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**REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
COAST GUARD-AMERICAN WATERWAY OPERATORS HAMMER AWARD
WASHINGTON, D.C.
APRIL 2, 1997**

Good morning. I'm Deputy Secretary of Transportation Mortimer Downey. Today we're here to recognize the partnership between the Coast Guard and the American Waterways Operators -- a partnership which exemplifies the best in public-private cooperation.

I'm joined by its architects, Admiral James Card -- Chief of the Coast Guard's Office of Marine Safety and Environmental Protection -- and Thomas Allegretti -- President of the American Waterways Operators.

This partnership is the type of initiative which President Clinton envisioned four years ago when he asked Vice President Gore to lead the National Performance Review -- a way to continue giving the American people the service they deserve in an era of limits.

That's the challenge the Coast Guard faces in carrying out its primary missions: protecting man from the sea, and the sea from man. For generations it has performed these missions with distinction, ensuring maritime safety and the health of our marine environment.

However, our waterways are seeing increasing traffic: commercial shipping is growing, and millions of Americans are enjoying recreational boating. At the same time, the Coast Guard, like the rest of our government, faces limits on available resources.

That's why this partnership with the AWO is so important. It brings together senior Coast Guard officials and representatives of the barge and towing industry to focus on results, not on red tape, and to create common-sense solutions to problems.

The initiatives they've produced to date -- cooperative projects to reduce crew fatalities on towing vessels, to prevent oil spills, to develop action plans for floods and other crises on our waterways -- are already beginning to show results. Other ventures, such as more efficient barge inspections and better hurricane preparedness -- are underway.

The American people are going to see the results in safer, more environmentally-sound waterways operations. And by helping to create efficient, effective solutions, industry will benefit by avoiding unnecessary regulations, improving productivity, and reducing the costs which result from accidents and claims. *This* is what we mean when we talk about "win-win" solutions.

We're proud of the progress that the Coast Guard and the AWO have made in a short period, and proud that they've been selected as the recipients of the Vice President's Hammer Award. We're looking forward to more successes in the future.

Now, I'd like to ask Admiral Card and Mr. Allegretti to join me so that, on behalf of Vice President Gore, I can present them with Hammer Awards for their successful partnership...

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(Mr. Downey: you spoke to the AWO on 12/7/94, the day it adopted its Responsible Carrier Program. You also presented the first Benkert Awards on 9/20/95, the day after this AWO-Coast Guard partnership was formed.)

**REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
ACEC/NSPE FIRST FRIDAY BREAKFAST
WASHINGTON, D.C.
APRIL 4, 1997**

*(Introduction to be made by Felix Martinez, Director, Procurement
Programs, American Consulting Engineers Council)*

Thank you, Felix, for that introduction, and for inviting me to speak this morning. The American Consulting Engineers Council and the National Society of Professional Engineers have long been leaders in the transportation community, and I'm pleased to have the chance to talk to you about what we see as the biggest issue in transportation today: NEXTEA.

NEXTEA -- the National Economic Crossroads Transportation Efficiency Act -- is the six-year, \$175 billion plan for America's highway and transit systems that President Clinton and Secretary Slater announced last month.

You know, when you ask Americans what they expect of their transportation system, they've got a pretty simple answer: they want to get to their destinations safely, conveniently, and on time.

At the beginning of the 1990s our transportation system wasn't always doing that, and Washington wasn't helping. In fact, it could even make things worse in some ways, frustrating the best efforts of transportation professionals.

Federal policy consisted of inadequate funding and simplistic, one-size-fits-all solutions that may have worked a generation ago but no longer did in a more complex world.

When President Clinton took office, he took action, increasing investment in transportation infrastructure by 20 percent, to more than \$25 billion a year.

This ensured that our roads and transit lines could begin handling the growing travel generated by our expanding economy -- and it's giving us the capacity we need to meet the growth in trade produced by such international agreements as NAFTA.

The President also brought to transportation the same common-sense ideas he and Vice President Gore have applied elsewhere in government.

That means focusing on results, not on process...

...cutting red tape and streamlining requirements...

...promoting innovation, such as new ways to pay for roads and transit systems...

...and giving state and local officials and transportation professionals more flexibility so they could target federal funds to projects which best meet community needs.

Our transportation system is now in better shape than it's been in years, based on our continuing look at results through our Conditions and Performance study. With NEXTEA we have the chance to put it on a firm footing into the 21st century.

NEXTEA is the successor to ISTEA -- the Intermodal Surface Transportation Efficiency Act, which authorizes federal surface transportation programs.

ISTEA has made possible many of our successes, but it expires later this year. We needed a plan to build on those successes, and that's where NEXTEA comes in.

NEXTEA will continue the President's commitment to investing in our infrastructure, increasing overall transportation funding by 11 percent over ISTEA's levels.

That includes raising funding authorizations for new mass transit lines by 17 percent and expanding by 30 percent such core highway programs as Interstate maintenance, as we phase out some of the funding categories that put money into the remnants of Interstate construction and scores of so-called demonstration projects.

49 of the 50 states would receive more funding under NEXTEA than under ISTEA. The sole exception, Massachusetts, will get less only because it received unsustainably high levels of special funding under ISTEA to support construction of Boston's Central Artery project.

NEXTEA also expands the federal commitment to implementing ITS -- the intelligent transportation systems that were created by ISTEA.

In metropolitan areas, these advanced information and communications technologies can cut by 35 percent the cost of providing the highway capacity we need over the next decade.

NEXTEA includes a research component which would support ITS deployment through standards development, training, and technology transfer. We've proposed \$678 million over the next six years for such initiatives.

In addition to making all ITS investments eligible in all relevant funding categories, we've also included a six-year, \$600 million incentive program to promote the rapid *and integrated* deployment of ITS infrastructure technologies that are technically feasible and highly cost-effective.

These infrastructure and technology investments would reduce the \$50 billion a year that congestion costs commuters and freight shippers. There's also an even more direct economic benefit: the construction and other work generated by this plan would create nearly one million jobs over the next six years.

Our transportation system isn't just about moving people and products efficiently, as important as that is to our prosperity: it's also about enabling people to travel safely.

Travel is safer than it was at the beginning of the decade, but as traffic increases, so does the possibility of more highway crashes.

The President's proposal would increase highway safety funding authorizations by more than 25 percent, and support new programs targeted to the biggest safety payoffs: combating drunk and drugged driving and increasing proper use of safety belts and child restraints.

NEXTEA also would protect the environment. Together with cleaner vehicles, programs such as CMAQ -- the Congestion Mitigation and Air Quality Improvement Program -- have helped to improve air quality.

In 1990, 140 million Americans lived in areas which failed to meet standards for healthful air. That number dropped to 64 million last year -- still too many, but a big improvement.

However, as with highway safety, more traffic threatens the progress we've made. More cars -- even if they are cleaner cars -- can mean more pollution. That's why we have to continue -- and even expand -- the efforts which have brought us this far.

NEXTEA increases by 30 percent funding for CMAQ, which helps communities use innovative transportation initiatives to clean up their air -- everything from high-speed ferries in Rhode Island to freight barges which take hundreds of trucks off of New York City's streets each day.

NEXTEA also continues investment in bicycle paths, scenic byways, recreational trails, and other programs which cost relatively little but which greatly improve the quality of our lives.

The President's plan would help to reduce the barriers faced by those moving from welfare rolls to payrolls by giving them affordable transportation to jobs, training, and support services such as child care. That's important, since two-thirds of new jobs are in the suburbs and few welfare recipients own cars.

So NEXTEA includes a six-year, \$600 million program of flexible, innovative alternatives, such as vanpools, to get people to where the jobs are.

NEXTEA also continues the commitment to common-sense government we've been bringing to government over the past several years.

It expands our innovative financing program, which cuts red tape to speed up projects and attracts new sources of funding to supplement traditional federal grants.

