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FINAL

REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
AIRPORT COUNCIL INT'L & AMERICAN ASSN OF AIRPORT EXECUTIVES
SEPTEMBER 13, 1993
WASHINGTON, D.C.

I'd like to thank George Howard (ACI President) and Chip Barclay (AAAAE President) for having me here this morning.

This is the first time I've had an opportunity to meet with you since I returned to Washington. As some of you "old timers" will recall, I was Assistant Secretary of Transportation for Budget and Programs in the Carter years. It is an honor and a pleasure to come back to DOT as Deputy Secretary and to be a part of Secretary Peña's team. He is hard-working and a man of vision. And, even though it's taken some time, he has put together an outstanding team to tackle some major challenges facing

transportation as we move ahead into the 21st century. If I recall correctly, we broke the Aviation Daily 100-day barometer , but I believe you will agree that one member of the team -- David Hinson -- was worth the wait.

From the very beginning of this Administration, the President and Secretary Peña have been strongly committed to resolving the serious challenges facing the aviation industry because we know that it is absolutely imperative for the future growth of the American economy. In 1992, not a banner year to say the least, the U.S. airline industry -- passenger and cargo -- had total revenues of \$80 billion. Air transport accounts for 1.3 percent of our gross national product. Quite simply, air transportation is a critical element of our national economy.

This Administration recognizes how central the health of the nation's aviation, airports and aerospace industries are to the overall economy. That's why one of the President's and Secretary's first acts in office was to join with the Congress in forming the Airline Commission to conduct an intensive 90-day study of the problems and recommend possible solutions. I know many of you, including Chip Barclay who served as one of the commission members, contributed to this effort.

As you all know only too well, our air transportation system is a complex and interconnected system in which each action has an impact or relationship to the other.

For this reason, the Secretary early this year recognized the importance of receiving the

recommendations of the Airline Commission before attempting to develop a multi-year Airport Improvement Program. Those recommendations and the wide range of issues raised by the Vice President's National Performance Review -- some to radically change the fundamental organization of the Federal Aviation Administration -- cannot be considered separate and apart from the AIP program. As I said earlier--they are all related.

I know you all are anxious for a multi-year authorization which will provide financial stability in planning your own programs. We are committed to that too and will produce one -- taking into account your input --early next year. Administrator Hinson will be crucial to that effort.

But the point is this: as we wrestle in the coming months with the host of issues raised by the Airline Commission, the NPR, and the President's economic plan we will do so as a package -- a comprehensive plan -- that will not only address the economic problems but hopefully seize the abundant opportunities for progress. With respect to the Airline Commission, we are receiving many of the recommendations, including:

- Restructuring the FAA to enhance its ability to develop and operate the most technologically advanced air traffic control system and to aggressively pursue the implementation of GPS.**
- Fully spending federal taxes and user fees collected from passengers and shippers for their**

intended purposes, including the Airport Improvement Program, FAA's air traffic control modernization and research and development programs.

- Reducing the excessive regulatory burden and federally mandated costs on airlines, airports and the industry; undertaking realistic cost-benefit analysis before new regulatory requirements are imposed.**
- Preserving the 1990 Noise Act and schedule for airlines to phase-out noisy Stage II aircraft by the year 2000.**

All these ideas deserve and will receive full consideration. The Airline Commission will be briefing the President this month, and after

consulting with the Congress we expect to have the Administration's response on the table this Fall. But without commenting yet on the specific recommendations, it's easy to see that the Commission's findings were worth waiting for.

Another component of our comprehensive package could well include recommendations of the National Performance Review. Twenty-three recommendations in the Vice President's "Reinventing Government" package which was released last week, pertained directly to transportation. There is no doubt that the National Performance Review has the potential to change the face of government forever.

It is guided by four worthy principles: putting the customer first, cutting red tape, empowering

employees to get results and cutting back to basics, which in our case is providing the safest, most efficient national aviation system in the world.

Some of the NPR suggestions for transportation include:

- developing a detailed action plan and statutory language for changes in air traffic control management to make it more business-like.**
- converting 99 low-use air traffic control towers to contract operation and reviewing the remaining Level 1 towers for possible decommissioning.**
- creating a public-private consortium under a cooperative agreement with industry to develop an Aeronautical Telecommunications Network.**

Many of the government-wide administrative,

personnel and management recommendations also will dramatically affect the way the Department of Transportation does business.

