U.S. Department of Transportation

TRANSPORTATION TRENDS

REMARKS AS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
WORLD CONGRESS ON INTELLIGENT TRANSPORT SYSTEMS
ORLANDO, FLORIDA
OCTOBER 16, 1996

CONVERGENCE OF ITS AND TELECOMMUNICATIONS:
THE BRIDGE TO THE 21ST CENTURY

Good morning. On behalf of President Clinton and Secretary Peña, I'd like to welcome our visitors from throughout the world to the United States. Both the President and the Secretary have a deep commitment to the transportation and information systems revolution you're leading, and extend their wishes for a productive Congress.

I'd also like to bring you greetings from Vice President Gore. The Vice President has been the strongest voice in the U.S. government for bringing the benefits of advanced technology to everyday life.

That commitment is reflected in the President's proposal last week to give every school and library in the United States free basic access to the Internet and to invest in the development of Internet II, which will operate at a hundred to a thousand times the speed of today's system. That's going to give Americans an express on-ramp to the information superhighway, enabling them to take advantage of its multitude of educational and cultural opportunities.

The Vice President has also been a strong supporter of our efforts to bring these same information and communications technologies to transportation. The Vice President had wanted to be here with you, but, as you can imagine, his schedule is a little bit difficult these days. He asked me to speak to you on his behalf, and I agreed, on the condition that I wouldn't have to do the Macarena for him.

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U.S. Department of Transportation
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I'd like to thank Jim Constantino for his introduction and express my appreciation to Russell Shields and Robert Darbelnet of the World Congress for their leadership of this important effort.

I want to thank Minister Lowry for his informative presentation on the status of ITS in Europe, and Director Nakagawa for his instructive overview of ITS in the Asia-Pacific region.

Finally, I'd like to congratulate all of you for the outstanding work which has been done in the technical sessions over the past couple of days. The successes we've had lately come in great part from the efforts of ITS America, Ertico, and Vertis, and I appreciate the friendly competition reflected each year in this Congress. It's spurring innovation around the world.

As you know, we're in the midst of a Presidential election campaign here in the U.S., and, if there's one metaphor that has dominated that campaign, it's been the image of a bridge. Some speak of a bridge to the past, but President Clinton describes a bridge to the 21st century, a bridge to the future.

It's appropriate to use a transportation metaphor to describe our vision, because so much of America's, and the world's, prosperity and quality of life is dependent on transportation systems to move people, products, and, increasingly, information.

One of those metaphorical bridges to the future is, in fact, a literal part of transportation. We in the federal government, in partnership with state and local government and with the private sector, are working to build this span.

Picture it as a suspension bridge, supported by twin towers: think of the Golden Gate Bridge, or the George Washington Bridge. The towers of this bridge are, on one side, an intermodal transportation system and, on the other, the National Information Infrastructure. Linking them is our intelligent transportation systems community with its new products and services.

Two pieces of federal legislation have provided the blueprint for this bridge here in America: the Intermodal Surface Transportation Efficiency Act of 1991 and the Telecommunications Act of 1996.

Together, they're creating a system which integrates different forms of transportation and incorporates the advances produced through modern telecommunications to enhance that system's safety and efficiency. This is going to be increasingly important. Even as our reliance on our transportation system grows, it faces demanding challenges: expanded travel demand, inadequate capacity, bottlenecks and poor connections between different forms of transportation, and an aging and deteriorating infrastructure.

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40 years ago, our Federal-Aid Highway Act, which gave this country its system of Interstate Highways, provided the solution to that era's problems: build new roads and bridges to link regions and cities across the continent.

That solution gave us enormous growth and prosperity, but not without problems. It can no longer be our only choice. Urban growth, the high cost of construction, concerns about our environment, and limits on public investment mean that we no longer can build our way out of congestion, if we ever really could.

Our Intermodal Surface Transportation Efficiency Act, or ISTEA, as it's better known, recognized this. Although ISTEA raised federal transportation investment to the highest levels ever, it changed the focus of that investment from new construction to maintaining the current transport system, integrating its components, and increasing its efficiency through better management.

And, as any manager knows, you can't do that job well without systems for good information and control. Providing that information and making it accessible through advanced communications is the role of intelligent transportation systems, and that brings us to the second tower of our bridge, the National Information Infrastructure.

Earlier this year President Clinton signed our Telecommunications Act of 1996, which overhauled America's laws for wire and wireless communications for the first time since they were enacted six decades ago.

When the President signed this bill, he emphasized the links between the transportation and information-communications systems by using the same pen that President Eisenhower used to enact the Federal-Aid Highway Act 40 years ago. And the symbolic link is made even closer by the fact that the Federal-Aid Highway Act was managed in the Senate by Albert Gore, Sr., father of Vice President Gore, who was one of the leading advocates of the new telecommunications law.

And, in fact, the Telecommunications Act will have an impact on the country comparable to that of the Interstate Highways, or that of the economic deregulation of transportation that began under President Carter and has been completed by President Clinton.

The National Information Infrastructure is not new, of course: it's been a reality ever since the first telegraph wires were strung 150 years ago. It's been evolving ever since then with each new advance in technology, the telephone, radio, television, satellites, computers, in fact, the whole range of electronic equipment for information collection and dissemination.

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What's different today, and what the Telecommunications Act recognizes, is not only the accelerated speed of evolution but the growing recognition that these technologies can be integrated in ways in which the whole becomes more than the sum of the parts.

One of the ways that the Telecommunications Act is enabling the continued evolution of these technologies is by cutting layers of red tape and restrictions and ensuring that competition, and not regulation, will drive the future of telecommunications.

Reliance on the marketplace and its powerful incentives has unleashed enormous energy in the private sector, stimulating mergers and strategic partnerships between local and long-distance telephone providers, cable television companies, and others.

So what will the 1996 Act and its fast-paced changes in the telecommunications industry mean to those of us creating a transportation system for the 21st century?

The new competition and limited government regulations will benefit the intelligent transportation systems community by enabling more providers to offer existing and new services at lower cost. For example, state and local governments may no longer be required to lease circuits from local telephone monopolies, once national long-distance carriers move into local services. This will expand the options for those providing ITS services that require such circuits.

The Act will help to provide the bandwidth, the capacity for the transmission of information, that ITS requires, by increasing investment in fiber optic and wireless deployment. This also is going to result in more potential partners to deploy for ITS infrastructure. For example, local companies could bundle voice, data, and video capabilities to provide real-time information on traffic conditions.

The Telecommunications Act also exempts cable television providers from many regulations if they reserve a minimum of two-thirds of their capacity for open, unaffiliated programming. This capacity is a potential way to provide such customer-oriented services as traffic information.

The Act already has stimulated the creation of companies offering comprehensive communication services ranging from telephone to cable television to Internet access. Such services become the basis for the public to gain access to video, voice, and data traffic information services that ITS can generate. At the same time, these are resources which also can expand telecommuting's appeal as a transportation option, reducing congestion by reducing demand.

Let me now return to that other tower of our bridge, the Intermodal Surface Transportation Efficiency Act. ISTEA established the federal government's commitment to supporting intelligent transportation systems, to aiding in coordination and standard-setting, to

providing seed money for research, and to funding deployment through our existing federal-aid programs.

Many ITS technologies are already delivering benefits by increasing traffic flow, speeding emergency response times, and increasing effective roadway capacity. The future is even brighter.

Many of you know of Secretary Peña's Operation Timesaver, our effort to create a fully-deployed Intelligent Transportation Infrastructure in our 75 largest metropolitan areas within a decade, one that's going to cut travel times in those areas by 15 percent.

Our estimates also suggest that meeting this goal will also save money by creating two-thirds of the additional road capacity needed over the next decade at less than a quarter of the cost of new construction. Vehicles will be safer because they'll equipped with crash avoidance capabilities linked to an intelligent transportation infrastructure, and that could prevent a million crashes annually, saving lives and dollars. And if crashes do occur, another linkage could call for medical services quickly and precisely.

Motor carrier operations will be much more efficient because information on matters like vehicle weight, tax data, safety information, and driver credentials will permit clearance at statelines and other checkpoints without delay. These commercial vehicles will operate more efficiently because such productivity improvements as mobile communication systems and navigation and tracking systems will be linked via satellite.

Rural areas will benefit by everything from being able to provide tourists with real-time information on traffic and services to being able to precisely track snow plows.

Finally, ITS can benefit the environment and conserve energy in a cost-effective way by improving traffic flow and capacity without adding lanes or new roads.

It's clear that, given the limits we face, intelligent transportation systems will be critical to improved mobility in the future. If these systems are going to be ready when we need them, we're going to have to continue, and even accelerate, their development and deployment. That means applying them to our 160,000-mile National Highway System, and giving travelers real-time information on traffic conditions, construction, safe speeds based on actual conditions, and other factors.

It means making borders transparent and travel seamless, not only within the U.S. but internationally as well, ending costly delays and unnecessary stops through the use of electronic clearances.