Under ISTEA, the ground-breaking Partnership for Transportation Investment has advanced 74 projects in 31 states with a construction value of more than \$4.5 billion, including more than a billion dollars in new capital investment directly attributable to this program.

NEXTEA builds on this by including \$900 million in seed money for state infrastructure banks, which leverage private and other nonfederal resources, and opens this program up to all states.

It also dedicates \$600 million to help leverage nonfederal resources for projects of national significance which individual states can't afford, such as interstate trade corridors. That's something which would have fallen between the cracks in the past, when we didn't try to coordinate transportation between states or between different transportation modes.

NEXTEA continues to cut federal bureaucracy -- simplifying planning processes -- streamlining programs -- and reducing project reporting and certification requirements.

We know that we've got to trust our partners in state and local government and the private sector instead of burdening them with red tape.

I know that moving projects ahead quickly is a concern of yours, and that it's a fundamental element of your recommendations for reauthorization.

We've been doing that for the past four years. For example, cutting red tape has advanced many of our innovative financing projects to construction an average of two years ahead of schedule.

Repairs to the Santa Monica Freeway, the busiest in the world, were completed three months early after the Northridge earthquake because of incentive contracting techniques.

The use of experimental design-build contracting strategies in Salt Lake City will save three years of construction time, ensuring that improvements to I-15 will be ready by the Winter Olympics in 2002.

And streamlining of NEPA environmental reviews in Ohio has reduced project reviews by 93 percent and saved more than 10,000 hours of state agency staff time annually -- all without sacrificing our commitment to protecting the environment. Engineers and other professionals are moving people, not pushing paper.

These are ISTEA success stories -- successes we want to build on under NEXTEA.

When we were developing this plan, we asked our transportation partners and our constituents -- the American people -- what it should include.

In scores of public meetings around the country they told us that we should continue the many federal programs which are working -- refine those which haven't yet fully realized their promise -- and create new initiatives to meet the challenges of the new century.

We listened, and we learned, and in NEXTEA we've produced a plan which can take America's transportation system into the 21st century.

We're looking forward to working with Congress to make it a reality, and we're optimistic that we can sustain the bipartisan cooperation which gave us ISTEA.

As the nationwide debate on NEXTEA progresses over the coming months, I hope that you'll continue to make your voices heard on the biggest issue we face in transportation today. Now, I'd like to hear your ideas and answer any questions you may have...

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**STATEMENT OF DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
BEFORE THE SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
NEW YORK, NEW YORK
APRIL 7, 1997**

Mr. Chairman, Senator Moynihan, and distinguished Members: I thank you for the opportunity to testify in behalf of reauthorizing the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), the landmark transportation legislation which this Committee helped to shape six years ago.

This morning I would like to speak about the National Economic Crossroads Transportation Efficiency Act of 1997 (NEXTEA), the successor to ISTEA recently proposed by President Clinton, Vice President Gore, and Secretary Slater. I especially want to discuss how NEXTEA can sustain its predecessor's commitment to meeting the transportation challenges faced by urban America.

Before ISTEA, the different transportation modes were not viewed as part of an interrelated whole serving vital national interests, nor were transportation's impacts on other concerns, such as the health of our environment or the condition of our cities, the subject of enough consideration.

ISTEA changed all of that. Beginning with the first word of its title, "Intermodal," it signaled a change in how the federal government viewed surface transportation and a redefinition of its role in a partnership to improve our transportation systems.

ISTEA emphasized an integrated approach to transportation planning and programming, looking at the different forms of transportation as parts of a network and bringing together many constituencies and interests which had not previously been part of these decision-making processes.

ISTEA also began to streamline federal administrative processes, simplifying requirements and removing layers of oversight and eliminating many reporting mandates.

ISTEA also revamped the statewide and metropolitan planning procedures and required that a broad range of transportation's impacts, such as those on air and water quality, be analyzed and, in many cases, actively mitigated through initiatives such as the Congestion Mitigation and Air Quality Improvement Program (CMAQ). Together with cleaner vehicles and fuels, programs such as CMAQ have helped to improve air quality.

In viewing transportation as a means, and not as an end in itself, ISTEA enabled state and local officials to set their priorities based not on what kinds of funding might be available but rather on what types of projects would best meet the mobility needs of individual communities and regions. This emphasis on intermodalism was promoted by ISTEA's expansion of the ability of states to transfer funds between programs and among transportation modes.

By creating the Bureau of Transportation Statistics, ISTEA also began to establish a base of information to support transportation decision-makers at all levels of government and in the private sector. It collects data from all modes of transportation, performs analyses, improves the comparability and quality of transportation data, and makes it readily accessible to the public. The work it has done, such as national surveys of commodity flows and passenger travel, is invaluable to informed planning.

Even as ISTEA changed how transportation projects and initiatives are selected, it also transformed how they are designed, funded, and built. Improvements in design and engineering have enhanced quality. Innovative contracting is beginning to cut construction costs, accelerate project implementation, and enhance value. New materials developed under ISTEA-authorized research programs, such as high-performance concrete and Superpave asphalt, are also increasing the useful life span of our infrastructure and reducing long-term replacement costs.

Experimental provisions within ISTEA have made possible innovative financing, which cuts red tape to move projects ahead faster and leverages federal funding with private and nontraditional public sector resources.

The President's Partnership for Transportation Investment, which used ISTEA's experimental provisions for such strategies as toll credits for state matching funds and federal reimbursement of bond financing costs, has advanced 74 projects in 31 states with a construction value of more than \$4.5 billion, including more than a billion dollars in new capital investment directly attributable to this program. Many of these projects are progressing to construction an average of two years ahead of schedule.

For example, New Jersey used phased funding to begin work a year early on a new viaduct at the interchange of Routes 1 and 9 in Newark. The state also was able to apply toll road revenues used for capital investments as the match for federal funds, effectively freeing up more than \$800 million of state funds for other projects.

ISTEA recognized that new priorities and new ways of doing business can best be encouraged by ensuring that the funding provided to support them is adequate. Towards that end, ISTEA increased overall federal transportation funding authorizations. President Clinton has worked with Congress to make the most of those higher authorizations, raising infrastructure investment by more than 20 percent, to an average of more than \$25 billion annually over the past four years.

This funding is making possible major regional improvements such as the Queens Connector in New York and the Hudson-Bergen Light Rail Line in New Jersey. ISTEA's greater programmatic flexibility also has enabled funding to be transferred to transit and other urban priorities. Over \$3 billion traditionally provided for highways was used during the life of the ISTEA bill for high-priority transit projects, increasing overall transit funding under ISTEA to more than \$5 billion in fiscal year 1995 alone.

Although record levels of funding have gone to transit and to such alternatives as bicycle and pedestrian programs in urban areas such as this one, a substantial portion of ISTEA funding has continued to be used to maintain and expand our highways, the backbone of travel in much of the nation.

ISTEA's legacy, then, is one of meeting the transportation challenges of the 1990s through new emphases and new strategies without neglecting traditional concerns. As we approach the 21st century and demands brought about by such varied factors as our economy's increasing globalization and the changing demographics of our population, we want to build on ISTEA's successes.

Two years ago, when we first started to consider what form ISTEA's successor should take, we began an extensive process of outreach to our constituents which included major regional forums and scores of other meetings involving thousands of attendees from state and local governments, the transportation industry, other interested groups such as freight shippers and environmentalists, and the general public.

Overwhelmingly, the message we heard was that ISTEA has been a success, and that we should continue the many federal programs which are working, refine those which have not yet fully realized their promise, and create new initiatives to meet the challenges of the new century. We believe that NEXTEA does all of these things.