We can't yet say precisely how we will implement all of the recommendations. We need to study and develop them. But many changes will come over time -- I assure you.

Over the next couple of weeks, these recommendations will be fleshed out with more detail. The point is that these^R are many new and some old issues on the table.

In the interim, the Administration still strongly supports a one-year bill to keep the critical AIP program on track. The September 30th expiration of the Airport Grant Program is almost upon us, making it imperative to ensure that there is no interruption in

AIP funding. We know that you rely on this stable and steady funding source.

The Secretary knows better than anyone the importance of investing in infrastructure. After all, the new Denver International Airport opens this year. All over the country AIP funds are building badly needed capacity which cannot be halted without jeopardizing the future of the entire aviation system.

We also continue to support a vigorous airport investment program for FY 1994. The federal government has an important role to play in this area, and this Administration recognizes that -- the President made the airport grant program one of his investment initiatives. As to the appropriations bill, the Department is eager to see congressional action completed as quickly

as possible.

Just before Congress recessed for August, it passed the Omnibus Budget Reconciliation Act of 1993. Let me tell you the bill is tough medicine. But it will bring down the Nation's budget deficit and get the economy going. With respect to domestic discretionary spending -- the category that covers virtually all of the department's spending -- it is very tight.

It essentially imposes a "hard freeze" on such spending through the five-year time frame of the budget act. With pay raises, inflation, increasing demand on the system, a freeze means we must do less of some things and do things more efficiently.

The budget freeze presents the Department --

and the FAA -- with a challenge. Rising to that challenge -- in the spirit of reinventing government and really looking to the future -- the FAA is aggressively working to find additional ways in which it can achieve productivity and safety improvements at less cost.

Normally, greater FAA operating efficiency might not be of top interest to you, but, in a budget freeze, all savings are important. As one example, the FAA is looking at whether low activity control towers which do not meet FAA's criteria for continued operation should be closed; or whether other towers that do meet the criteria, but are low level, should be contracted out as a means of achieving savings.

We must also look at operating and staffing

costs, revisiting the standards and the policies, to make sure they achieve the goals at the lowest possible cost.

Work under way in the FAA under its Capital Investment Plan will provide for increased safety and productivity. Over time, these investments -- and we need to find room for these investments in the budget -- will bring economic payoffs both in terms of reducing FAA's costs and in savings to the airlines.

What cannot -- and will not -- be compromised in adjusting to budget constraints is safety. That will always be our top priority.

Future requests for airport grant funding will be in the context of the budget freeze. We recognize the importance of those grants to maintaining and improving the airport

infrastructure of our national aviation system, but hard choices here, as in all areas of DOT's budget, will be forced on us by the new budget act.

Now, I'm not going into the wonders of the world of aviation that we can accomplish after we take care of the basic challenges I've outlined. If you live in the world of aviation you know that the accomplishments ahead of us are limited only by the realms of imagination.

I'm going to conclude by saying that the Clinton Administration understands the importance of airports to our strength and competitiveness in a global economy. For major cities, the airport is the economic hub. For smaller cities, it's the economic lifeline. Like all

parts of our transportation system, airports can enhance or degrade the quality of life for our people.

Airport operators and executives have a receptive audience with this Administration because you have a President who was a Governor, a Secretary of Transportation who was a mayor and built the first major airport since DFW in 1974. Incidentally, George Doughty can attest to Secretary Peña's commitment to airport development. George was director of the Denver airport when the Secretary was Mayor of Denver and initiated the building of a new international airport.

And, speaking personally, I've worked transportation from the grassroots. I appreciate

what you do.

**We are ready to work with you. I ask your
support. I promise you ours.**

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REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY MORTIMER DOWNEY
GREATER DALLAS CHAMBER OF COMMERCE BRIEFING
SEPTEMBER 15, 1993
WASHINGTON, D.C.

I want to thank John L. Adams (chairman) for inviting me here today, and to commend you all for your bravery. As both a transplanted New Yorker and a longtime Redskins fan, I fully appreciate your nerve in being the first Texans to show up in D.C. after the recent Redskins-Cowboys game.

And as Deputy Secretary of Transportation, I'm here to offer you safe passage.