It means making our metropolitan areas part of a network of ITS services that will benefit tourists, give real-time information and options to commuters, and help to end gridlock.

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And it means accelerating research on next-generation traffic management systems to improve the speed and effectiveness of emergency response.

The Telecommunications Act provides the means to make significant progress in achieving ISTEA's goal of improving the operation and management of our existing transportation system.

We in the transportation community will be addressing our nation's infrastructure needs, traditional and high-technology, during a period when the nation's information infrastructure will grow and change more rapidly than ever before.

It's vital that we link these transportation and information infrastructure initiatives now to maximize the benefits to both. The Information Superhighway shouldn't just run America's desktops. It should be connected to America's 200 million dashboards as well.

We also must establish other types of links that will be necessary, since the challenges to deployment aren't simply technical. If we're going to enable initiatives like traveler information and traffic management systems to work, we have to establish strong institutional connections among various jurisdictions, government agencies, and the private sector.

We also have to look at the financial side. Although ISTEA authorized a strong federal role, most of the actual deployment will have to be done through state and local governments and, especially, through the private sector. If we're going to attract investors to create and build systems that benefit the public, we have to ensure that they have the possibility of a sound return on their investment.

That means keeping an eye out for technologies that can provide revenue and make these systems profitable, even as the general public gains through less congestion and the other benefits I've described.

Our focus here, of course, is the National Information Infrastructure. Sparked by the deregulation and reform of America's telecommunications laws earlier this year, it's providing the enabling foundation to put ITS technologies in place faster, cheaper, and with even more focus on the customer.

It's up to us to make the most of the opportunities given us to create the transportation system's bridge to the 21st century. The continuing explosion of developments in the information, communication, and ITS arenas can at times be daunting. No one knows how all the pieces will fit together. The energies that have been released are enormous, the possibilities seem endless.

We need to recognize and promptly respond to the unique opportunities knocking at our door. Even though we can't clearly see the future, we can be clear about the transportation

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REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
ARRIVAL OF USCG CUTTER *LEGARE*
PORTSMOUTH, VIRGINIA
OCTOBER 2, 1997

(Introduction to be made by USCG Commander Paul Zukunf)

This is a memorable day for me, made all the more so by the dozen years I served in the Coast Guard Reserve. Now, I probably hold the record for the longest Coast Guard service without receiving a single decoration -- but those years of service gave me a deep respect for the courage and professionalism of the men and women of the Coast Guard.

That's why I'm honored that Admiral Rufe invited me to help the Coast Guard's 5th District -- and Mayor Holly and the Portsmouth community -- welcome home Captain Crowley and the crew of the *Legare*.

I'm also pleased to see Admiral Ed Barrett, whose maintenance and logistics teams keep our vessels shipshape -- seaworthy -- and ready for action.

And I want to thank Chief Petty Officer Douglas Rhodes and the U.S. Navy's Atlantic Fleet Band for joining us today.

This morning you've heard about the outstanding performance and the dedication to excellence shown by the *Legare*'s crew during its voyage, so I'd like to use my time to speak to the crew's families and friends.

This has been an unusually long deployment, and I know that it can't always have been easy -- not only for the crew, but for you as well. I want you to know that you have my gratitude -- and that of Secretary Slater -- for the sacrifices you've made -- to support this mission, and many others.

We've tried to ease the burdens created by long deployments, and we're going to continue those efforts. But you also should take special pride from the knowledge that the *Legare*'s mission was one of special importance to national security.

As we approach the 21st century, the nature of the Coast Guard's missions is evolving, and nowhere so much as in its role in the projection abroad of American presence.

The world is changing rapidly. We no longer have a bipolar world, but instead one which is far more complicated and -- in some ways -- potentially more dangerous.

Reflecting these conditions and Secretary Slater's commitment to a Department of Transportation that is "international in reach," the Coast Guard's role overseas is evolving to meet the demands of this new world, complementing the role played by the Navy.

The Coast Guard's global services, ranging from icebreaking in the Arctic to rescues in the Caribbean, have grown dramatically.

The Coast Guard has been invited to provide technical assistance, professional exchanges, and outreach to emerging nations around the globe, from the Caribbean to the Black Sea to the Baltic engaged in building their own navies. That's what the *Legare* has been doing for the past several months.

She, and the other Coast Guard vessels engaged in similar missions, have been welcomed warmly around the world.

Some of this warmth is due to the worldwide perception of the Coast Guard as an armed service whose mission is not limited to military defense but which also includes the preservation of life.

And much of the receptivity is because relatively few nations have blue water fleets. Their naval needs are similar to the duties carried out by the Coast Guard. Our Coast Guard is, in fact, their model for what a navy can and should be.

Helping these emerging nations to build navies dedicated to peaceful missions will be an increasingly important part of the Coast Guard's work.

That work will be based on America's commitment to humanitarian missions -- it will strengthen the developing links between us and these new states -- and -- with all due respect to our friends from the Navy -- it will further the Coast Guard's reputation as the world's premiere maritime service.

We look forward to the support of Congress and the American people as the Coast Guard fills this vital role in the 21st century, and we are working to assure that the Coast Guard will have the tools -- the new ships and the advanced technologies -- it needs to do that job effectively.

Today, you -- as the families and friends of the *Legare*'s crew -- should take pride in the missions they're carrying out -- missions which will help to ensure that this is a more peaceful, more secure world in the 21st century.

Now, I know that you and your family members aboard the *Legare* are looking forward to being reunited, so I'm going to follow President Franklin Roosevelt's advice to public speakers: be sincere -- be brief -- be seated.

On behalf of Secretary Slater and the entire Department of Transportation, let me close by saying to the men and women of the *Legare*: Bravo Zulu! And welcome home!

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REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
AASHTO ANNUAL MEETING -- *MISSION POSSIBLE:*
REAUTHORIZING ISTEA FOR THE 21ST CENTURY
BUFFALO, NEW YORK
OCTOBER 7, 1996

(Introduction to be made by AASHTO President William Burnett)

Thank you, Bill, for that introduction -- and for your leadership of AASHTO. I also want to acknowledge Congressman Jack Quinn, who's been a friend to the transportation community.

I'd like to begin by bringing you greetings from Secretary Peña, who appreciates the support you've offered him on so many occasions.

That support isn't new. AASHTO and its member states have been the federal government's partner in creating the transportation system America needs for three-quarters of a century.

This partnership has produced the best and largest nationwide road system in the world -- the Interstate Highways.

The Interstates and the other parts of the National Highway System are -- as we've said so often -- the backbone of America's intermodal transportation network. They keep America moving, and we're right to be proud of them.

Our action this year to endorse your proposed system of multi-modal connectors to the NHS only served to emphasize the relationship between highways and the other transportation modes.

We're looking forward to sustaining -- and expanding -- our partnership over the coming year -- a year which will be one of extraordinary importance for all of us.

It is the year during which we're going to reauthorize ISTEA. You -- more than anyone -- know that ISTEA, the most innovative and far-reaching highway and transit legislation ever, expires in less than a year.

We used to talk about ISTEA reauthorization in an almost apologetic tone -- as if it were way too early to even think about it.

I know that a few of you shook your heads when I spoke about this two years ago in Albuquerque, and wondered: *why is he talking about reauthorization <u>now</u>?*

Well, when you're talking about legislation the size and scope of ISTEA -- legislation that authorized more than $150 billion in programs and projects -- two years is a relatively short time and 358 days is practically tomorrow.

That's why I'd like to spend my time this morning talking about ISTEA and its reauthorization.

It's why -- at President Clinton's direction -- we've been thinking about what direction the federal government's role in surface transportation should take under ISTEA's successor.

I know you have been thinking about this too, and that there is as yet no consensus about direction.

We must be prepared to move quickly on re-enactment next year so that there's no lapse in authority, and no delay in the transportation programs that keep America moving.

Like the Year 2000 problem with America's computers, we don't want a Year 1997 problem that stops America's transportation system.

Despite the need for quick action, we must consider carefully the legislation which will take our highway, transit, and safety programs into the new millennium.

It's essential that we do so. As our national economy becomes more complex and more closely integrated -- and as the global economy becomes a reality and not just a buzzword -- a sound transportation system has never been more important.

Trade problems are no longer simple in today's world. A century ago, a transportation center like Buffalo performed simple functions like consolidating grain shipments for ocean carriage.

Today, every city can be the center of multi-national, multi-modal trade flows that can change at a moment's notice. sourcing decisions, production prices, exchange rates, and transportation costs drive ever-changing patterns of trade, and our transport system must be adaptive and flexible.

Even as our reliance on our transportation system increases, it faces severe challenges: growing travel demand -- inadequate capacity -- bottlenecks and poor connections between different forms of transportation -- and an aging and deteriorating infrastructure. You know these challenges as well as I.

And those who doubt them need only drive on a road or take a bus or a train in almost any city or state in America.

Here in Buffalo, New York -- a city -- and a state -- that have made a significant commitment to transportation improvements for all modes -- the rehabilitation of I-190 and widening of I-90 have been scaled back or deferred because of a lack of funding.