It would increase overall federal surface transportation funding authorizations by 11 percent, from ISTEA's \$157 billion to \$175 billion for fiscal years 1998-2003. By eliminating certain categories of spending, it provides a 30 percent increase in core highway programs, such as those for Interstate Highway maintenance and the National Highway System. It also includes a 17 percent increase for transit major capital investments, a continuation of the mass transit "new starts" program.

If Congress funds NEXTEA at the levels we have proposed, that would mean \$11.982 billion for New York State over the next six years in formula-based funding alone. It also would mean more than \$4.965 billion for New Jersey and more than \$2.746 billion for Connecticut for fiscal years 1998-2003. In fact, 49 of the 50 states would receive more funding under NEXTEA than under ISTEA. (The sole exception, Massachusetts, received unusually high levels of funding under ISTEA to support construction of Boston's Central Artery project.)

Such funding also could be directed to urban priorities because of increases in the flexible Surface Transportation Program and because Amtrak, intercity public rail terminals, and projects to improve access to public ports would be made eligible for funding.

This funding and the projects it would support would help to reduce the \$50 billion a year that urban congestion costs commuters and freight shippers. There is also an even more direct economic benefit: the construction and other work generated by this plan could create an estimated one million jobs over the next six years, including 75,000 jobs here in New York, 32,000 jobs in New Jersey, and 18,300 in Connecticut.

NEXTEA also sustains the federal commitment to intelligent transportation systems (ITS) created by ISTEA. ITS applies advanced information and communications technologies to transportation through systems available today such as ramp meters and synchronized traffic lights, and through technologies which could be available tomorrow, such as advanced collision avoidance systems.

In metropolitan areas, these technologies can cut by 35 percent the cost of providing the highway capacity we need over the next decade. That is why we are promoting the integrated deployment of ITS technologies. In fact, the New York-New Jersey-Connecticut metropolitan area is one of four chosen, with federal support under ISTEA, to serve as models for such deployment.

NEXTEA includes a research component which would support technology development and ITS deployment through standards development, training, and technology transfer. It also would fund work in collision avoidance and vehicle control systems to reduce crashes. We have proposed \$678 million over the next six years for such support initiatives. We also have proposed a six-year, \$600 million incentive program to promote the integrated deployment of ITS infrastructure technologies that are technically feasible and highly cost-effective.

Our transportation system is not just about moving people and products efficiently, as important as that is to our prosperity: it also is about enabling people to travel safely. Travel is safer than it was at the beginning of the decade, but as traffic increases, so does the possibility of more highway crashes.

ISTEA has addressed safety, helping to make safer travel possible. It has supported programs to prevent drunk driving and to raise safety belt use. It also has supported initiatives such as New York's pedestrian safety program, which cut pedestrian fatalities by 28 percent over a three-year period.

ISTEA-funded "rumble strips" on such highways as I-81, I-87, and I-88 can save lives by alerting fatigued motorists that they are about to drive off the road. A state-funded project on the New York Thruway has already helped to reduce such crashes by 70 percent.

The President's proposal would build on such successes by increasing highway safety funding authorizations by more than 25 percent, and by supporting new programs targeted to the biggest safety payoffs: combating drunk and drugged driving and increasing proper use of safety belts and child restraints.

NEXTEA also would protect the environment. As with highway safety, more traffic challenges the progress we have made. More travel could dilute the progress made through

cleaner cars and fuels. That is why we have to continue, and even expand, the efforts which have brought us this far.

NEXTEA increases by 30 percent funding for CMAQ to help communities use various transportation initiatives to clean up their air. That includes everything from high-speed ferries in Rhode Island to the Red Hook Marine Terminal freight container barge, which takes hundreds of trucks off of New York City's streets each day.

NEXTEA also continues investment in bicycle paths, scenic byways, recreational trails, and other programs that cost relatively little but which greatly improve the quality of our lives. For example, last year the Merritt Parkway and State Route 169 in Connecticut have been designated as National Scenic Byways. Transportation Enhancements and other funding are supporting implementation of the New York City bicycle plan, which ultimately will have 500 miles of on-street bike lanes. And ISTEA funding helped to restore the historic Netherwood Station in Plainfield, New Jersey.

The President's plan also addresses other national priorities. It would help to reduce the barriers faced by those moving from welfare rolls to payrolls by encouraging affordable transportation to jobs, training, and support services such as child care.

NEXTEA is intended to help bridge the gap between people and jobs. It includes a six-year, \$600 million program of flexible, innovative alternatives, such as vanpools, to get people to where the jobs are. That is important, since two-thirds of new jobs are in the suburbs and many welfare recipients do not own cars.

NEXTEA also continues the commitment to common sense that President Clinton and Vice President Gore have brought to government operations over the past several years.

NEXTEA proposes more common-sense ideas: focusing on results, not on process; cutting red tape and streamlining requirements; promoting innovation, such as more new ways to pay for roads and transit systems; and giving state and local officials even greater flexibility to target federal funds to projects which best meet community needs.

NEXTEA expands our innovative financing program. For example, it includes \$900 million in seed money for state infrastructure banks, which leverage private and other nonfederal resources, and opens this program up to all states.

It also dedicates \$600 million to help leverage nonfederal resources for projects of national significance which individual states cannot afford, such as interstate trade corridors. That responds to states' needs in handling the increased traffic from NAFTA and other agreements to promote trade.

NEXTEA also makes the transportation planning process simpler and smoother for our state and local partners. It would streamline the 23 statewide and 16 metropolitan planning factors into seven broad goals that states and localities can use as appropriate to guide their planning. It would emphasize system operations and management so that planning considers a complete range of transportation options, including intelligent transportation systems, and it would expand planning's inclusiveness by ensuring that the concerns of freight shippers are heard.

NEXTEA also continues to transform federal oversight by reducing project reporting and certification requirements. We know that we must trust our partners in state and local government and the private sector instead of burdening them with paperwork.

By expanding the scope of work carried out by the Bureau of Transportation Statistics, NEXTEA also would provide decision-makers with more of the information they need to make the right choices. Under NEXTEA, we would expand services to states and metropolitan planning organizations, expand the National Transportation Library and similar activities, and

extend our data base to include more statistics on the global economy and how it affects local transportation and economic activity.

Finally, NEXTEA sustains our support of the University Transportation Centers (UTC), such as the one at City College of New York, which prepare professionals to design, build, and operate the transportation systems of the future. Work done through the UTCs also has resulted in benefits to current programs. For instance, the New York City Transit Authority recently determined benchmarks for bus maintenance tasks based upon UTC-provided analyses, and the New Jersey Transportation Economic and Land Use System, which assists state and local planners, was developed through a UTC initiative.

NEXTEA, in summary, is faithful to what we heard from our constituents: sustain ISTEA's principles, streamline its requirements, and increase its flexibility and funding levels.

NEXTEA would help to give Americans what they told us they want: a transportation system that is sensitive to environmental concerns and that enables them to get to their destinations safely, conveniently, and on time.

We listened to them, and we learned, and we have produced a proposal which can take America's transportation system into the 21st century. President Clinton, Secretary Slater, and I look forward to working with you and your colleagues in Congress to make it a reality.

This concludes my statement. Now, I would be pleased to answer any questions you may have.

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**STATEMENT OF DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
BEFORE THE SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
NEW YORK, NEW YORK
APRIL 7, 1997**

Mr. Chairman, Senator Moynihan, and distinguished Members: I thank you for the opportunity to testify in behalf of reauthorizing ISTEA, the landmark legislation which this Committee helped to shape six years ago.

I'd like to speak today about NEXTEA -- the National Economic Crossroads Transportation Efficiency Act, the successor to ISTEA recently proposed by President Clinton and Secretary Slater. I also have a more detailed written statement that -- with your permission -- I'd like to submit for the record.

NEXTEA would raise overall transportation authorizations by 11 percent, to \$175 billion over six years. That includes a 30 percent increase in core highway programs, such as Interstate Highway maintenance and the National Highway System, and a 17 percent increase for major transit investments such as the Queens Connector and the Hudson-Bergen Light Rail Line.