On a more serious note, I know of no other area of the country that can look forward to the kind of economic growth that is almost certain to be yours in the Greater Dallas area well into the 21st century.

It's no accident that Dallas and surrounding counties ranked fourth in the nation last year in job

creation (35,600) and your unemployment rate is at its lowest level since 1991 -- below both the state and national levels.

I believe three of the reasons for your economic health and bright future also happen to be three of the highest priorities of the Clinton Administration: trade with Mexico through the North American Free Trade Agreement, technology and transportation.

The NAFTA side agreements on labor and the environment were signed at the White House yesterday, and we are moving ahead with a full court press to get NAFTA approved this year. From most all accounts, it's going to be a battle in Congress.

Texas is proof positive of the way trade with Mexico will affect the United States.

Texas exports to Mexico grew 191% from 1987 to 1992. With \$19 billion in shipments, Texas led all states in the value of exports to Mexico in 1992. And 184,700 jobs in Texas in 1992 were supported by exports to Mexico. Over 45% of those jobs -- good-paying jobs -- were created in the past five years, since Mexico began liberalizing its import regime.

So in the Greater Dallas area the giant "sucking sound" you hear these days is not jobs being siphoned off south of the border, but the sound of Mexican companies and consumers snapping up products made in Dallas and U.S. products passing through your growing rail and truck distribution centers en route south.

All of you in business know that trade is not a zero-sum game in which one country's gain is another

country's loss. Like any fair business deal, it can benefit both parties.

And it's especially important for business people like you to speak up and make your voices heard -- because there is so much disinformation about NAFTA being spread throughout the public domain.

Voices of protectionism, fear and retreat are crying out to the American people. But the fact is we can't roll up in a ball and hide from the forces of global competition.

You in Dallas know that.

For business -- especially in Texas -- the stakes are very high. You have much to lose if NAFTA fails -- and much to gain when it passes.

As cross-border restrictions with Mexico fall away, you can look for gains in virtually every product and

service area in existence. But Greater Dallas will be a special winner because of transportation.

For example, tourism is big business in the Greater Dallas area. The D/FW Metroplex alone hosts over 12 million visitors a year. NAFTA provides liberalized access for charter and tour buses from Mexico to U.S. destinations. This will allow you to tap an entirely new tourism market.

In addition, NAFTA will make the largest trucking center in the Southwest even bigger and busier, and here's why.

The Agreement's phase-out of reciprocal cross-border barriers to trucks will allow motor carriers to transport cargoes directly to their destination in both countries.

Recent Texas legislation will also help because it provides some important reforms to the strict way the Texas Railroad Commission regulates trucking within Texas. Further relaxation of those controls, extending to "less than truckload" transportation could be even more important when NAFTA is in full force.

But the first phase -- the first phase -- will give you in the Greater Dallas area a real jump on the rest of the nation. Beginning three years after the agreement is signed, the U.S. and Mexico will allow each other's motor carriers to operate in states along both borders. So your long border with Mexico gives you a head start on becoming the largest trucking distribution center in the world.

The second part of your growth equation and ours is technology. Dallas is a perfect example of the value

of technology as an economic generator. You are a model as the Clinton Administration moves on its technology initiative, including the national information highway and the Technology Reinvestment Initiative to redirect the nation's defense technology to civilian uses.

This project will provide over \$500 million in assistance to companies promoting dual-use technologies.

President Clinton launched this effort because he is determined not to leave those who won the Cold War for America out in the cold. And Secretary Peña sought DOT participation in this effort precisely because of the great potential for using technologies developed for defense in the transportation arena.

It's only a small stretch of the imagination, for example, to conceive new composite materials like those used for the Stealth bomber being applied to coming generations of vehicles and even bridges. And there's a company in Dallas manufacturing a new generation of toll road collection technology and a vehicle guidance instrument that allows drivers to see far ahead in the dark -- both from technology previously developed for defense.

But the technology revolution doesn't end with dual-use technology. The Department of Transportation is leading the Administration's push for a \$1.3 billion investment in new high-speed rail corridors and technical research -- including the design of a world-class, American prototype of a magnetic levitation train.

The high speed rail project in Texas is controversial. And it is also a project with great potential and we will continue to work with Texas and other states and local communities on high speed rail because we understand its value to the American economy.