Rail service in the Empire Corridor is not at the speed or frequency we all believe that it should be for commercial success.

But what we see here in Buffalo is only a microcosm of what we see in the rest of the nation. I know that there's not one of you who hasn't been forced to delay or even kill an important project because of funding shortfalls.

It's clear that if we don't meet these challenges our transportation system won't be up to the efficient movement of people and products we need to be competitive.

That's going to slow economic growth and reduce our quality of life in the coming decades.

Transportation investment can be a productive component in national economic growth, and we need to make that point again and again.

For example, a new study we recently published established a strong link between good roads and economic performance.

It showed that -- during the 1980s -- highway investments contributed more than seven percent to annual productivity growth, and produced a net social rate of return of 16 percent on non-local roads -- significantly higher than the rate of return on private capital and the long-term interest rate.

These numbers, and others providing the basis of similar studies, show the importance of meeting the challenges I described earlier.

ISTEA was designed as a bipartisan response to give us the tools to meet them, and apply transportation investment as a tool to support a strong economy.

It redefined the federal role in surface transportation and generated resources for rebuilding the infrastructure our economy depends upon, while...

...ensuring a balance between our transportation system and our natural environment...

...improving transportation safety and preventing needless deaths and injuries...

...and developing new technologies that will increase our efficiency and global competitiveness.

ISTEA gave us the tools to do all of these things -- and President Clinton, with support from Congress, has pushed the envelope to take full advantage of these opportunities.

Over the past four years we have increased transportation infrastructure investment to its highest levels ever -- to more than $25 billion a year, compared to less than $18 billion at the beginning of the decade, before ISTEA was enacted.

The budget passed by Congress and signed by the President last week increases this amount yet again, to more than $26 billion in 1997 -- including over $20 billion for federal-aid highways.[1]

Under ISTEA the emphasis on transportation technology research and development has also increased.

That's helped us to launch the Intelligent Transportation Infrastructure and new and better ways to build roads and bridges -- advances like fiber composites and high-performance concrete to strengthen bridges and Superpave asphalt to support heavier loads and last longer.

The 1997 budget also moves forward on another ISTEA initiative: innovative financing strategies that leverage federal funding.

You've accepted our challenge to use these strategies as a way of cutting red tape to attract private sector investment and to speed projects up.

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[1] Federal-aid highway contract authority is indeed $21.961 billion in '97, up from $17.867 billion last year. However, I didn't want to emphasize the authority increase because much of it was the result of a statutory mandate (Section 1003) reducing the '96 authority. Instead, I've substituted the '97 obligation total ($20.137 billion), and cut references to a '97 highway funding increase.

35 of you have already taken advantage of these strategies to move ahead $4 billion worth of projects, and that's an accomplishment we're proud of.

This year's budget puts real money behind our proposal for state infrastructure banks, providing $150 million in new money to capitalize these institutions.

The budget legislation also lifts the limit on the number of banks, allowing all states to apply to use federal seed money to attract other public and private funds.

The budget also fully funds the President's request for a federal loan to the Alameda Corridor, the highway-rail project that's going to cut congestion and pollution from the operations of the Ports of Los Angeles and Long Beach.

As an example of leverage it's a real winner -- major national benefits will come from a $1.8 *billion* project with a direct federal payout of only $53 *million.*

We all know that ISTEA did more than increase federal funding and provide new ways of paying for projects, as important as these things are.

ISTEA also gave you far greater autonomy in how you use federal funds, and we've supported you as you've made the most of this new flexibility.

It's begun to level the playing field so that projects can be chosen on their merits, rather than on whether they happen to fall into some rigid category. Modal distinctions created at the beginning of this century ought not limit what we can do to meet our needs in the next century.

Our joint efforts have let you support projects such as carpool lanes, transit improvements, rail freight terminal projects, and other initiatives that make sense -- that you want and need in light of recent multi-modal transportation plans -- but which wouldn't have been eligible before.

For example, the Congestion Mitigation and Air Quality Improvement Program has paid for clean-fueled buses in Kenosha -- electric vehicles in Boston -- established the Clean Air Campaign in Phoenix -- and funded inspection and maintenance programs in Indiana.

Each of these is a contribution to the attainment and maintenance of the Clean Air Act's standards that we are all committed to meeting as a matter of health -- and as a matter of sound and balanced growth.

Intermodal projects in places like the intermodal centers in Stark County, Ohio and Blythe, California -- and innovations like the Red Hook container barge service in New York and the Columbia Slough bridge in Oregon wouldn't have been possible five years ago.

Now they're on the cutting edge of our efforts to support the changes we see in transportation logistics and keep our regions economically viable.

Other programs authorized by ISTEA and supported in the 1997 budget make possible the small-scale improvements in community life that people value.

Frankly, they also helped to build the constituency that made ISTEA possible in the first place -- and should support its re-enactment.

Programs like transportation enhancements, providing low-cost improvements such as bicycle and pedestrian ways.

The wildflower program, which is consistently praised from coast to coast for beautifying our highways.

And the National Scenic Byways program. Just three weeks ago we announced the first round of designations for the National Scenic Byways and the All-American Roads, and they'll not only protect parts of America's scenic and historic heritage but enable greater tourism for those areas.

ISTEA programs like these cost little but make a visible, much-appreciated difference in people's lives. That's an important factor when we ask their support for the resources we need.

ISTEA also revolutionized transportation decision-making, bringing new players into the process -- enabling them to choose the best solutions for their needs -- and breaking many of the logjams that traditionally blocked progress on more narrowly-constructed agendas.

The constructive engagement of traditional supporters of transportation investment -- such as state DOTs and motor carriers -- and new players, such as environmental groups and MPOs helped make ISTEA a reality in the first place, and is giving new vitality to transportation planning today.

Florida is undertaking an intermodal Major Investment Study for Miami that's going to improve connections between the various modes, and Maryland is promoting earlier analysis of environmental considerations in its study of Route 301.

This progress is the result of ISTEA -- and of *your* commitment to making new, inclusive processes work.

I want to say a word about that commitment. I know that there's been some concern about the regulations and processes that ISTEA's new programs have added.

Many of them are necessary in order to ensure that we're accountable for achieving the national goals that ISTEA set forth and for the wise expenditure of public funds.

Others are not, and we're weeding them out as part of the President's broader effort to streamline the regulatory process.

We're also acting to improve those processes that truly are necessary -- to make them simpler and less burdensome.

That's what we're doing through changes to the CMAQ program -- through revisions to the NEPA environmental review process -- through the STP simplification pilot program -- and through the transportation conformity pilot program.

These initiatives -- and others like them -- are making necessary processes simpler, and I want to thank you for working with us to make them work.

I hope that we can continue this particular partnership in the future, so that our regulatory and procedural processes accomplish what they need to without being burdensome.

Where changes in law are needed and can be accomplished without sacrificing key objectives, we will -- and have -- supported them.

I've spent quite a bit of time talking about ISTEA's successes, and -- having done so -- I hope I've made it clear that ISTEA *works*.

In most cases it's either already accomplished what its authors set out to do -- or has laid the foundation for future success -- a success which we hope next year's legislation will make possible.

I know that you're all curious about what we plan to include in our reauthorization proposal -- and, frankly, *so am I.*

I'll be honest by saying that we haven't made final decisions about what programs, principles, and funding levels should be included.

Nor have we fully engaged yet within the Administration. But that's not to say we've been ignoring the subject. Over the past year we've held 13 major outreach forums and met with close to a hundred focus groups to discuss ISTEA.

We've talked to literally thousands of people -- I can assure you that I haven't yet met the head of a State DOT or any of your staffers who hasn't offered me his or her ideas.

So we have a good sense of what state and local officials -- the transportation community -- and the general public think.

We're now in the process of distilling the input we've received, and formulating our proposal. I can assure you that, when it's ready, you'll be the first to hear.

Since I'm not prepared to discuss a proposal, I'd like to talk for a few minutes about something else -- the stakes in ISTEA's reauthorization.

No one here questions the need for sustained transportation investment. However, a lot of people -- including some in Congress -- don't share that view.

And that's not irrational. People look around and they see congested highways and deteriorating bridges and overaged buses -- but they also see closed health clinics and crowded schools and undermanned police forces.

A lot of these perfectly reasonable and civic-minded people make value judgments of how they want their tax dollars spent -- and transportation improvements aren't always at the top of the list.

In fact, as someone said the other day, we're too often 11th on the top 10 list of issues.

That can be especially true in an era of budget-cutting, when we can't always expect to have more resources than in the past -- or even to maintain today's levels.

That's why it's so necessary that we work together over the coming year.

I don't mean just those of us in this room, or our partners in Congress -- I also mean transit and air quality advocates, community improvement groups, MPOs and regional councils -- the whole range of people and organizations that came together to give us ISTEA, and whose support is necessary for reauthorization.

We've got to persuade them that we want reauthorization to carry forward the values that moved ISTEA -- values they share. If we don't, we're going to lose powerful allies.

It's important that we do more to link our concerns with issues of national significance.