Those are among the 17 full-funding grant agreements executed since President Clinton took office. Those agreements -- worth \$6 billion in federal funds -- are leveraging an additional \$5 billion in nonfederal investment for a hundred miles of new rail lines.

Our support of transit over the past several years includes not only higher levels of direct funding, but increased flexibility for state and local officials to transfer other funds to transit. Under ISTEA, over \$3 billion traditionally provided for highways has been used for priority bus and rail projects.

We want to continue this flexibility -- strengthen the ability of planners to target funds to projects which make sense for local communities, and simplify and streamline program requirements and procedures.

We've also proposed changes to our apportionment formulas to ensure they use current, valid data. In order to avoid disrupting ongoing programs, we've proposed adjustments that would ease the transition to a sounder, more logical basis for apportioning funds.

If Congress funds NEXTEA at the levels we've proposed for the next six years, it would mean nearly \$12 billion for New York State -- nearly \$5 billion for New Jersey -- and more than \$2.7 billion for Connecticut.

The construction and other work generated by this plan could support a million jobs nationally, including 75,000 here in New York, 32,000 in New Jersey, and 18,000 in Connecticut.

Our transportation system is not just about moving people and products efficiently, as important as that is to our prosperity: it's also about enabling people to travel safely. Indeed, it's about saving lives.

The President's proposal would increase highway safety funding authorizations by more than 25 percent, and support new programs targeted to the biggest safety payoffs: combating drunk and drugged driving and increasing proper use of safety belts and child restraints.

NEXTEA would protect the environment, increasing by 30 percent funding to help communities clean up their air through projects such as the Red Hook freight barge, which each day takes hundreds of trucks off of New York's streets.

It also sustains our support of the Transportation Enhancements program, which supports bicycle and pedestrian facilities and other improvements which cost relatively little but which provide alternative ways of travel that greatly enrich our quality of life.

The President's plan addresses other national priorities. NEXTEA would reduce the barriers faced by those moving from welfare rolls to payrolls by encouraging affordable transportation to jobs, training, and child care. It includes a \$600 million program of flexible, innovative alternatives to get people to where the jobs are.

And NEXTEA looks to the future, with investments in technology research and development, the deployment of Intelligent Transportation Systems, and support of University Transportation Centers at such colleges as the City University of New York and the New Jersey Institute of Technology.

Finally, NEXTEA would apply common sense to transportation operations: focusing on results, not on process; cutting red tape and streamlining requirements; promoting innovation, such as new ways to pay for roads and transit systems; and giving state and local officials even greater flexibility to target federal funds to projects which best meet community needs.

NEXTEA, in summary, would give Americans what they told us they want: transportation that's sensitive to environmental concerns and that enables them to get to their destinations safely, conveniently, and on time. It does that with a process for planning and development that allows for flexible decisions that meet local needs.

NEXTEA continues the many federal programs which work -- refines those which haven't yet fully realized their promise -- and creates new initiatives to meet the challenges of the new century.

President Clinton, Secretary Slater, and I look forward to working with you and your colleagues in Congress to make it a reality. Now, I'd be pleased to answer any questions you may have.

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DRAFT

REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
APEC TRANSPORTATION WORKING GROUP LUNCHEON
SEATTLE, WASHINGTON
APRIL 14, 1997

Good afternoon. I'd like to begin by bringing you greetings from Secretary of Transportation Rodney Slater, who had hoped to be here but who was forced to change his plans at the last moment. He knows the importance of your work, and he wishes you well. He hopes to join you this June in Victoria.

Speaking for myself, I'm pleased to have the opportunity to be here. It's an outstanding meeting that promises to be highly productive, and I want to thank the people and companies who have been instrumental in making it happen.

My deep appreciation to the National Center for APEC -- to its chairman, Lawrence Clarkson, and to its staff, especially Monica Whaley.

I want to thank the sponsors, including APL -- Boeing -- Federal Express -- General Motors -- Honeywell -- Northwest Airlines -- Parsons Brinckerhoff -- the Port of Seattle -- United Airlines -- United Parcel Service -- and the University of Washington.

Finally, I want to thank Mayor Norm Rice and the other officials of this beautiful city which is serving as our host.

I've had the chance to talk with some you, and found it highly informative. I've also had the chance to see first-hand here -- and in Seattle -- why the work you're doing is so important.

This morning I visited a local school, where 17- and 18-year-old students are studying marine technology in hopes of one day becoming transportation professionals.

I also visited local officials here in Seattle, and heard their plans for transportation improvements which will enable Seattle's port to handle increased trade, producing jobs throughout the region.

What struck me is that I saw what APEC's goal of free and open trade is really all about: providing high-paying jobs and opportunities for citizens the world over.

Some of the highest paying jobs in America, I'm proud to say, belong to transportation professionals: the men and women who move people and goods, or build our planes and cars and highways.

So, when our leaders ask you to make certain, as they will this week, to have an integrated transportation system -- when our private sectors ask you to help them do more business with each other, as they will this week -- I ask that you remember that transportation is really about creating opportunity.

In your hands is the chance to help generate millions of jobs. Not many people ever have that chance, but you can build a new and better future for our youth, in all of our economies. As President Clinton says, we may speak many different languages, but in each of them the words for work -- for opportunity -- and for children carry the same meaning.

We meet at a very good time for America. This nation has a strong economy, one that -- under President Clinton's leadership -- has created 12 million new jobs in four years, many because of the increases in trading with our partners.

And in the next four years, President Clinton and Vice President Gore -- who visited Asia just last month -- are committed to continuing to reduce barriers to trade.

This is also a very good time to be working in transportation in America, because President Clinton recognizes the importance of sound transport to creating opportunity.

Last month, he and Secretary Slater announced our proposal to invest \$175 billion in America's transportation systems over the next six years. That's 11 percent more than we spent on highways and transit systems over the last six years -- and in core highway programs it's a 30 percent increase and in new transit projects a 17 percent increase.

We're also raising funding for safety programs and for initiatives to protect our environment.

Much of Secretary Slater's and my time this year will be spent working with Congress on this plan. The debate will be long, but I'm confident that we'll see bipartisan support.

I know that most of your economies also need major investment in infrastructure, particularly transportation. Of the \$1.2 trillion that will be invested on infrastructure in East Asia and the Pacific region over the next decade, fully half -- \$600 billion -- will be for transportation.

Beyond infrastructure, transportation services also will be growing at enormous rates. By 2010, half of all international passengers will be flying in the Asia-Pacific region. Just as highways opened domestic markets in the 20th century, so aviation will open global markets in the 21st century.

Last summer we announced the U.S. open skies initiative in Asia. As we did in North America and much of Europe, we want to open the trade in aviation services between America and all of the other economies in the Asia-Pacific region, so that the two billion people whom we represent can see lower fares and better service.

Last week, I'm pleased to report, we signed our very first agreement with Singapore. We have initialed agreements with Brunei and Chinese Taipei.

Negotiations are ongoing with Malaysia. Last week, we began holding talks with Chile. And -- in the near future -- we hope to hold talks with Korea and New Zealand.

This rapidly-increasing movement of people and goods throughout the region requires that our transportation systems operate more efficiently, and that safety in the transport sector be a regional priority.

Today, as you discuss the important issue of congestion in the region, I know you're also looking at some innovative solutions to increase efficiency. Yet -- even with these innovations -- serious gaps in the region's airports, harbors, and highways threaten to hold back future economic growth.

The new infrastructure in which we're investing -- as important as it is -- will not fill the gaps by itself. We must adopt -- individually and collectively -- modern policies that improve institutional and regulatory frameworks.

Many of you have worked hard to find the best practices, and your efforts will be published in a manual.

