workforce of the future, identify workforce needs for senior levels through 2003, emphasize continuous learning, and expand workforce planning by initiating a three-year review of key occupations.

Communications Provide timely, accurate, and user-friendly Internet web sites on DOT programs, services, and key points of contact.

Strategic Planning Implement a DOT Transportation R&D plan that aligns R&D investments with the DOT Strategic Plan, satisfies the requirements outlined in TEA-21 and FAA authorization, and supports public-private partnerships for DOT's strategic goals.

World-Class Transportation R&D Capability Complete baseline self assessments of DOT's R&D performance using Malcolm Baldridge or President's Quality Award criteria, ISO 9000 or Software Engineering Institute's Capability Maturity Model certification.

Year 2000 (Y2K) Activity Completion Complete on a timely basis all Y2K remediation or contingency plans to prevent disruption of critical systems that would impede DOT's ability to accomplish its missions/programs.

Securing IT Systems - Implement Presidential direction to ensure that the nation's critical transportation IT infrastructure is protected. Obtain NSC approval of the DOT Infrastructure Protection Plan, and attain Initial Operating Capability to protect FAA and USCG mission-critical systems.

Sound Resource Management Receive an unqualified audit opinion on DOT's FY2000 consolidated and stand alone financial statements.

21st Century Business Processes - Ensure that DOT is up to current standards for doing business departmentwide by initiating the Electronic Commerce implementation plan and implementing an Electronic Posting System.

Managerial and Operational Flexibility – Fully implement and utilize the Department's waiver process to develop additional innovative avenues for achieving outcomes.

SR Advisory Group - met day before [2 reps from Houston]

REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
Y2K SURVIVAL WORKSHOP
HOUSTON, TEXAS
JANUARY 22, 1999

You will be introduced by Karol Popkin, Chief of Staff for APTA

Thank you, Karol. I'm pleased to be here today. I want to thank the American Public Transit Association, the Federal Transit Administration and the Federal Railroad Administration for putting together this Y2K survival workshop. This is a timely conference, as there are only 344 days until the Year 2000 -- but who's counting?

Actually, all of us are counting the days, the hours, and the seconds to December 31. It's not often that we face a problem that could affect every person and every mode of transportation. And while some individuals may be taking their "Y2K-survival" planning to the extreme, I ~~promise~~ can assure you I have no intention of purchasing a mule or ~~freeze~~ stocking up on freeze-dried food!

Instead, we know that the best way to prepare for the Year 2000 is by careful analysis, remediation, and testing of our systems and equipment, and by preparing contingency plans for the safe and seamless continuity of business.

This is true for each of us -- from the largest federal agency to the small local service provider or mom & pop business. Everyone must do ~~their~~ his or her part to prepare for Y2K.

One reason for this is because the transportation system -- and indeed, the rest of our nation's economy -- is an interdependent network. We need every train, bus, ferry, and every paratransit service to run as smoothly on Saturday as it did on Friday. ~~And~~ your ~~business~~ success will depend as much on your readiness as on that of your shippers, suppliers, vendors and ~~maintenance services~~ carriers.

Another excellent reason for each of us to be Y2K ready is to be able to help the others in our sector. Case studies, best practices, sample contingency plans -- all of these tools and information sharing will help bring the rest of the industry along toward compliance.

And let's not forget the public. Our customers deserve to have confidence in the safety and efficiency of their transportation system, every day. Although January 1 falls on a Saturday, many people will still need to get to their jobs, to the hospital, to the grocery store and more. We can't afford to have a lapse in service to our customers, the American citizens.

But you already know this -- that's why you're here today.

When I addressed the APTA Annual meeting in New York last October, I noted that Y2K was much more of a project management issue than a technological challenge. This is still true. The technological fixes are available. But the ~~companies~~ businesses and agencies that will be ready by January 1st are those that have made Y2K a priority by dedicating staff and financial resources to implementing the solutions.

Here's what we've heard from some of our transit grant recipients. In the beginning, they didn't realize how widespread the Y2K issue was. That was the first step -- taking inventory to identify all of the possible systems, software and components that could be affected.

The next hurdle has been in getting help to solve the problems. In many cases, there is a dependent relationship between ~~the~~ your ~~grantees~~ and ~~their~~ vendors and suppliers. In some cases, ~~grantees~~ have had to await software upgrades from their vendors. This frequently entails an additional charge for the upgrade. Furthermore, we've heard that some farebox collection systems are not Y2K compliant and the manufacturer has still not provided a solution.

And then there is the perception that while the larger systems believe they will be okay, many fear the smaller transit districts are still not devoting enough attention to the problem. That is why it is so critical that you share information with each other on ~~your~~ systems compliance.

We are here to help our partners get the right tools and resources to manage the Y2K problem. This conference is but one opportunity to learn from each other and to identify solutions.

As you probably know, funding for Y2K repairs is an eligible expense under the provisions of TEA-21 for each of our grant programs - new capital investments in both fixed guideways and buses, fixed guideway modernization formula programs, programs for rural, elderly and handicapped transit, and ITS.

This legislation contained record levels of investment in transit, ~~and provides~~ the resources to make the necessary Y2K repairs. We will continue to provide guidance and technical assistance to our grant recipients, identifying programs in TEA-21's major transit programs that are eligible for Y2K investments.