If we can make those connections with economic efficiency -- with welfare reform -- with urban revitalization -- with the environment -- we can broaden the support for transportation. Otherwise, we risk being viewed as just another interest.

Let me also say that we can't allow ourselves to get caught up in the never-ending internecine wars over funding allocations and other matters.

I know that all of you have to go back to your Governors and legislatures and show that you've done all you could have for your state -- but we need to focus as well on the bottom line.

Realistically, most of these discussions are about how to allocate the last few percentage points of funds. These aren't differences that we should let divide us to the point where we are marginalized.

Nor should we allow ourselves to be tagged as simply interested in public works for public works' sake, or as advocates with policies aimed at handicapping their competition.

That's not the truth, and we shouldn't give the appearance that it is.

So, over the coming year, let's do two things as we work to reauthorize our highway, transit, and safety programs.

First, let's resolve our internal differences, and focus on what's important: showing the American people the vital role transportation plays in their lives and the threat that underinvestment poses -- and then offering them solutions that make sense -- solutions that balance sound policy and sound investment.

And second, let's maintain -- and even expand -- the unified constituency that gave us ISTEA in the first place -- reconciling our sometimes-conflicting agendas and building a broad-based consensus about the future of transportation in America.

As we move towards reauthorization -- it's vital -- whatever our views -- that we work together. In an age of competing demands for limited public funds, unity will be essential to ensuring that transportation investment receives the support it needs.

I know that all of you, as state officials and transportation professionals, will make your voices heard as we debate these issues over the coming year.

Together, we can put America's transportation systems on a sound footing for the 21st century, and make the future one our children and grandchildren can be proud of. Thank you, and best wishes for a successful conference.

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TALKING POINTS
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
BUFFALO FTA PLANNING GRANT
BUFFALO, NEW YORK
OCTOBER 7, 1996

(Introduction to be made by FTA Regional Administrator Thomas Ryan)

* Thank you, Tom, for that introduction -- and for your work in improving transit throughout New York State. I'd also like to thank County Executive Gorski -- Chairman Villani -- Mayor Masiello -- and Executive Director Swist for joining us.

* Let me start by bringing you congratulations from President Clinton and Secretary Peña for your success in creating one of America's cutting-edge, multi-modal transportation systems -- one that is taking advantage of new technologies like Global Positioning Satellite location systems.

* That success shows this region makes smart choices, and that's why this President has already awarded you more than $50 million to support mass transportation programs.

* Now we need to look to the future. We all know that the conventional answer to congestion -- expensive new highways -- doesn't always work, nor -- at up to $40 million a mile -- is it always affordable. Instead, we need to give people realistic alternatives to driving alone -- alternatives that make sense for busy lives in a more complex world -- multiple job holders in families, multiple job locations, and the like.

* That means services like your MetroRail and MetroBus. They -- and other alternatives to the single-occupant vehicle -- are the last line of defense against smog and gridlock -- they're taking thousands of cars off the roads every day -- and they're helping to revitalize the area around a strong core.

* However, as this region continues to grow, you need to determine how best to continue meeting its mobility needs. That's why we're awarding the Niagara Frontier Transportation Authority $560,000 to decide which transportation alternatives will be the best choices for the 21st century.

* Regardless of what specific strategies this study identifies as making the most sense, this is a win-win proposition, and it's clear who the winners will be: the people of this region, who will have better transportation and more economic growth -- without congestion and pollution.

* We're proud to have been your partners in making this one of America's most innovative transit centers, and we look forward to continuing that partnership. That's powerful evidence President Clinton believes that -- when it comes to transportation -- Buffalo is on the right track.

* Now, on the President's behalf, I'd like to present this check for $560,000 to Rick Swist. Administrator Ryan -- Executive Gorski -- Chairman Villani -- Mayor Masiello -- would you join us...?

# # # # #

DEPUTY SECRETARY
PROPOSED TALKING POINTS
DOT SENIOR STAFF MEETING
October 14, 1997

- TODAY, AS PART OF OUR INTERMODAL SESSION, I HAVE ASKED THE DEPARTMENT'S RESEARCH AND DEVELOPMENT COMMUNITY TO PROVIDE AN OVERVIEW OF THE DEPARTMENT'S R&D PRIORITIES FOR FISCAL YEAR 1999. *(YOU MAY WANT TO HAVE THEM INTRODUCE THEMSELVES.)*

- THIS GROUP OF EXPERTS HAS BEEN WORKING DILIGENTLY OVER THE LAST YEAR AS PART OF THE DEPARTMENT'S RESEARCH AND TECHNOLOGY COORDINATING COUNCIL AND THE BROADER INTERAGENCY SCIENCE AND TECHNOLOGY POLICY AND PLANNING FORUM--THE NATIONAL SCIENCE AND TECHNOLOGY COUNCIL COMMITTEE ON TRANSPORTATION R&D--TO DEFINE A FORWARD LOOKING R&D AGENDA FOR THE PRESIDENT AND SECRETARY IN ADDRESSING NATIONAL TRANSPORTATION GOALS.

- THEY HAVE RISEN TO THE CHALLENGES THAT HAVE BEEN POSED BY THE PRESIDENT AND THE SECRETARY AND HAVE MADE MAJOR CHANGES TO NOT ONLY THE FOCUS OF THE DEPARTMENT'S RESEARCH BUT ALSO HOW WE PERFORM IT. THEY ARE TO BE COMMENDED.

- BEFORE I TURN THE BRIEFING OVER TO FENTON CAREY, I WOULD LIKE TO TAKE A MOMENT TO DESCRIBE WHAT THE SECRETARY AND I ARE ATTEMPTING TO ACHIEVE.

- IN THE PAST, THE DEPARTMENT'S RESEARCH AND DEVELOPMENT ACTIVITIES HAVE FOCUSED ON MODAL NEEDS AND THE SHORT TERM. THE ACTIVITIES HAVE TENDED NOT TO:
  - ADDRESS TRANSPORTATION SYSTEM-LEVEL NEEDS;
  - TAKE FULL ADVANTAGE OF THE SYNERGIES POSSIBLE BY COLLABORATING WITH OTHER GOVERNMENT AGENCIES AND THE PRIVATE SECTOR; AND
  - TAKE A LONG-RANGE PERSPECTIVE.

- WITH THE SUPPORT OF THE PRESIDENT, THE SECRETARY AND I HAVE BEEN GIVEN AN OPPORTUNITY TO CREATE A STRATEGIC PLANNING PROCESS FOR TRANSPORTATION R&D FOR THE FEDERAL GOVERNMENT. THIS PROCESS WILL ENABLE THE FEDERAL GOVERNMENT AND, IN PARTICULAR, THE DEPARTMENT TO TAKE A LEADERSHIP ROLE IN ESTABLISHING AN AGGRESSIVE, FORWARD-LOOKING AND INTEGRATED TRANSPORTATION R&D AGENDA FOR THE NATION.

- FENTON IS HANDING OUT AN OVERVIEW OF THAT PROCESS. IN A MOMENT, I WILL HAVE FENTON BRIEFLY DESCRIBE IT TO YOU. WHAT YOU WILL NOTICE IS THAT IN FISCAL YEAR 1996, THE FEDERAL GOVERNMENT DID NOT HAVE A STRATEGIC PLANNING PROCESS FOR TRANSPORTATION R&D.

- STARTING THIS FISCAL YEAR, WE HAVE INITIATED A STREAMLINED PROCESS THAT WILL HELP THE PRESIDENT AND THE SECRETARY SELECT R&D PRIORITIES THAT:
  - ADDRESS NATIONAL TRANSPORTATION NEEDS
  - FOSTER PRIVATE-PUBLIC PARTNERSHIPS,
  - SPUR INNOVATION,
  - STRENGTHEN THE NATION'S TRANSPORTATION RESEARCH AND EDUCATION BASE, AND,
  - HAVE A MEASURABLE IMPACT ON THE TRANSPORTATION SYSTEM PERFORMANCE.

- TO HELP US DEFINE AN EFFECTIVE AND EFFICIENT PROCESS, WE CALLED UPON THE NATIONAL RESEARCH COUNCIL IN JANUARY OF THIS YEAR TO ESTABLISH A COMMITTEE ON THE FEDERAL TRANSPORTATION R&D STRATEGIC PLANNING PROCESS. THE PURPOSE OF THE COMMITTEE IS TO REVIEW THE NSTC TRANSPORTATION S&T STRATEGY, ON WHICH YOU WERE BRIEFED IN JANUARY, AND THE OVERALL FEDERAL STRATEGIC PLANNING PROCESS FOR TRANSPORTATION R&D.

- THE COMMITTEE WAS CHAIRED BY DR. NORM ABRAMSON, FORMER SENIOR VICE PRESIDENT AT SOUTHWEST RESEARCH INSTITUTE, AND COMPRISED OF MANY DISTINGUISHED MEMBERS REPRESENTING ALL MODES OF THE TRANSPORTATION INDUSTRY.