And I'm confident that -- as we share our best ideas -- we'll receive valuable lessons to draw upon in solving the bottlenecks and congestion we all face.

As we link our economies together, we must, to echo President Clinton's words of four years ago, have shared interests -- shared goals -- and shared commitment.

We must build a well-integrated transportation system in the region -- one that moves people and goods safely and efficiently -- for, without it, our economies have little chance of continuing the dynamic growth in trade we've seen in some areas of the region.

We in the U.S. are committed to opening transportation markets and to working with our APEC partners in taking steps to realize the vision of Blake Island -- the commitment of Bogor -- and the concrete plans put in motion in Osaka and Manila.

There's no doubt that transportation can -- and does -- play an important role in supporting increased trade, tourism, and overall economic growth in the Asia-Pacific region.

As Secretary Slater always says, transportation is about more than concrete asphalt and steel: it's about providing opportunity.

It's about giving people the means to get to their jobs safely and efficiently.

It's about giving businesses the ability to compete in a global economy.

And it's about giving the transportation industry -- management and labor -- some of the highest-paying jobs in our economy.

Efficient and safe transportation systems -- utilizing the most advanced technologies and with the best-trained workers -- will contribute to achieving APEC's goals for free trade and investment.

So, let me conclude by urging you -- as you go about your work this week -- to keep in mind that *you* hold the key to providing opportunity for all our citizens.

Secretary Slater and his fellow transportation ministers will be meeting in Victoria to agree upon concrete outcomes for the consideration of APEC's leaders. But they can't do so without your advice and input, and so we look forward to your preparing work plans that will produce real results.

Let me close by thanking you for the opportunity to speak to you, and by wishing you good luck as you go about your work this week.

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Barb King

**REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
NATIONAL SERVICE WEEK EVENT
SEATTLE, WASHINGTON
APRIL 14, 1997**

(Introduction to be made by Admiral J. David Spade)

Thank you, Admiral Spade, for that introduction, and thank you, Principal Gilman, for the good work you do every day in every way for the Marine Technology Program. Thank you, Superintendent McGeehan, for your commitment to this initiative.

I want to thank our students -- my profession's future workforce -- for having me here. And I want to thank you, most of all, our volunteers, for contributing your time and energy.

I want to start by bringing you greetings from Secretary of Transportation Rodney Slater, who had hoped to be here but whose schedule changed at the last minute. He sends his congratulations, and his best wishes for the future.

Later this month, at Independence Hall in Philadelphia, the Secretary will join President Clinton, the First Lady, and Vice President and Mrs. Gore as they convene an historical Presidents' Summit on Service.

They'll be joined by President Bush, whose thousand points of light has lit the way for so many to volunteer their services.

And they'll be joined by every other living former President or his representative, by General Colin Powell, and by businesses and community organizations that have committed to serving our children and building our future.

What President Clinton hopes to do is to make all Americans think about the duty all of us owe to each other. His mission is to spark a national sense of obligation -- of duty -- of service.

We've already seen the good such a commitment can do through the example of AmeriCorps, the President's national service initiative.

50,000 young Americans have earned college tuition by serving their communities, including some at Federal Way High's AmeriCorps, which received a national award for its achievements. I think that deserves a round of applause, don't you? Could the people from Federal Way stand up? (*Lead applause*)

AmeriCorps is the most dramatic nationwide example of how successful a commitment to responsibility can be to enabling our communities to make the most of themselves, but it's really only the start.

As the President likes to say, the era of big government may be over, but the era of big challenges for our nation is not.

Citizen service is how, working together, we can ensure that America's best days are yet to come.

During National Service Week, we'll begin to meet the President's challenge to expand volunteerism across America. More than a million young people will participate in 3,000 events across our nation, cleaning up neighborhoods and working with children.

Those of us in transportation will be making that same commitment to service.

I'm here in Seattle meeting with transportation officials from throughout Asia and the Pacific. We're talking about how to build a transportation system for the 21st century.

We need such a system to move the region's two billion people and all of the products they make and the raw materials they need, but we can't build it without transportation professionals who have skills and training and a love of what they do.

So, it's appropriate that -- in honoring the President's request -- I've come here, where our future maritime workforce is being trained.

We know these programs work: Lee Christopherson of the Coast Guard, a member of the Marine Technology Program's advisory committee, is also a graduate of the Sea-Tac Skills Center. He's an outstanding example of what such a program can accomplish. Lee, would you stand up for a moment? (*Lead applause*)

Yet, as successful as this program is, it wouldn't be in business today, if not for the volunteers from the Coast Guard, NOAA, the FDA, King County Metro, and Washington's maritime industry.

They mentor -- and train -- and support, not with money but with their most precious resource: their time. They channel their love of the sea into our youth, all for the good of this community and our nation.

And no one is too young to serve; as the President says, there's a good chance that those who serve while young will continue to serve in the years to come. Nor is any one too old to serve, because they bring a storehouse of wisdom and knowledge.

In the coming weeks, Secretary Slater will be announcing the Department of Transportation's Garrett Morgan Transportation and Technology Futures Program. Garrett Morgan was the inventor of the traffic signal, a man whose achievements serve as a model of dedication to public service and public safety.

As part of that program Secretary Slater will ask all of our hundred thousand employees and our transportation partners to do what the volunteers here do -- to go into our schools...

...to have conversations with our children...

...to touch our youth with the desire to become transportation professionals who can help all of us to build the transportation systems of the 21st century. In short, to do on a nationwide scale what the volunteers here do.

Now, on behalf of Secretary Slater, I'd like to present this plaque to Reba Gilman.

She represents the students -- the faculty -- and the volunteers of the Sea-Tac Occupational Skills Center for their outstanding achievements and their contributions to ensuring a highly-educated and highly-trained workforce for the 21st century.

As the Coast Guard says to congratulate its members for a job well done, Bravo Zulu!

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TALKING POINTS
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
PUGET SOUND FAST CORRIDOR
SEATTLE, WASHINGTON
APRIL 14, 1997

- * I'm here to attend the APEC meetings on transportation issues, so I've been hearing how important good transportation is to making the most of the opportunities created by President Clinton's efforts to reduce trade barriers. *We can't be competitive abroad if we're not efficient at home.*
- * That's especially true in the Puget Sound region, home to the second-largest container port in the nation, and part of a state in which one in four jobs is tied to international trade. Washington State's future prosperity depends on being able to move products and raw materials quickly and efficiently.
- * However, the mix of roads and rail lines which intersect this region is a barrier to efficient freight shipment. That's why I was interested to hear about the FAST Corridor proposal. Its combination of port access improvements and elimination of highway-rail grade crossings promises to make transportation safer and more efficient.
- * Former Secretary Peña was briefed on port access issues when he visited Tacoma last July, and during the ensuing nine months this region has built a remarkable consensus on both the need and the solution. We're looking forward to continued progress on refining the proposal.

- * We're also seeking new ways to assist state, county, and local officials as they improve their transportation networks. Last month President Clinton and Secretary Slater announced NEXTEA -- our six-year, \$175 billion transportation plan.
- * That's 11 percent more than under the current funding plan, even as we balance the budget during the same period. That includes a 30 percent increase for core highway programs and a 17 percent increase for new transit lines.
- * If Congress funds NEXTEA at the levels we've proposed, it would mean nearly \$2.8 billion for Washington State over the next six years, and that could support 18,500 jobs as you build highways and transit systems.
- * As important as more funding are some of the strategies NEXTEA offers. For example, it would provide \$900 million for state infrastructure banks, which use federal seed money to leverage investment from other sources. It would offer \$600 million for projects of national significance, such as trade corridors. And it would expand funding eligibility to include access to intermodal terminals and water ports.
- * We're looking forward to making NEXTEA's initiatives a reality, and to working with Washington's officials to improve freight shipping in this region.