Finally, you wouldn't be where you are today or going where you are going tomorrow without your strong local emphasis on transportation.

The fact that Interstate Highways 20, 30, 35E and 45 intersect in Greater Dallas is only one of the many transportation assets that will serve your future.

You are served by six railroads and are the home of one of the nation's outstanding railroads -- Burlington Northern.

Two of the nation's three largest airlines have a strong presence in Dallas. The airline industry means many jobs in Dallas.

President Clinton and Secretary Peña have been concerned from the outset about the economic challenges facing this industry. They are determined that this great industry will recover. That's why one of the Administration's first acts was to join the Congress in creating the Airline Commission to do an intensive study of the industry's problems and report within 90-days.

That Commission came forward on time with 61 bold and creative recommendations. Among them were: Restructuring of the FAA to enhance its ability to develop and operate the most technologically advanced air traffic control system, and to aggressively

pursue the implementation of an air traffic control system based on the Global Positioning System. GPS will enable civilian aircraft to navigate from signals from satellites -- just as they our pilots did in Desert Storm.

The Airline Commission will be briefing the President this month and we hope to have the Administration's response on the table this Fall. Clearly, these Commission findings were worth waiting for and will figure heavily in our long-term plan to restore the aviation industry to full health.

We cannot let this great industry go down the drain. We will have a long-term plan that will work.

The other side of the aviation story is infrastructure.

When you look at transportation in the Greater Dallas area, you can almost imagine that a generation ago -- before our time -- someone said "we don't have a seaport in Dallas, so we'd better make up for it with other transportation" and you did.

Dallas/Fort Worth International Airport was the last major airport constructed in the United States, until Denver International was begun under Secretary Peña's leadership as Mayor. Your airport has grown to the second busiest in the world in terms of passenger enplanements and with the Airport Board's \$3.5 billion development plan, there is little doubt that D/FW will surpass Chicago as the busiest.

Independent of the airport expansion is the issue of improvements to the entire air traffic system in the Dallas-Fort Worth area. That's because the current

system will not accommodate the anticipated traffic. The Dallas Fort Worth-Metroplex Air Traffic System Plan addresses operations at all airports in the metropolitan area and relocates and rearranges traffic to meet the needs. Total cost of this project is \$458 million, spread over six years, and it's one more example of our commitment to safety and efficiency.

Despite the tremendous emphasis on air, rail and trucking, the most excitement swirling about Dallas right now involves mass transit. This is another example of your progressive spirit because the only way our national economy will be restored to full health is with the rebirth of our cities -- and that has to involve mass transit.

Dallas' new light rail system, which is under construction, is in the process of negotiating a full

funding grant agreement from the Federal Transit Administration to help pay for the South Oak Cliffs Line.

As you probably know, it's a 20-mile starter system, and the first 9.6 miles involve 13 stations on the South Oaks Cliff Line. It's a solid investment. It has a high percentage of local participation and good cost containment to date.

Under the ISTEA Regulation, DOT is to provide \$160 million of the \$360 million needed to build the first 9.6 miles.

Meanwhile, DART continues to grow in face of very positive transit usage patterns over the past four years.

Having said all that, there's nothing I can tell you about success that you don't know. Dallas has the

right formula for success: planning and cooperation, teamwork between the public and private sectors, wise investment in transportation and technology and confidence in the future.

You have the best chance for progress under this Administration because you have a President who was a governor, a Secretary of Transportation, who was mayor of Denver and built an airport, and a Deputy Secretary who knows transportation from the grassroots.

We've all been there at the local level where the work gets done, and we are ready to make Washington work with you and for you.

Because we all have the same goals you do. We want to get this economy moving, invest in our people and technology and infrastructure, pass NAFTA, open

other foreign markets to U.S. exports, educate our children and train our workforce -- all to meet the intense challenges ahead of us in global competition.

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DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
AMERICAN CONSULTING ENGINEERS COUNCIL
TRANSPORTATION COMMITTEE
SEPTEMBER 20, 1993
WASHINGTON, D.C.

I'd like to thank Jack Kinstlinger, chairman, ACEC transportation committee, for inviting me here today. This is the first time I've had a chance to meet with this many engineers since I left my job as executive director of the MTA in New York and stopped attending its Capital Program Oversight Committee meeting.