- THE COMMITTEE'S FIRST LETTER REPORT WAS RELEASED ON SEPTEMBER 4 TO DR. JACK GIBBONS, THE PRESIDENTS SCIENCE ADVISOR, AND THE NSTC TRANSPORTATION R&D COMMITTEE OF WHICH YOU ARE MEMBERS. IF YOU HAVE NOT RECEIVED A COPY PLEASE LET FENTON KNOW.

- DR. GIBBONS' OFFICE HAS SENT COPIES OF THE REPORT TO OUR HOUSE AND SENATE COMMITTEES, SO YOU SHOULD BE AWARE OF IT.

- UNLESS THERE ARE ANY QUESTIONS, I WOULD LIKE TO TURN THE BRIEFING OVER TO FENTON CAREY.

Remarks Prepared For
Mortimer Downey
Deputy Secretary of Transportation
For
"High Speed Rail Day"
Washington D.C.

Wednesday, October 15, 1997

Good afternoon ladies and gentlemen and welcome to the Department of Transportation's High Speed Rail Day.

We are holding this event so that those of us who may not be familiar with the potential of high speed rail can learn more about it and meet some of the people involved in high speed rail development.

Indeed, we in the Department are accustomed to seeing this courtyard full of displays of the automobiles of tomorrow, intelligent highways, air traffic control concepts, and the like.

Sometimes we have exhibited a railroad project or a display telling us what is going on in the railroad industry, but, to my knowledge, this is the first event here in the courtyard exclusively on high speed rail.

Today's exhibits emphasize the fact that many of these projects are here and now, close to becoming realities, with significant support from State DOT's, State legislatures, major suppliers, and the public at large. High speed rail's potential is recognized in our NEXTEA reauthorization proposal now being worked on in Congress.

Let me quickly run through the five different exhibits that are here today.

FRA's own exhibit provides an overview that covers some of the technological improvements for upgrading existing rail lines, a map showing the corridors where planning and construction is taking place, and a review of the three generic classes of high speed ground transportation technology.

Starting at the high end, we have 300 mph magnetic levitation, or maglev, which is not represented in the exhibits here. A number of States are interested in building maglev pilot projects to demonstrate the technology.

Next, we have 200 mph high speed rail running primarily on newly built exclusive guideways, as exemplified by France's TGV, Germany's ICE, and Japan's Shinkansen. The FOX project in Florida would use this concept.

Finally, we have the upgrade of existing lines ,which FRA has called "Accelerail," reaching speeds of between 125 and 150 mph.

Most of the projects in the U.S. involve this last concept.

You will want to drop in on the AMTRAK exhibit, which will give you a sense of the train service you will be seeing in the Northeast Corridor in 1999.

problems the country faces, the stakes involved, what's been accomplished, and what must be done to achieve more.

ISTEA and the Telecommunication Acts have set the course. We need to pick up the pace, build on our successes, and make the right choices. I know that, under the leadership of President Clinton and Vice President Gore, we at the federal level will do our part.

We look forward to working with Congress, with our state and local partners, and with the private sector to realizing the potential of intelligent transportation systems, here and around the world.

During your sessions over the next couple of days you're going to be focusing on the policy-making aspects of ITS. As you do so, I hope you'll make progress in collaborating on standards, moving towards an agreement on an architecture that permits interoperability without sacrificing flexibility, and increasing sharing of research results.

The prize for success will be a journey, a journey to the transportation system of the 21st century. That journey will be more exciting than any trip we've ever taken, and I look forward to taking it with you. Thank you.

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(In his remarks the Deputy Secretary referred to U.S. Secretary of Transportation Federico Peña; to ITS America President James Constantino; to T. Russell Shields, Chair, Board of Directors, World Congress on Intelligent Transport Systems; to Robert L. Darbelnet, President and Chief Executive Officer, American Automobile Association and Chair, World Congress on Intelligent Transport Systems; to Michael Lowry, Minister for Transport, Energy and Communications, Ireland, and President of the European Council; to Katsuhiro Nakagawa, Director General, Ministry of International Trade and Industry, Japan; to U.S. Senator Albert Gore, Sr.)

The two main components behind that service are:

Electrification of the railroad between New Haven and Boston

New trains capable of running at 150 mph

Be sure to visit the Talgo exhibit. Talgo is a train with tilt technology imported from Spain now running between Portland and Seattle. The State of Washington is purchasing two Talgo trains. Final assembly of these trains will be performed in Seattle by PACIFICA Inc., owned and operated by the International Association of Machinists and Aerospace Workers.

Go and talk to the folks at the North Carolina DOT exhibit, which explains how they are examining all the grade crossings in their high speed corridor and deciding on the proper innovative treatment to maximize the safety of the entire corridor.

Finally, at the FOX exhibit, you will see how the State of Florida has committed $70 million per year for 40 years to support a public/private partnership to develop a train service linking Miami, Orlando, and Tampa at speeds up to 200 mph.

I want to thank the exhibitors for coming here and thank you all for coming. Enjoy your tour of high speed rail in the U.S.

We are also privileged to have with us Jolene Molitoris, the Federal Railroad Administrator, who will speak to you about FRA's role in making high speed rail a reality in this country.

Thank you.

10/14/97 final draft #3

PREPARED REMARKS FOR MORTIMER L. DOWNEY
DELIVERY AT THE 4TH WORLD CONGRESS ON ITS
OPENING SESSION, TUESDAY, OCTOBER 21, 1997
10:00 AM - 11:45 AM
BERLIN, GERMANY

Good morning. I am Mortimer Downey, Deputy Secretary for the United States Department of Transportation.

I am pleased to be here among colleagues and Intelligent Transportation System (ITS) professionals. We have the opportunity in the coming days to examine and define the future of safe and efficient transportation. At the end of this conference, I hope we will have a better understanding of what is necessary to achieve success in making ITS a global system.

Let me give you a brief summary of the United States Government's efforts to encourage the development and implementation of ITS solutions.

For a number of years, American industry and government have conducted research on technological solutions to transportation problems. The nation's focus sharpened in 1991 with the passage of landmark transportation legislation.

"ISTEA," as we call our Intermodal Surface Transportation Efficiency Act, opened the door for government to move into ITS as part of the nation's broad intelligent transportation system research, development, and deployment mission.

We have just concluded six years under the ISTEA framework -- seeking to be more intermodal, more efficient, and safer. This has been a valuable learning process.

The most significant lesson we've learned is an obvious one. We know that we must put the infrastructure in place before we can do the more sophisticated applications.

Therefore, we selected 3 infrastructure areas to focus our future work. The first is our cities -- for them, we are developing an intermodal, metropolitan transportation management and information-enabling infrastructure.

The second sector is our rural regions, for which we are developing safety and efficiency applications. Lastly, we identified a need for intelligent technologies to support and improve the safety regulation and credentialling of our commercial vehicles.

With this framework in place, pilot programs could be mounted to demonstrate technology and deploy infrastructure. In 1996, the world watched as Atlanta hosted an international community of Olympic athletes and spectators.

Our guests were welcomed with Southern hospitality and with an ITS-based traffic management system. We witnessed a success in people-moving, as crowds were anticipated and transported to hotels, sporting events, and major transportation centers.

We look forward to improving on this success when we host the Winter Olympics in Salt Lake City, Utah in 2002.

Similar model deployment initiatives have now been launched in 4 metropolitan areas and for 6 commercial vehicle operations, and we set a broader national goal to implement the intelligent transportation systems infrastructure in all 75 major metropolitan areas across the United States within a decade -- to save time, to save lives, and to improve the quality of life.

There are impediments to our progress. These include what we call "Stovepiped" systems -- the isolated deployment of individual, non-standardized systems.

Overcoming this lack of standards is important for overall success. We also need to develop the skilled professionals and the organizational capacity that can handle the level of research and deployment necessary to support the ITS infrastructure.

Our strategy to combat these challenges is to emphasize integration. We have proposed deployment incentives, including special financing, that is focused on integration.

We are facilitating the development of standards, and we support institutions and programs to provide training, guidance, and assistance.

As you all know, there is a second element which is equally important for achieving a fully integrated intelligent transportation system. To round out our activities in ITS, we are encouraging accelerated development and application of vehicle-based technologies.

Through swift deployment of proven integrated systems to help drivers operate more safely and effectively, we can reduce crashes, fatalities, and the associated healthcare and societal costs.

A recent conference and demonstration event marked our country's gains in these areas. This summer, the successful public/private partnership which has collaborated on developing an Automated Highway System held a major public event to demonstrate their progress after three years of working together.

"Demo '97" was a national sensation. Over 3,500 people attended, riding 21 automated vehicles and covering a combined 10,000 automated miles.

Print media and television reporters helped to teach the rest of the American public about automated technology and ITS. I'm sure many in this room participated and shared our sense of excitement.

Through Demo 97, members of local, state and federal government joined the media, research and development companies, the automobile industry and the general public in learning about a future that is within our reach.

You had to see it to believe it -- a survey of those who rode on the automated vehicles showed that 98 percent of the riders believe the automated highway technologies can help improve highway safety. 87 percent feel these technologies will help reduce traffic congestion.