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REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION RODNEY E. SLATER
EMPOWERMENT ZONE CONFERENCE
BREAKOUT SESSION ON TRANSPORTATION
APRIL 16, 1997
DETROIT, MICHIGAN

Thank you, Albert (Martin, Detroit's Department of Transportation).

Last Thursday, I was at the Cabinet Meeting, when the President announced over the last four years, America's welfare rolls declined by 2.8 million people. They have now declined in four years, what they increased in the previous 25 years. As the President said, it's a tribute to the strength of the economy, and it is a great tribute to those like yourselves who have worked on this.

I especially appreciate what our panelists are doing -- Michael Rich in Atlanta ... Blair Forlaw (For law) from St. Louis ... and John Plunkett from Chicago. We can all listen and learn from them, and I thank them for being here.

I'd like to open today, with a few observations.

In the next four years, we have to move another 2 million from welfare to work. I say transportation is the to in the phrase "welfare to work." The President and Vice President recognize that whether you live in urban, suburban, or rural America -- we must solve the obstacle of how to get poor people to jobs that are not easily reachable by public transportation.

These are people who do not own cars ... who could not afford insurance ... who as we have learned from the experience here in Detroit live in neighborhoods where cars are likely to be stolen if they had them.

The Vice President, Mayor Archer, and I had breakfast with the heads of the Big Three this morning. There is great irony, that we are holding the discussion in the world's car capital. For this empowerment zone can boast of having two auto assembly plants, yet more than half of the households in the zone are without cars.

We have pockets in every big city with businesses screaming for workers, but we have situations like in Cleveland where fully half of those living in the inner-city can't reach entry-level jobs via public transit.

In my first month in office, I submitted to Congress, a proposal to invest \$600 million in the next six years to provide transportation for former welfare recipients. There is not a one-size fits all solution, as we're going to hear.

So, we will make grants to those with solutions. Be it public transit agencies, ride sharing organizations, neighborhood cooperatives, community-based entrepreneurs, social service organizations -- anyone who can think out of the box as we solve this obstacle.

We also propose investing in the next six years, \$175 billion in transit, highways, rail, and safety programs -- that's an 11 percent increase over the last six years. In these times of budget balancing when holding your own is good, that is very good.

And we have placed special emphasis where we need investments most -- a 30 percent increase in core highways; and a 17 percent increase in new mass transit.

Nationwide, this level of investment will support almost a million jobs in the next six years. They are good-paying jobs, and I hope many will be built in and by Empowerment Zone family members.

IF THERE'S TIME INTRODUCE PANELISTS

Michael Rich is associate professor of political science at Emory University in Atlanta, and is currently studying transportation accessibility in that region. He also is a member of the research committee directing the national assessment of Empowerment Zones and Enterprise Communities.

Blair Forlaw (For law), from St. Louis. She is Assistant Director at the East/West Gateway Corridor Metropolitan Planning Organization. She has been exploring solutions to transportation barriers and has been successful at bringing together a wide range of people to work on the issue.

John Plunkett, President and CEO of Suburban JobLinks in Chicago. He has been an entrepreneur in the employment transportation business for 25 years. His organization focuses on the reverse commute -- moving people from the inner-city into higher paying suburban jobs.

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**STATEMENT OF SECRETARY OF TRANSPORTATION RODNEY E. SLATER
BEFORE THE SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
WARWICK, RHODE ISLAND
APRIL 21, 1997**

Thank you, Mr. Chairman, for the opportunity to testify in behalf of reauthorizing ISTEA, the landmark legislation which you played a major role in shaping six years ago.

Today I'd like to make a brief statement about NEXTEA, President Clinton's proposal to succeed ISTEA. I also have a longer statement which, with your permission, I'd like submit for the record.

I want to express my appreciation to you, Mr. Chairman, for introducing NEXTEA in the Senate. I know you've introduced another proposal, "the ISTEA Reauthorization Act," which shares many themes with NEXTEA, and I look forward to working with you as reauthorization progresses.

As President Clinton has said, reauthorization "will create tens of thousands of jobs for our people, help move people from welfare to work, protect our air and water, and improve our highway safety. This transportation bill literally will be our bridge into the 21st century."

Over the past five days I've traveled throughout the northeast, and seen how true this is through such ISTEA projects as the reconstruction of a Philadelphia train line -- a new subway connection in New York -- a New Jersey commuter rail link -- the reconstruction of I-95 in Bridgeport -- and the Frederick Douglass Circle, which creates a gateway to upper Manhattan.

In Rhode Island, ISTEA has supported projects such as improvements to I-95, the T. F. Green Airport terminal, the Kingston train station, and Woonsocket's Market Square Common, a Transportation Enhancements project.

NEXTEA would build on these successes by raising transportation authorizations to \$175 billion over six years. If Congress funds NEXTEA at the levels we've proposed, it would mean about \$710 million for Rhode Island, supporting 4,800 jobs.

The President's proposal would meet other priorities: improving highway safety by increasing the use of seat belts and combating drunk driving...

...protecting the environment by increasing funding to help communities clean up their air...

...reducing the barriers faced by those moving from welfare rolls to payrolls through a program to get people to where the jobs are...

...and bringing common sense to government by cutting red tape and promoting innovation.

NEXTEA continues the many federal programs which work -- refines those which haven't yet fully realized their promise -- and creates new initiatives to meet the challenges of the new century.

As Presidents from Washington to Lincoln to Eisenhower knew, transportation unifies a diverse nation, and creates opportunities for people to pursue their own vision of happiness.

Mr. Chairman, President Clinton and I are proud to continue this tradition of supporting sound transportation, and look forward to working with you during the reauthorization process.

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REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
EUROPEAN CONFERENCE OF MINISTERS OF TRANSPORT
BERLIN, GERMANY
APRIL 22, 1997

Good morning. On behalf of President Clinton and Secretary of Transportation Slater, I'd like to bring you greetings from the United States.

I welcome participating in this conference because we in the U.S. see transportation as a key to economic growth and an opportunity for improving the quality of life for *all* of our people.

I emphasize the word "all," because we believe that the benefits of transportation must be available to all. This session is a chance for us to share ideas and strategies about how to provide universal mobility. We seek this goal for two reasons.

First, providing mobility is the right thing to do. We have a moral obligation to make the benefits of public services -- and the opportunity they make possible -- equally available to all of our people. We see this as an issue of civil rights.

Second, providing mobility is the smart thing to do. As President Clinton says, we can't afford to lose the contributions of a single person, and expanding mobility empowers all Americans to contribute to our economic and social life to the best of their abilities.

Our commitment to these principles dates back almost three decades ago, soon after the Department of Transportation's founding.

Our first concrete action came in 1970, when Congress declared that elderly and disabled people have the same right to use mass transit as anyone else. It also directed that transit facilities and services be planned and designed to make them accessible to all.

This first step, although almost universally accepted today, was then the focus of intense debate.

Some in the transportation community asserted that it was inappropriate to modify mass transit systems to accommodate the needs of those with disabilities, and that such initiatives should be provided as specialized services directly by social service agencies.

Three years later Congress took the next step by prohibiting discrimination on the basis of disability in all federally-assisted programs, including transportation -- but this didn't end the debate.

We issued regulations implementing this prohibition in 1979, and they became the subject of litigation for more than a decade.

Passage of the Americans With Disabilities Act -- the ADA -- in 1990 shifted the debate from whether accessibility is the responsibility of transportation agencies to the more productive issue of how accommodations can be provided efficiently and cost-effectively.

Today, most transportation providers have accepted their legal responsibility to meet the special needs of the elderly and disabled, and have begun to implement plans to do so.

We don't see the ADA and related legislation -- such as the Air Carrier Act of 1986, which prohibits discrimination in air travel -- as benefiting only disabled people.