I was honored when President Clinton and Secretary of Transportation Federico Peña asked me to be the Deputy Secretary.

Serving under Secretary Peña has been a great pleasure and I believe he is someone you too will enjoy working with. He's a dynamic, hard-working, dedicated individual who is totally committed to

revitalizing America's transportation infrastructure and linking it together into one seamless, efficient intermodal system. He had considerable experience working with consulting engineers when he was Mayor of Denver -- sufficient experience to understand your unique role and your tremendous value to the transportation construction process.

Now, some of you may be old enough to remember when I was Assistant Secretary of Transportation for Budget and Programs in the Carter years, but I doubt it...

If any of you are that old, you know too well that the only constant in transportation today is change. And I can think of no more powerful agents of change than the consulting engineers who design and build our

roads, bridges, and inner city transit systems, our intermodal freight and passenger terminals, our seaports and our airports. And when the President's High Speed Rail Initiative becomes a reality, no doubt you will be in the vanguard -- designing and building our national high speed rail system.

You can feel the level of dramatic change in transportation construction by the kinds and volume of challenges you face daily. In the old days, a state commissioner decided to build a road. He went out and found a contractor to do the work. And that was it.

Today, and more and more in the future, you will find yourselves meeting with local Metropolitan Planning Organizations (MPO's) as you try to help a

state or a local government gain planning approval for your project. ISTEA gave more say to states and localities so the best advice I can give you is to get involved in activities of your local MPOs because there's where the action is going to be.

Consulting engineers will be active participants in developing creative financing mechanisms involving public/private partnerships to fill the gap between the government's budget deficit and our society's infrastructure "deficit."

You may find more requests to rebuild and revitalize old infrastructure than to charge ahead with brand new projects.

You should be asked to help DOT "reinvent government" by making the contracting processes

more efficient and the products better. Believe me, we welcome your creativity and innovation.

And, no doubt, you will be designing and building for better quality and that's what I want to discuss today. The Vice President's National Performance Review has made quality a top priority in government and it's the continuing quest for quality that has brought the Department of Transportation and the American Consulting Engineers Council together.

Secretary Peña and President Clinton share a very strong conviction: it is that transportation plays a central role in virtually all of our strategic goals for America.

Wise investment in transportation technology and infrastructure is the key to getting this economy

moving again, creating jobs, converting our defense industries to civilian uses, strengthening America's competitiveness in the global economy and improving our environment. All these goals cut to the very core of the issue of Quality.

Quality in building products so the roads and bridges won't wear out so fast. Quality in environmental issues ranging from preserving wetlands to meeting air quality standards to noise abatement. And our highest common value, Safety, is itself a quality factor.

So let me say how much we appreciate your service on the Federal Highway Administration's National Quality Initiative and also your participation in the Quality Enhancement Study Tour that focuses on

Contract Administration Techniques.

Richard Wilcox, of your organization, left September 18 for Europe. In addition to DOT and ACEC officials, the group included representatives of four other organizations and Loyola University. They will visit construction projects in four countries.

They will study European contracting practices from project development and design through quality assessment and performance evaluation. They will bring what they learn back home -- so we can adopt the best ideas ourselves.

When the Vice President's National Performance Review asks us to put the customer first -- we are talking quality. Our customers are the taxpayers. And our customers want smooth pavement, sound bridges,

uncongested roads, airports, and seaports, and safe conditions.

Given the financial constraints that we face at every level of government -- achieving these basic goals is a constant challenge to politicians and administrators.

The better your designs -- the more affordable and durable they are -- the more we will recapture the faith of the American people that we can successfully invest for our future.

Too many people today think of "infrastructure" projects as some kind of political "pork."

It's up to all of us to regain the peoples' faith -- because only then will we be able to take great dreams

like the high-speed rail systems we want to see -- and make them great realities.

Much of the job of re-building that faith is in your able hands.

Thank you.