Our greatest hopes will be realized as the building block technologies that went into this demonstration lead to advancements in the vehicles we drive in the future.

To get to that vision, however, we again need to develop the foundation.

And so we are starting on an incremental path towards our goal, developing in-vehicle technologies that will take us toward realistic targets. We have found collaborative public/private partnerships to be the most effective work arrangement for vehicle-based technology research.

Together with industry, academia, and state and local government, we will continue to develop technologies for a variety of vehicle platforms in all modes of transportation.

But as with the infrastructure initiatives, we face obstacles in our path toward intelligent vehicles. To move forward, we must find a way to resolve the regulatory and liability issues that can stand in the way of progress.

We are hopeful that with step-by-step advancement, short-term gains in safety and efficiency, collaborative partnerships with the private sector, and technologies that can be applied on a diverse range of platforms, we can ultimately achieve our long-term goals.

This fall, and for the next several months, the U.S. Congress will make decisions affecting the future of the ITS program.

While ITS has many supporters in government, there are hundreds of other programs which compete for the federal dollar.

President Clinton has requested over $600 million for the next six years to enable us to move forward in deploying traffic management systems and other new ITS technologies around the country. With another $678 million requested for crucial research, we will continue to help solve the issues that arise as we move farther into a brave new world.

Furthermore, we want to clarify the eligibility of ITS for regular federal transportation funds to give states and localities to the widest possible scope of resources for ITS activities. We look forward to six more years of Congressional support for the ITS program and the initial indication from Congress is that we will receive it.

The President and the Secretary have made safety one of the highest priorities of our nation. ITS is a key solution to achieving safer transportation of people and products. Whether the technology alerts a bus driver to a child in the vehicle's path, or enables us to provide better monitoring and safer delivery of hazardous materials, these advancements serve the goal of improving the protection of our citizens.

Last year, the World Health Organization released a study on "The Global Burden of Disease," conducted by The Harvard School of Public Health. This summary report assessed worldwide mortality and disability from disease, injury and risk factors for 1990 and predicted a baseline scenario for the year 2020.

The study found that death and injury from road traffic accidents would rise from being the ninth greatest burden in 1990, to being the third highest burden in 2020 -- only heart disease and mental depression are predicted to rank higher.

The study also showed that in 1990, road traffic accidents prematurely killed or injured more men aged 15 to 44 around the world than any other disease, injury or risk factor. The study notes a lack of previous attention by public health specialists toward this issue in developing regions.

This World Congress provides an opportunity to respond to that study, to demonstrate that the world's policy makers are focusing on road traffic accidents with a level of scrutiny and concern equalling that given to other major threats to global public health. We can and should take the responsibility for changing the long term prediction for death and injury by traffic accidents.

When we return to our respective countries, we should bring back a message to the auto manufacturers, the transportation industry, and to our governing bodies to join in an aggressive fight against the cause of so much injury and loss of life.

I look forward to the good work we have ahead of us and hope with each annual Congress we can report real change and improvements in our global transportation system.

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7.22

REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
AMERICAN CHAMBER OF COMMERCE
BERLIN, GERMANY
OCTOBER 22, 1997

Thank you very much.

Whenever I travel overseas, I make it a point to meet with the local American Chamber of Commerce. You are on the cutting edge of that global economy we keep talking about. So I look forward to hearing what's on your minds and how we might be able to help.

I'm especially honored to be here in Berlin where the American Chamber was founded at the turn of the century.

Your work here is critical to the success of U.S.-German ... and U.S.-European Union ... commercial relations. I want to thank all of you for the energy and resources you've devoted to cementing our trade and investment ties.

This transatlantic relationship is the world's most important. Our continuous pursuit of democratic values and free markets and the rule of law are a beacon for the rest of the world. And the end of the Cold War has produced a blossoming of these principles we so cherish across the globe, from Eastern Europe to Africa to Asia to Latin America.

President Clinton ... whose government is working hard in many ways to enhance the relationship ... has said that Europe is "our most valued partner." And this is especially so when it comes to economics.

Trade between America and Europe remains strong as ever. Europe is our biggest customer, buying $1 trillion of American goods and services every year. Europe accounts for half of American global business activity ... which is twice the size of the Canadian and Japanese markets combined.

And the relationship is balanced. Three million Americans work for European companies in the United States while the same number of Europeans work for American-owned firms here. Our exports and imports are roughly equal. No big trade deficits like what we have with Asian economies.

All this is significant. It means prosperity and security. It means millions of good jobs, high-paying jobs, and higher standards of living for people on both sides of the Atlantic.

And U.S. German ties are the keystone. We are the world's two largest exporters. We support over half a million jobs. Two-way trade hit a record $62 billion last year. And investments totaled $90 billion.

This hasn't been lost on government officials. We keep working to make our markets more open and free-flowing.

In transportation, I am so very proud of our Open Skies treaty in aviation with Germany. Germany's transportation officials and airline executives are forward looking and ready to convert their practices to those that will be actually beneficial in the 21st Century.

It has been our pleasure to work with them. With our German agreement, 40 percent of the European market is now open. And I believe it will lead to the opening of all of Europe.

Let me explain. Between 1992 and 1996, the transatlantic air traffic between Open Skies countries leaped 35 percent. But traffic grew just 3 percent in other European markets.

In Amsterdam, under Open Skies, connecting flights were up an unbelievable 500 percent in four years. But in Paris, where we don't have a treaty, they declined 16 percent.

What does this mean for airlines? More passengers and more profits. And for consumers it means lower prices and better service.

Open markets are indeed important. Some 40 percent of all world trade ... in terms of value ... is transported by air. Keeping these markets open and liberalizing those that are closed is vitally important to the prosperity of America and our trading partners. Lower prices and more service is where we want to go.

And let me be clear that this is where things are headed. Aviation will be the mass transit of the next century. Virtually every expanding economy is beefing up airport capacity. In America alone, 600 million people fly every year. In a dozen years, the number will explode to one billion.

As all of you can confirm, the global economy many say is coming is already here.

Trade accounts for twice as much economic activity as it did 25 years ago. It has fueled the phenomenal growth in America over the last five years. And it supports some 12 million jobs back home, and this number is rising rapidly. And these are good, high-paying jobs.

So now that we've put our fiscal house in order by adopting the plan that will balance the U.S. budget, President Clinton ... and all in his government ... have put trade and global investment at the top of the economic agenda.

To date we've negotiated more than 200 trade agreements ... including 25 Open Skies treaties, NAFTA , and the Uruguay Round of talks. We've reached free trade and investment commitments in the Asia-Pacific region and across the Americas. Here in Europe, we are pushing to expand our economic ties through the Transatlantic Business Dialogue.

And we're not about to stop there. As President Clinton has said, we are determined to keep our economy growing.

That is why he has asked Congress to renew his authority to freely negotiate new trade agreements. The President needs this so-called "fast-track" authority to negotiate new agreements that will tear down barriers to American exports, create more markets for your goods and services, and create more jobs back home.

Now I don't think I need to do a hard sell with this group, but let me highlight a couple examples of what we're trying to do.

In agricultural markets, American farmers are by far the most productive. But in many markets around the world, they face tariffs as high as 100 percent. So to gain better access to this $500 billion market, we need fast-track negotiating authority.

We want to stop the rip-off of billions of dollars worth of illegally copied American products. I think others would benefit from joining us in this effort. But for us to protect our intellectual property, we must have fast-track authority.

Trillions of dollars will be spent on infrastructure to support the modern economy ... from information systems to transportation to environmental technology. But for America to be able to compete on a level playing field, we must have fast-track.

So if we fail to pull down the walls that block free and fair trade, our services will be sold in fewer markets and our products will cost more because of higher tariffs. And this will slow the American economy and cost all of us.

So it is vitally important that Congress give President Clinton this trade tool, which every President for the past two decades has had and used to benefit the people of the United States. Without fast track, America will be alone. But with it, we can lead, as we should.

In closing, I'd like to make two points about why I'm in Berlin.

As some of you may know, I'm here to attend the fourth annual World Congress on Intelligent Transportation Systems.

These are the systems that enable trains to run without drivers, and that direct highway traffic using video cameras and centralized traffic light controls.

And my message at yesterday's opening session was, first, we must move as quickly as we can in deploying these new systems around the world.

To keep our economies competitive in this era of growth, the transportation systems of tomorrow must be international in reach and intelligent in character. They must be safe and efficient. And the best way to do this is by using these many intelligent systems we've been developing in recent years ... like an automated highway project we're testing out in California, where the car is in charge of the driver.

And the second point I made was improving highway safety.

In 20 years, according to the World Health Organization, traffic accidents will be the third biggest cause of death and health problems, after heart disease and mental depression. Among men under the age of 44, they already are the greatest health risk.

So I believe it is incumbent on our industry, the transportation industry, and public leaders to join in an aggressive fight against this cause of so much injury and loss of life.

And I hope all of you ... even if you're not in this industry ... will join us in this battle.