Some of the changes that we're seeing, such as wider aisles in airplanes, are something everyone can enjoy. For example, Boeing included advocates for the disabled when it was designing its 777, and the result is a far more accessible plane that's also more comfortable for all travelers.

Beyond that, we all benefit because such improvements enable people to live independently and to move more easily into the mainstream of society, taking advantage of accessible transportation to reach jobs, schools, and medical care.

Although the change in our views has been great, the tangible achievements of the past couple of decades have been remarkable.

There were few accessible transportation services in 1975, when we issued our first regulations; today, every form of transportation features special accommodations for the elderly and disabled.

More than 90 percent of our mass transit systems report full compliance with the ADA, and we're working with those that are still having problems.

63 percent of America's 50,000 urban transit buses are now equipped with wheelchair lifts or ramps, more than doubling the number seven years ago, and most of the 8,000 rapid-rail cars in service are now accessible to wheelchair users. Eventually all will be accessible, as new buses and trains replace old ones.

Although most of the focus has been on transit buses, we're also exploring ways to make intercity buses accessible.

Amtrak, our intercity rail system, is becoming accessible, using wheelchair lifts at its stations and equipping its cars with features such as accessible toilets. Amtrak is also making measurable progress towards making its main station structures accessible.

Most airports being built or altered must be accessible. That includes accessible parking, ticketing, and baggage, as well as an accessible path to each boarding gate for large aircraft.

We recently issued a regulation that will require airports and operators of smaller commercial planes to make those accessible as well.

For the past five years we've also required most newly-designed planes to have such features as movable armrests, space for at least one passenger's folding wheelchair, and accessible lavatories.

No effort to improve transportation accessibility can succeed without affecting the mode used for 90 percent of all travel: roads and highways.

Streets and sidewalks being built or renovated with federal funds now have curb cuts to accommodate people in wheelchairs. Rest areas on all Interstate Highways must now be accessible, and rest areas on other federally-funded roads must be made accessible if they are renovated or rebuilt.

We believe that our efforts to make transportation more accessible have influenced more disabled people to travel. The anecdotal evidence we've heard and the limited data we've seen indicate that they're taking more and longer trips and that they're using all forms of transportation in growing numbers.

For example, we know that disabled people have increased their use of traditional transit services since the ADA was adopted seven years ago, and that their use of "demand response" paratransit services has doubled in that same period.

These achievements aren't without cost. We estimate that implementing the ADA will cost more than \$900 million annually over the next decade, including about \$700 million for paratransit services that must be provided when rail and other fixed routes can't reasonably be made accessible.

However, these costs must be evaluated not only within the context of fulfilling our commitment to the disabled, but also for the benefits these initiatives will have for our growing population of elderly Americans.

America's population, like that of most developed nations, is aging. The number of older adults, those over age 65, has increased elevenfold over the last century compared to a threefold increase for those under 65.

More than 33 million Americans are now over age 65, and that number will reach 36 million by 2005 and 53 million by 2020 -- one in six Americans, or about 16.5 percent. As large as this number is, it's low by comparison with other developed nations: Japan and many European states will be over 20 percent.

The impact of such demographic change will be enormous. Awareness of this is growing, as we've seen from the attention paid to retirement and medical care programs over the past few years.

Our transportation systems, originally designed mainly for those who drive cars or who can easily use stairs and other inaccessible design features, face similar -- if less costly -- challenges.

We've been working to address this population's needs through transportation grant programs targeted to older adults and disabled people and careful coordination with other government agencies to maximize the use of federal funds.

And we recently completed a study which sets forth our options to accommodate the growing number of older adults. We've made copies available for you at this conference.

Our goal, simply put, is to give people "safe mobility, for life." That means several things: enabling people, especially those in areas with limited travel alternatives, to safely use cars as late in life as possible...

...promoting technologies that support those whose age-related conditions which could affect their mobility...

...improving the screening and evaluation systems which can determine when older adults can no longer operate vehicles safely...

...emphasizing other travel alternatives when they're feasible...

...and educating the public on what they can do to remain safe travelers as long as possible, and on how to prepare for a point at which driving will no longer be possible.

This framework is only the beginning: we're now evaluating the next steps to further develop a strategy to provide transportation for a maturing society.

We're looking to have these systems fully in place as the "Baby Boom" generation begins to reach retirement age in a little more than a decade.

Finally, I wanted to say a few words about bicycle and pedestrian projects in the U.S. Such projects were a low priority for many years, but have been one of our success stories during the 1990s.

Until this decade, only about \$4 million was being spent each year on such projects. Since then, a total of \$1 billion dollars -- an average of \$166 million annually -- has been spent on them.

They've greatly enhanced our quality of life at relatively little cost, making both urban and rural areas more accessible to all.

Let me conclude this overview by reiterating that adapting our transportation systems to meet the needs of growing elderly and disabled populations is not only an economic but also a moral necessity.

Transportation is the key that allows people to fully take part in life, and enabling elderly and disabled people to do that with dignity is essential.

We're committed to making our transportation system and accessible to all users in all forms of transportation -- to tearing down the barriers to full participation in life.

We in the U.S. can point to many accomplishments, but the job is isn't over. We're looking forward to continuing efforts and continuing progress.

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**TALKING POINTS
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
USDOT STRATEGIC PLANNING RETREAT
WARRENTON, VIRGINIA
APRIL 25, 1997**

- * I want to start by thanking you all for your work over the past twenty-four hours. I want to thank Mike Huerta for his leadership of the strategic planning working group, which began last year to lay the foundation for this retreat by evaluating the 1994 strategic plan.
- * I also want to thank the administrators, assistant secretaries, and office directors who have enabled their staff people to contribute to the working group.
- * It's a truism that the future will happen no matter what we do -- but what we do can help to shape it. That's why this new strategic plan will be so important. It establishes for all of us a vision of what we want the future to look like and the role transportation -- and our Department -- can play in making this vision a reality.
- * Over the past several years we've entered a new era of transportation -- one of intermodalism, of internationalism, of new technologies, of new concerns, such as environmentalism. It's a turning point much like that of the 1950s, when highways and jet travel came into their own, and our world suddenly seemed much smaller.

- * One big difference between the two eras is that government could play a much larger role 40 years ago than it can today. We don't have the luxury of expanding resources that President Eisenhower had when he created the Interstate Highways or that President Kennedy had when he launched a new age in space technology.
- * We have to meet *our* challenges and create *our* vision in a time of balanced budgets and continued debate about the federal role. Doing these things effectively is going to be hard, and so we've got to take some important steps.
- * *First*, we must be absolutely sure of our objectives and we have to be able to describe them and what we must do to achieve them in ways which are clear and understandable to Congress -- to our transportation partners -- to the public -- and, hardly least, to our employees. To do this compellingly, we have to be able to measure our programs' performance, and to demonstrate that they are helping us to achieve our objectives.
- * *Second*, we continually have to link our concerns with the President's priorities and with issues of national significance, much as the Secretary did when he articulated his three priorities at his swearing-in. As the Secretary said, transportation is not just about asphalt and steel: it's about something both far more fragile and far more resilient; people's dreams and aspirations.
- * As we've already seen in the way our NEXTEA proposal is resonating, if we can make these connections with things that matter to people -- with economic opportunity, with welfare reform, with urban revitalization, with the environment -- then we can broaden the support for transportation.