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**TALKING POINTS
DEPUTY SECRETARY OF TRANSPORTATION
MORTIMER DOWNEY
THE WOMEN'S TRANSPORTATION SEMINAR
WASHINGTON, D.C.
SEPTEMBER 22, 1993**

*** As you know, Secretary Peña asked me to stand in for him today because his duties have called him to Alabama to assess the terrible tragedy that happened there this morning.**

*** Our new Federal Railroad Administrator, Jolene Molitoris -- a member of the Women's Seminar -- is with him and all resources of the DOT have been mobilized to help.**

*** The National Transportation Safety Board investigation is ongoing -- with help from FRA and AMTRAK inspectors. At this point we have no definitive word on the cause of this accident.**

*** But clearly, this tragedy reminds all of us who work in transportation that our most basic value -- safety -- demands continual vigilance.**

*** With precious lives in the balance, we can never slacken our efforts on our highways, rails, at sea and in the air.**

*** Secretary Peña and all of us at DOT are absolutely committed to that. We know that you are too.**

*** Tonight, while our hearts go out to grieving families, we should acknowledge that we have made tremendous progress on safety -- and that we do have the safest transportation system in the world.**

*** And we can build on that strength as we invest to equip our transportation system to meet the next century's challenges.**

*** President Clinton and Secretary Peña share a vision of transportation as a key to economic growth that will create whole new American industries, employing American workers and executives, earnings American wages.**

*** We are in the midst of a technological revolution that few outside the transportation industry yet realize.**

*** We are already beginning to deploy navigation systems based on Global Positioning Satellites. We at DOT are supporting the President's call for a \$1.3 billion seed program for high-speed rail and the development of an American magnetic levitation prototype. We will soon see thousands of zero-emission vehicles on our roads. And we'll see some of those roads adopt "intelligent" highway and vehicle systems.**

*** All of these changes will spur our economy -- if we invest wisely now and create the incentives for private industry, states and cities to invest with us.**

*** As the new transportation technologies now evolving become realities, they will change Americans' lives for the better as much as railroads or commercial aviation has.**

*** This Seminar has -- and will -- contribute to that progress through the skills of a rising cadre of women transportation professionals.**

*** Secretary Peña has shown his confidence in women by appointing Anne Bormolini as Chief of Staff, Katherine Archuleta as Deputy Chief of Staff, Joanne Molitoris as FRA Administrator, Jane Garvey as Deputy Administrator of the Federal Highway Administration, Marguerita Roque as the chief of his own Executive Secretariat -- and many, many other women professionals.**

*** Many of them have been or will be members of the Women's Transportation Seminar. Then again, so am I.**

*** Because the goals we stand for go beyond assuring equal career opportunities to include economic development, energy efficiency, a clean environment and, as today reminds us, the supreme goal of safety.**

*** Thank You very much.**

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DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
GREATER CANTON CHAMBER OF COMMERCE
SEPTEMBER 22, 1993
WASHINGTON, D.C.

- Secretary Peña was looking forward to discussing urban revitalization with you, but he felt he should be at the site of the Amtrak crash near Mobile, Alabama, to help out in anyway he can in what is the worst disaster in Amtrak history.
- Our railroads have an excellent overall safety record, but it only takes one crash such as this to make you humble because of course in transportation one death is one death too many. We still don't know all the details. But we all deeply regret this unfortunate accident.
- On a happier note: You happen to visit at one of the most dramatic moments of change in history...Peace...NAFTA...the Vice President's plan to make government work better and cost less...health care reform.
- I am told that many in your chamber support NAFTA. The President of the United States appreciates all the help you can give him.
- In Ohio: exports to Mexico and Canada reached \$8.3 billion in 1992...Ohio's merchandise exports to Mexico almost tripled from 1987 to 1992...rising from \$245 million to \$708 million...Those exports to Mexico support 16,400 jobs in Ohio.
- The growth products are the sorts of products manufactured in Canton...industrial machinery and computers...primary metal industries...things associated with the steel industry.
- We've come this far because we finally have a President -- a CEO -- who has the courage to make difficult decisions -- to take responsibility -- and take the political heat.
- President Clinton believes investment in transportation is central to our people's future.
- That's why DOT is leading the Administration's push for a \$1.3 billion investment in new High Speed Rail corridors and technical research.