Thank you very much.

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PREPARED REMARKS FOR MORTIMER L. DOWNEY
DELIVERY AT THE 4TH WORLD CONGRESS ON ITS
EXECUTIVE SESSION #4: WEDNESDAY, OCTOBER 22, 1997
11:00 A.M. - 12:30 P.M.
INCREASING SAFETY

Good morning. I am Mortimer Downey, Deputy Secretary of the United States Department of Transportation. Thank you for choosing executive session #4: ITS - Increasing Safety. This subject is near and dear to my heart, as it is to the other members of this panel, which, I will introduce in just a minute.

Before we get started with the session and speakers, I would like to put our discussion in the context of the United States Department of Transportation's number one priority -- safety.

Secretary of Transportation Rodney Slater has recently noted that, "we can look to information and communication technologies, intelligent transportation systems, and other new and improved technologies" to transform the safety, efficiency and environmental soundness of travel in the future. And there is a good reason why we need to do just that.

Let me share with you some safety statistics. In 1995, U.S. motor vehicle crashes were the leading cause of death for persons 5 through 27!

There were 9 million motor vehicle crashes, 3 million injured and nearly 42,000 Americans killed. While cancer and heart disease take more lives, victims of motor vehicle crashes tend to be younger.

As a result, the lost years of productive life due to car crashes equals that from cancer or heart disease. U.S. motor vehicle crashes are a cost to society of $150 billion each year ! ! !

In the past, a major focus of motor vehicle safety efforts has been on protecting vehicle occupants, for example, through seatbelts, airbags, and bumper and side-impact standards and on making highways themselves safer, with crash barriers, wider shoulders and the like. Now more than ever, the focus is moving toward preventing accidents altogether.

If we can prevent the crash from ever occurring, obviously the fatalities, injuries, property damage, and travel delays will not occur. Preventing accidents requires enhancing drivers' performance, both through technology and through education and enforcement. We also can use technology to improve substantially on response capability to the crashes that do occur.

As you know, intelligent transportation systems include the emerging technologies to do this, including crash warning and avoidance systems, emergency response systems, automatic vehicle locators, video enforcement and vision enhancement.

As the population grows older, we will all need measures that can improve the driver's vision of roadways at night and during inclement weather. Our new "intelligent vehicle initiative" --or IVI -- will integrate many of these technologies within the vehicle so that they are a help, not a distraction, to the driver.

Today, ITS technologies are making it easier for emergency response teams to locate incidents and reach victims quickly, dramatically improving the chances of survival. ITS technologies are also helping improve safety in the trucking industry, through on-board safety systems, along with electronic clearance and automated roadside safety inspections.

The "potential" benefits of deployment of these systems are substantial. We estimate a potential 34 percent reduction in fatal crashes, 24 percent reduction in injury crashes, and 50 to 60 percent reduction in accident- related traffic delays. Technology application is vital to improve safety while allowing for smoother, more efficient travel.

Before I get too carried away, let me frame our session and introduce our speakers. We intend to answer questions such as the following:

- How can the institutional/liability issue, not become a potential barrier to the accident-avoiding technologies?

- What safety improvements does ITS provide for vulnerable and disadvantaged road-users (e.g. aging population, pedestrians and cyclists)?

- Will Public Authorities embrace the safety advantages of Mayday services (emergency)?

- What is the safety impact of new signaling technologies?

Our first speaker is Detlev Frank, Director of Research and Development, BMW AG, Germany. Detlev.....

Thank you, Detlev. Our next speaker is Claes Tingvall, Director of Road Safety, Ministry of Transport, Sweden. Claes.....

Thank you Claes. Our next speaker is Phillip Recht, Deputy Administrator, National Highway Traffic Safety Administration, United States Department of Transportation. Phil.....

Thank you Phil. Our next speaker is Eugene Farber, Manager, IVHS Safety and Regulatory, Ford Motor Company, United States. Eugene.....

Thank you Eugene. Our final speaker is Gandhi Harahap, Director, Urban Road Development, Ministry of Public Works, Indonesia.
Gandhi.....

Thank you Gandhi.

We have a little time left for questions.....

Once again thank you for choosing this session. Enjoy the rest of the conference.

SUMMARIZE REMARKS

# # # #

MD -- Talking points for Moscow Amcham -- 10/23/97
draft 1 -- (by Scott)

- Thank you very much. Honored to be here. Always make it a point to meet with American Chamber of Commerce whenever I travel overseas. No long speeches, just a few comments before we begin our discussions.

- Productive meetings with Russian highway officials, others. (Note: briefly tell why you are in Moscow and how your meetings went.)

- Back home, the transportation agenda is very full.

- Working with the Congress to renew our programs, highway, transit, rail, safety, environment. $175 billion, 6 year program offered by President Clinton. 11 percent increase in funding.

- Biggest debate is shaping up over how much to spend. Many in Congress want to spend more. Possible budget surplus next year.

- Infrastructure as you know is the backbone of any economy. So we're committed to maintaining what we have and expanding where we need to.

- Transportation systems for the 21st century must be international in reach, intermodal in form, intelligent in character, and inclusive in service.

- Let me focus on intermodal. Key to the future. Must interconnect our 'stovepiped' systems ... ports ... airports ... roads ... rails. I was just in Berlin at a conference to see how we can connect our systems and make them more efficient using 'intelligent' technologies.

- We're doing it successfully in Los Angeles and Seattle-Tacoma. In Washington, we've only just done it by connecting our Metro subway with National Airport. (Washington bureaucrats can be a little slow in advancing the ball, but this one we got right.)

- Also, for the first time, we're asking Congress to allow ports to use federal money to finance intermodal freight terminals and land access to water ports.

- Finally, aviation. Very important to U.S. 600 million passengers today, a billion in a dozen years. Updating FAA's air traffic control system, including GPS. Spending $1.5 billion a year on airport expansion and maintenance. 25 Open Skies agreements (40 percent of European skies now 'open' to competition.)

# # #

TOAST PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
MINISTRY OF TRANSPORT DINNER
MOSCOW, RUSSIA
OCTOBER 24, 1997

When President Clinton came here in 1995 to join you in celebrating the 50th anniversary of the end of World War II, he recalled how Russian soldiers -- moving across Germany from the East -- and United States soldiers -- pushing from the West -- finally met at midpoint. They embraced in triumph.

"The Americans did not speak Russian, and the Russians did not speak English, but they shared a language of joy," President Clinton said.

Tonight the United States and Russia share many common languages. We share a language of progress, a language of determination and spirit, and a language of tremendous hope for the future of both countries. Much of that hope rests in Russia -- as it does in the United States -- in the development of our national transportation systems to carry our products to market and our people to new, unprecedented opportunities and do it safely.

I've seen enough in my brief visit to say with great confidence that with each completion of each new transportation facility in Russia -- whether it's the Far East highway or air traffic control improvements -- will come economic gains and personal growth. That has been our experience in the United States -- I am sure it will be your experience in Russia.

And tonight I honor the Russian transportation officials who have been my hosts and hostesses. They have given me tremendous insight. I honor them for their knowledge, leadership and their grace and generous hospitality. I raise my glass to your future success in making Russian transportation ever better.

Za-vasha Str-vee-ya -- to your health.

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Final 7.18

REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
GARRETT A. MORGAN TECHNOLOGY AND TRANSPORTATION FUTURES PROGRAM ROUNDTABLE
WASHINGTON, D.C.
OCTOBER 30, 1997

Good morning. I'm Deputy Secretary of Transportation Mortimer Downey, and I'd like to welcome you to the Garrett A. Morgan Technology and Transportation Futures Program Roundtable.

Secretary Slater and I are pleased that we're joined by distinguished guests, including Secretary of Education Richard Riley -- Deputy Secretary of Labor Kitty Higgins -- Phil Condit, the Chairman of Boeing Company -- and Michael Starnes, Chairman of the U.S. Chamber of Commerce and owner of MS Carriers.

An impetus for the Garrett Morgan program came last year, when all of us in DOT were involved in the creation of President Clinton's proposal to reauthorize federal transportation programs.

Part of this preparation involved traveling the country meeting with transportation officials, business professionals, and others to talk about what was most needed for the transportation systems of the 21st century.

The answer shouldn't have surprised us: it wasn't new technologies, or more money, or any of the other important things you'd expect.

Instead, what we heard was that the key need was *people* -- or, to be more specific, well-educated, well-trained people who can help to design, build, operate, and maintain the advanced transportation systems we'll need for economic success.

What the Secretary heard helped to inspire this new education initiative, the Garrett Morgan program.

It's appropriate that this technology education program, which may make a greater difference in the lives of our children than any of our other initiatives -- is named after the man who was truly the grandfather of transportation technology -- the man who invented the automated traffic signal -- Garrett Morgan.

This new initiative will challenge at least one million students to develop their math, science, and technology skills to prepare for careers in transportation, and it will foster lifetime learning.