And we will continue with our outreach efforts and information exchange. Just last week at the Transportation Research Board conference in Washington, we met with several groups from the Intelligent Transportation Systems community to share examples of Y2K successes. This was a follow-up meeting from last July, when DOT held a conference on moving from Y2K awareness to Y2K action. The stories we heard last week prove that, working together, and with good management, we can all get the job done.

We are conducting outreach sessions such as this one in Houston across the transportation industry. Next month, the Federal Railroad Administration will convene a meeting of the rail industry in Washington. And we continue to work very closely with the U.S. aviation industry.

We are also reaching out to our international partners -- in meetings with foreign transportation officials from such countries as Japan, Korea, Canada, Mexico, and Russia. In March, the maritime community is expected to convene in London to look at the Y2K implications for such issues as safe shipping and business continuity. The U.S. Coast Guard is working with the International Maritime Organization on this meeting to help that critical component of our global economy prepare for the coming year. We want to be sure that the global supply of such commodities as fuel for our buses & carriers continues to flow

As many of you know, I serve as the chair of the Transportation Sector working group -- an interagency coordinating body for the Y2K issues affecting the transportation functions of the federal government. We will meet again in late February with many of our stakeholder associations to talk about major issues facing us in the coming months. and how we will meet here.

Among the issues this group will consider is whether companies and agencies will be ready, and what their contingency plans are if they aren't ready. Even if your ~~company~~ one expects to be compliant in time for the next year, every ~~business~~ will need to plan for the ~~event~~ possibility that other links in their business chain may ~~not be ready~~. Be sure we do

And beyond planning, businesses that have achieved compliance should schedule regular testing of their systems from now until the last day of 1999. We can't afford to sit back and rely on a system that passed in May, as new data, new programs, and new links may present threats to the integrity of your compliant system. continued

(What about beyond 1/1/00 — to since

date sensitive problems may not clean up until leap year day or even 12/31/00.

As part of our work on behalf of the President's Y2K Conversion Council, in November of last year we sought voluntary summaries from trade associations assessing the overall Y2K readiness of their membership. These responses did not identify specific companies or include proprietary information. All responses were compiled in a report to the President which was released earlier this month.

APTA graciously provided the results from its spring 1998 survey, which represented responses from over half of APTA's membership. We included results from this survey in the full report. We appreciate APTA's contribution and hope that you will participate in ~~any future~~ APTA surveys.

This information is very helpful. It shows us how DOT can help our transit partners. Summary data is also useful in enabling us to convey your progress to the general public. Much of the work we see over the coming months will be in alleviating public concern for industry and government readiness. We know you are working hard to become compliant, and we look forward to sharing your good news with the rest of the country.

The report released this month found several common themes across the country, not limited to transit or the transportation industry but representative of all industry. For example, the multi-sector report found:

-- a high awareness of the problem and its potential consequences;

-- aggressive efforts to combat the problem, although with better progress reported by large companies and organizations;

-- predicted disruptions of a relatively localized nature -- these will be exacerbated by the lack of preparedness of small and medium organization; and,

-- a potential for international failures, adversely affecting domestic and cross-border operations.

This information and more is available on the Internet. For more information on this report, and generally on the U.S. Government's Y2K Conversion Council, check out www.Y2K.gov (the site of the President's Council on Year 2000 Conversion). You might also want to see the new, searchable database of outreach activities of the transportation sector. This database provides information on past, current, and planned events and materials related to our Y2K outreach. For this and links to brochures and other helpful tools, go to www.y2ktransport.dot.gov.

And for those of you who don't have Internet access, the President's Council on Year 2000 Conversion has set up a toll-free number. 1-888-USA-4-Y2K can provide consumers with information about the Y2K computer problem.

But what of the federal government's readiness? Where is DOT on the timeline?

At this point, U.S. DOT is on track -- 97 percent of DOT's mission critical systems have been renovated. The mission critical systems of the Federal Railroad Administration and the St. Lawrence Seaway Development Corporation, as well as the Surface Transportation Board, have been certified as fully Y2K compliant. The Research and Special Programs Administration has completed work and is awaiting certification from our Office of Inspector General. And by the end of this month, DOT operating administrations will substantially complete the validation phase.

FAA will conduct end-to-end tests of the Air Traffic Control system from February through April. Implementation of most DOT systems will occur by March with some FAA systems following on in April, May and June, and some remaining Coast Guard systems following on in June, July, and September.

President Clinton and Vice President Gore have committed federal resources to preparing the nation to meet the Y2K challenge. Congress is also seriously evaluating the readiness of the public and private services of this country.

And while we are eager to help you become compliant, we are also serious about your doing so. We have the authority to withhold Federal funds from grantees whose systems are not in compliance with Y2K requirements based on the fact that Each grantee must have the technical capacity to carry out a grant. Therefore, FTA has asked for letters of compliance with Y2K requirements as part of the grant process.

from governing authorities

This is certainly not something we want to do, nor would it necessarily be helpful — but it does get program officials to focus.

We want each of you to reach Y2K compliance with plenty of time to conduct end-to-end testing, produce comprehensive contingency plans, and help your customers feel confident about transit service in the coming year. As President Clinton said this week in the State of the Union Address, through the hard work of everyone in government and the private sector, "the 'Y2K problem' can be remembered as the last headache of the 20th Century, not the first crisis of the 21st."

Thank you for all that you've done so far, and for taking the time to come to this conference. With your help, we can look forward to celebrating New Year's Day 2000.

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