- * *Third*, we've got to develop a disciplined but flexible decision-making framework which enables us to make the right choices about how to allocate limited resources and how to set sound priorities. *(Do you think that sounds better than just saying we need to use common sense?)*
- * *Fourth*, we have to use existing resources in more efficient and better ways to make sure we're getting every dime's worth of value. We also must look at cooperative, intermodal approaches -- at identifying new resources and new partners -- at shifting funds to meeting new priorities -- and frankly, at dropping some things that might have made sense *then*, but don't measure up *now*.
- * This last point is important, because we -- and our partners in state and local government -- are contending for limited public resources. Someone once said that transportation is eleventh on everyone's top-ten list of priorities, and it's true that many competing concerns are compelling: we're contending for funding with everything from law enforcement to schools to health care.
- * If we're going to build support for more funding, we not only have to show transportation's importance but also that we can manage the public's money effectively and get the job done right *before* we ask for more.
- * So we're in a challenging period, and these two days are just the beginning. Over the coming months we'll implement our strategic plan through our budget decisions, our performance plans, our performance agreements, and through every action we take every day.

- * We'll see some of the early examples of how this works shortly. Louise and her staff soon will be sending out the budget calls for FY '99, and the Secretary and I expect that your budget proposals will reflect the strategic plan's priorities. We expect to see the initiatives we've discussed as a major focus in the performance plan which will be submitted as part of the budget.
- * We all understand that things will change: that's why we call this a "living" plan. It will grow, and change, as our needs and resources and priorities do. Even as we adhere to the plan's discipline of focus, we still must ask ourselves whether our goals -- our measures of success -- our actions are the right ones.
- * The 1994 strategic plan was a landmark for us, an effort to develop a comprehensive mission statement for the department, and to identify general goals and objectives for our major functions. It served its purpose, and now we're moving on.
- * We've made a lot of progress on developing its successor, and I'm confident that the strategic plan this meeting is producing will give us the guidance we need to lead this department into the future. Thank you, again, for all for your work.

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**REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
POLISH MOTORWAYS DELEGATION
WASHINGTON, D.C.
APRIL 30, 1997**

Good morning. I'd like to start by thanking ITS America and the National Committee for Public-Private Partnerships for hosting this morning's briefing. It's just the kind of informal exchange of information that can lead to the expanded cooperation among nations that we hope to bring about between Poland and the U.S.

Today, I'd like to talk about the partnerships we hope to form with Poland -- and the other nations of Central and Eastern Europe -- to develop the transportation systems needed for sustained economic growth.

Efficient systems to move people, goods, and -- increasingly -- information are essential to improving the overall productivity of any nation's economy and its links to the world's markets.

Such investment is critical to maintaining efficiency in the economy. Such an economy must be able to move people, goods, and information quickly and cheaply.

To cite just one modern example of the continuing benefits of this system, first-rate highways and economically-competitive railroads have allowed American industry to introduce "just-in-time" manufacturing techniques.

These have turned the stream of containers moving to factories by truck and rail into "warehouses on wheels," saving billions of dollars of costs that would otherwise go to maintain large inventories at each level of the production and distribution processes.

This sort of economic return that transportation investment makes possible is difficult to quantify -- but it's clearly substantial and well worth doing. Competitive nations all over the world understand this link between transportation investment and long-term economic growth.

This worldwide movement to create modern, efficient highways, ports, airports, and railways -- with efficient links between them -- presents every nation with a simple choice: you must consistently improve your transportation system, or you'll fall behind.

In fact, *any* nation that wants to foster industry and business investment -- whether in domestic or global commerce -- must provide the modern transportation links such enterprises need.

It's been estimated that Central and Eastern European nations need \$40 to \$60 billion in highway construction alone over the next several years, with billions more required to update and improve railways, airports, and waterways.

If the promising systems under consideration in these nations are well-designed, adequately financed, and linked effectively to each other, then they'll sustain economic development well into the next century.

Well-planned investments will integrate national economies with each other from Albania to Estonia, deepen the ties between peoples -- and better link all the nations of Central and Eastern Europe to world markets.

Such transport links to create wider markets are extremely important, as we're learning from our experience with the North American Free Trade Agreement that links the economies of the U.S., Canada, and Mexico.

We in the U.S. have a wealth of experience to share -- not only in planning and building transportation systems, but in the means of financing them, maintaining and upgrading them, and improving their safety, security, and capacity with new technologies.

That knowledge provides the basis for cooperation in our mutual interest. Such cooperation isn't a new idea. Indeed, it calls to mind the role America played after World War II, when it helped to rebuild war-torn economies.

But one significant difference in the 1990s -- and one you're all in a position to appreciate -- is today's greater reliance on the private sector.

In a reflection of today's fiscal realities everywhere, we look to private companies from the United States and throughout the world to make this investment happen -- and to make it happen *efficiently*.

These companies have the knowledge, the skills, the experience, and the motivation to help emerging economies move forward.

Although I've talked about infrastructure, the challenges Poland faces -- and the ways in which U.S. companies can help to meet them -- aren't limited to that alone. Emerging nations have needs in other areas that can be met by American companies.

For instance, American businesses produce some of the best transportation equipment in the world -- airplanes, motor vehicles, rail rolling stock, and the apparatus which sustains them -- everything from radar to rail signals to track maintenance equipment.

They're also leading the way in creating flexible architectures for the Intelligent Transportation Systems that promise to revolutionize transportation.

We also can support growth by providing training and consulting services in fields as varied as air traffic control systems and cargo handling.

American companies also have been leaders in designing and implementing innovative financing arrangements which create new incentives to involve the private sector in infrastructure development.

Impressive as these private sector initiatives are, they don't diminish the important role for the U.S. and Polish governments as a catalyst for change. In fact, we seek an active government role in bringing about new opportunities.

Together with the traditional economic development arms of the U.S. government -- such as the TDA, the Agency for International Development, and the Export-Import Bank -- the Department of Transportation is lending its technical expertise whenever possible to support sustained development that will strengthen trade ties between our nations.

We're organizing other efforts through the Trade Promotion Coordinating Committee, which brings together 19 federal agencies to further international commerce.

And we've encouraged, and cooperated with, efforts by private and quasi-public groups such as ITS America and the National Committee for Public-Private Partnerships to provide information and assistance.

Our efforts go beyond trade promotion, and aim to support the investment Poland needs.

For example, we encourage the international lending institutions to support transportation-related investment.

We also want to work more closely with Poland's government and with American and European companies and financial institutions to put together total packages for major transportation projects.

That means planning and engineering, financing, construction and construction management -- perhaps even facility operation.

In order to identify potential projects of mutual interest, we've encouraged U.S. embassies to obtain better information on transportation needs throughout the world and to communicate them to the Commerce and Transportation departments in a timely fashion.

And the Commerce Department has assigned its embassy officers to prepare Country Commercial Development Strategies, to identify specific investment, product, and service needs abroad.

We're also trying to overcome the barriers that can arise in international activities. One example is working with our counterparts overseas to develop construction and equipment standards that are compatible with ours.

This compatibility will not only foster economies of scale for producers, increased trade and business opportunities, and real enhancement in traveler safety.

Compatibility is institutional as much as technical, so we've also encouraged foreign government decision-makers and businesspeople such as yourselves to visit the U.S. for study tours to see first-hand how our market-responsive transportation system works -- and how our public and private sectors cooperate.

I hope that your visits this week are proving helpful, and that they can expand the cooperation between your agencies and businesses and ours.

While we're interested in short-term results, we also want to keep our eye on building long-term benefits.

That means focusing on institution-building by assisting in standards development -- establishing procurement and contracting procedures -- organizing efficient public-sector transportation agencies -- and establishing market-oriented regulatory policies.

We see building the transportation infrastructures and economies of Poland and other emerging economies as being mutually beneficial. Your nations will gain the basis for long-term economic security.

The U.S. will benefit from new trading partners, and from the opportunities created for American businesses -- opportunities in which we'll support them.

In closing, I want to reiterate our commitment to working closely with Poland and with American businesses here to further develop the links between our nations.

Now that yesterday's dreams of freedom and prosperity are today's realities, we look forward to cooperating with the Polish government and businesses from both our nations to sustain them.

Thank you for your attention this morning. Now, I'd be pleased to answer any questions you may have...

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