Today, we want to identify existing and new opportunities to build partnerships between the transportation, education, business, and labor communities to ensure that we have a workforce that's ready for the 21st century -- and to create opportunity for the next generation of Americans.

We looking forward to your help and your ideas to make the Garrett Morgan program a continuing reality throughout America.

So, I'd like to begin this morning's program by introducing Rodney Slater, the Secretary of Transportation...

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7.17

REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
FORUM ON INTERMODAL FREIGHT TRANSPORT POLICIES
OCTOBER 30, 1997
WASHINGTON, D.C.

(Introduction to be made by Damian Kulash of the Eno Transportation Foundation)

Good evening. I want to start by thanking you, Damian, and the Eno Transportation Foundation for hosting this forum, and for inviting me to speak.

The Eno Foundation has long been a leader in developing transportation policy here in the U.S., and I'm glad to see your growing involvement in international issues. All of us have to be global in outlook if we're going to be relevant and successful in the 21st century's economy.

On behalf of Secretary Rodney Slater, I'd like to welcome all of you to the Forum on Intermodal Freight Transport Policies.

I'm glad to see Dr. Wim Blonk, the forum co-chairman, and Karel Vanroye from the European Commission. I'd like to thank them for working to put the program together.

I also want to recognize the work that Otto Sonefeld of AASHTO put into arranging this forum.

Finally, I want to thank Rich Roberts and Edwards & Kelcey and John Vickerman and TranSystems for providing support for this evening's reception and dinner. *(If anyone dozes off during my remarks, I'll blame it on the good food Rich and John have paid for instead of on my speech.)*

This conference is an opportunity not only to celebrate the ties that bind the United States and our friends in Europe, but also to set the course for the transportation links we need to ensure long-term prosperity for all of our nations.

President Clinton, who is working hard in many ways to enhance the relationship between our nations, has said that Europe is "our most valued partner." And this is especially true when it comes to economics.

Trade between America and Europe remains as strong as ever. Europe is America's biggest customer, buying a trillion dollars of our goods and services every year and accounting for half of America's global business activity.

And this relationship is balanced. Three million Americans work for European companies here in the United States while the same number of Europeans work for American-owned firms over there. Our exports and imports are roughly equal, without the big trade deficits which trouble other international relationships.

All of this is significant. It means prosperity and security. It means millions of good, high-paying jobs -- 12 million in the U.S. alone. And it means higher standards of living for people on both sides of the Atlantic.

The importance of this is clear to President Clinton. He's continuing to open our markets and to improve connections between them.

To date, the President has approved more than 200 trade accords, including two dozen open skies aviation treaties, NAFTA, and the Uruguay Round of talks.

We've reached free trade and investment commitments in the Asia-Pacific region and across the Americas. In Europe, we're pushing to expand our economic ties through the Transatlantic Business Dialogue.

And all of this is just the beginning. As the President has said, "we can see a new world in the making."

But this new world won't come about through market agreements alone, as important as they are to opening doors. Taking advantage of these opportunities depends not only on how we bridge our differences on opening our markets to each other, but on how we build the bridges -- literal and figurative -- that bring goods to those markets.

That means having transportation and logistical systems which can move people and goods safely and efficiently, systems which use the best means to get the job done.

And that's why the work we're doing at this forum is so important. As Secretary Slater likes to say, transportation is about more than concrete, asphalt, and steel: it's about providing opportunity.

That has long been true here in the U.S. Look at the Interstate Highway System. It connected cities. It made businesses more competitive. It brought jobs to millions.

If, 40 years ago, our leaders hadn't imagined how we could change the face of America with highways, then this wouldn't be the mobile, prosperous country it is today. The leaders of a generation ago showed the vision needed to remake the nation.

I say to you: now it's *our* turn. It's up to us to visualize transportation in the 21st century -- not just highways, not just in America, but in all modes, and around the world -- and to make that vision a reality.

What should this transportation system look like -- this system that, in the 21st century, could advance economic prosperity worldwide much as railroads did for the U.S. in the 19th century and the Interstate Highways did in the 20th?

Secretary Slater describes it this way: an integrated system that is international in reach; intermodal in form; intelligent in character; and inclusive in service.

Four "I's." Let's consider them.

International in reach.

The U.S. and Europe Union nations together have about a tenth of the world's population. If we want to maintain our standards of living, we have to strengthen our ties, and then reach out to the rest of the world.

The transportation systems we build for the 21st century have to link not just New York and Chicago, or even New York and Helsinki, but New York with Tokyo and Tokyo with Brussels.

At the same time, these systems have to be flexible so that they can be adapted to accommodate changing conditions in worldwide markets. In a global economy, competitiveness is defined as being able to meet the consumer's needs, and that means being able to respond to new demands -- whether it means new sources of production or new markets.

Intermodal in form.

Unless we link highways, transit systems, railroads, airports, and seaports together, using the best mode for each segment of a trip, we won't be as efficient as we need to be.

We already see the benefits of this in the U.S., where a quarter of all cargo traveling more than 500 miles is shipped intermodally.

Intelligent in character.

We need to apply advanced communications and information systems to transportation, both to make it safer and to increase our efficiency and to support the efficiency of production methods.

We estimate that intelligent transportation systems, or ITS, can cut by 35 percent the cost of providing the urban highway capacity the U.S. needs, and prevent a million traffic accidents a year.

These systems also can improve transportation logistics, cutting border crossing bottlenecks and enabling shippers to know where their goods are -- something that's essential for the nearly one-third of shipments which travel by "just-in-time" delivery systems.

Already in the U.S. electronic clearance of trucks at state borders and roadside inspection and weigh stations is speeding travel and reducing paperwork for shippers and carriers.

Finally, inclusive in service.

Together, we represent more than a half-billion people who live in nations with free, open economies. We not only have a obligation to ensure that all of our citizens benefit from our economies and the transportation systems which support them, but a practical reason for doing so.

Open societies can thrive only to the extent that all of their people do, and that means universal access to safe, efficient transportation.

Moreover, one thing we've learned from this century is that mobility is a prerequisite of freedom -- the necessary condition which enables people to decide where and how they live and work.

So, as we meet today and tomorrow, it's with the desire to build that integrated system -- international in reach; intermodal in form; intelligent in character; and inclusive in service.

Whether we do or do not, I will tell you this: *others in the world will.* If we in the Atlantic region wish to remain prosperous, we must, too.

Our current competitive advantages are not permanent endowments -- they are the product of past investments. Others, who may be behind us today, are working rapidly to catch up with us.

We're doing that here in the U.S., where intermodalism -- especially as it supports trade -- has been an increasingly important focus of our policies and programs.

We created a federal Office of Intermodalism to coordinate our efforts, and for the past four years it was headed by Mike Huerta, whom you've already heard from.

Under Mike's leadership, this office has helped to put intermodalism at the top of our agenda, tearing down the barriers of modally-oriented "stovepipe" thinking, bringing new voices to the debate over transportation decision-making and coordinating a variety of initiatives.

Some of these initiatives are institutional, such as metropolitan transportation offices bringing together the various modes and a single, multimodal office to manage our ITS programs.

They include flexible infrastructure funding programs which help to level the playing field between the modes for investment decision-making.

They include intermodal innovative financing initiatives which -- as a pilot program -- cut red tape to increase investment by a billion dollars and speed up projects by an average of two years.

This program, breaking out of the modal traditions, supported such projects as truck-rail transfer facilities and port access improvements, and is now part of our standard way of doing business.

The results of America's new approaches to transportation have been dramatic. Logistics costs, including transportation, accounted for 17 percent of America's Gross Domestic Product in 1983 and only 11 percent today.

The difference represents tens of billions of dollars in savings to producers and consumers, and the efficiencies generated by intermodalism and intelligent shipments are responsible for much of that.

We're building on the early intermodal progress we've made through our new proposal to reauthorize federal transportation investment programs for the next six years.

We want to expand the role of freight shippers in decision-making... expand innovative financing with $1.5 billion in new federal seed money, which could draw several times that in state and private investment... and provide $1.3 billion for intermodal intelligent transportation systems.

We also want to support trade directly by creating new programs to improve border crossings and major trade corridors, and make projects to improve freight rail access to intermodal terminals and water ports fully eligible for federal funding.

The versions of our proposal which Congress is considering incorporate many of these ideas, and we're looking forward to working with Congress to make them a reality.

Ultimately, we want to reach the point where such initiatives are as common-place as they are common-sensical.

In fact, Mike Huerta likes to say that his goal is to put our Office of Intermodalism out of business -- to reach the point at which intermodalism isn't something that needs champions to make it a daily reality.

Until then, we have to work -- separately and together -- to make it possible.

It's important that we evaluate the current status of intermodal issues here and in Europe -- understand the issues and concerns which affect freight shipments between our nations -- and identify new areas for cooperation.

If we can create a network for an ongoing dialogue about these issues, and a clear agenda for joint efforts to improve intermodal connections, we'll have taken the first step towards a new international transportation paradigm.

Now is when we begin to create an integrated, intermodal transportation system for the 21st century. Thank you, and good luck in the remaining discussions.

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