- Joline Molitoris, Administrator of the Federal Railroad Administration, is from Ohio and High Speed Rail's greatest champion.
- I applaud the energy this group has put into getting Canton included in Ohio's plans for a high speed rail corridor.
- We are pursuing an aggressive program of investment in other forms of surface transportation, including our nation's highway program.
 - Your projects are: the widening of the North-South Interstate 77 between Akron and Canton to six lanes, and widening of the East-West U.S. Highway 30 to the East of Canton to four lanes.
 - The Ohio DOT, which makes the investment decisions, has both under evaluation.
 - I can promise you that if the state decides to move forward on either of these projects, we will cut through red tape at the federal level, process environmental documents promptly and do everything we can to help you move these projects along much faster than in the past.
- Let me tell you about a new trend in program funding and how you can have an impact on highway funding decisions.
 - Canton has a Metropolitan Planning Organization. That MPO will have more power in infrastructure investment decision-making. Get active in your MPO because this is where the Canton Chamber of Commerce can have a real impact.
- You have our attention here in Washington. We came from state and local government. We understand community needs personally. We're ready to work with you.

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REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER L. DOWNEY
BOND FINANCING AND TRANSPORTATION INFRASTRUCTURE SYMPOSIUM
SEPTEMBER 28, 1993
WASHINGTON, D.C.

Good morning. I want to welcome all of you and thank you for coming. The topic you will be considering, "Bond Financing and Transportation Infrastructure" is an important and timely one.

"Rebuild America"

To us in the Department of Transportation, to our partners in the surface transportation community, and friends and, I hope, partners in the financial community that means we must serve as a mechanism to fulfill the needs of our economy in terms of major infrastructure investment. We must make full use of existing institutions and legislation and bring to the fore front fresh thinking and creative ideas in achieving the kind of vision the President has offered.

Achieving this vision will present a significant challenge. We are called upon to meet two competing "deficits" -- the federal budget deficit, which threatens our economic future and that of our children, and the

infrastructure deficit, which threatens our physical foundations and underpins our economy. With this as a backdrop, today's symposium will look at possible options for expanding infrastructure investment with a focus on bond financing.

From my work at the Metropolitan Transportation Authority (MTA) in New York, I learned something about the role of bond financing. It was a great privilege for me to serve as Director of the Municipal Forum of New York, which is a municipal bond group and the New York Building Congress. Much of the capital rebuilding of the MTA systems in the 1980's was accomplished through bond financing. This type of financing made possible vital transportation projects that simply would never have been accomplished if limited tax receipts only had been available.

Current Contest

In addition to the President's commitment to rebuild America, there are a number of recent reports and events which help this process along.

Some of these include:

- release in February 1993 of the Intermodal Surface Transportation Efficiency Act (ISTEA)-authorized Financing the Future - The Report of the Commission to Promote Investment in America's Infrastructure;
- the recommendations in September 1993 of the Vice President's National Performance Review that ISTEA be amended to allow more flexibility in the creation of State revolving loan funds and guarantees;
- the work of the Advisory Committee on Intergovernmental Relations Task Force on High Performance Infrastructure, which, when released, will sharpen the focus on infrastructure and its financing; and
- other very important current proposals and ideas in the field of bond financing of infrastructure such as the "Rebuild America" Coalition, the Competitiveness Policy Council, and many others.

DOT Perspective

If a successful effort for transportation infrastructure is to be maintained, we must explore every possible means of increasing resources. Every level of government and infrastructure provider will have to make full use of the financing tools available to it, whether they are user fees, nonuser fees, general funds, private financing, and bond financing.

If there is any "message" from DOT, it is an openness and a willingness to learn about bond financing and other financing issues. In line with that openness, the speakers and panelists represent the widest possible range of ideas and issues, and nothing said here today should be interpreted as a DOT position on the many complex aspects of bond financing and transportation infrastructure.

Closing

I appreciate your invitation to let me open this Symposium. I believe the exchange of views among DOT, OMB, the Congress, the transportation

community, and the financial community should give us a shared basis for future initiatives.

Introduction of Grace Crunican (or other FTA opener)

It is now my privilege and pleasure to introduce Deputy Federal Transit Administrator Grace Crunican to you.

Ms. Crunican came to FTA after serving as Director of the Surface Transportation Policy Project (STPP) since March 1992.

For eight years before that she was with the Portland Oregon Transportation Department, where she was appointed Deputy Director.

No stranger to DOT or Washington and its ways, Grace worked as a President Management Intern at DOT and as a senior staffer on the U.S. Senate Appropriations Subcommittee on Transportation.

Grace Crunican.

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