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**REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
FEDERAL INTERAGENCY COMMITTEE ON AVIATION NOISE
PUBLIC FORUM ON FEDERAL RESEARCH TO ADDRESS AVIATION NOISE
WASHINGTON, D.C.
MARCH 18, 1998**

Thank you, Mr. Zusman, for that introduction, and for all of your efforts as chair of this committee.

I'd like to begin by welcoming all of you, and by bringing you greetings from Secretary Rodney Slater and the entire Department of Transportation. The Secretary is attending a meeting of senior officials from DOT's operating offices throughout the country. They're working on ways to work better together to achieve the Secretary's five strategic goals: protecting our environment, enhancing safety, improving mobility, promoting economic growth and trade, and supporting national security.

We're proud of these efforts to create ONE DOT, an organization dedicated to cooperating to better serve the public. We see that same cooperation in the effort to reduce noise. And so we're proud to host this, the first public aviation noise research forum to be held in Washington.

This forum builds on more than two decades of achievement in noise mitigation. Over the past 20 years, we've made tremendous progress in cutting noise pollution, and made it possible for aviation's growth to continue in balance with the communities it serves.

Until the 1970s, there was little widespread recognition, or understanding, that noise could be as serious an environmental problem as smog or sewage, with impacts on people's health, on communities' quality of life, and on wildlife and other natural resources.

I say "widespread recognition" because we all know the issues that surrounded, *literally* surrounded, airport development in those years. As a former official at the Port Authority of New York and New Jersey, which operates three major airports, I know that from personal experience.

We've made progress since then, working to reduce harmful noise from all sources, and nowhere is our commitment stronger than in transportation. The progress we've made in other modes, such as through highway noise barriers, extends to aviation. Concerns about noise became conspicuous during the debate over the supersonic transport.

*Deputy Secretary of Transportation Mortimer Downey
Federal Interagency Committee on Aviation Noise
Public Forum on Federal Research to Address Aviation Noise*

The increasing awareness of aircraft noise issues generally helped to produce the landmark DOT Aviation Noise Policy in 1976. Noise reduction has been one of our top environmental priorities. If we develop an SST, it will only be because we see how to do it the right way.

We've come a long way since 1976. That year, six million people were exposed to adverse noise from aircraft. Today, with the programs and standards in place, that number has been reduced to fewer than two million, even though the number of aircraft has grown.

When new standards come into full play at the end of the century, they will eliminate the noisiest planes and reduce the number of Americans afflicted by airport noise to about a million.

Even with this progress, we're committed to continuing our efforts to reduce transportation-related noise, through the phase-out of noisy aircraft and the implementation of noise mitigation programs.

We now want to move beyond reducing the impacts of noise by take-offs and landings. We're looking for ways to reduce the noise exposure of passengers on board and those on the ground, while planes are in flight.

We also want to ensure that aircraft don't disrupt the quietest areas of the wilderness. This is also of concern to Congress, which has expressed interest in this regard. We're making progress on strategies which will protect our natural heritage without unnecessarily compromising mobility.

And we want to work with ICAO, the International Civil Aviation Organization, to extend our progress internationally.

Your committee is instrumental in all of these efforts. It is strengthening DOT's ties with the other federal agencies, HHS, EPA, and the Interior, which have a direct interest in aviation noise. This effort will allow us to make the best possible use of our limited resources.

We see its benefits in the progress we're making in working with NASA to develop quieter aircraft engines and technologies that will lead to even greater progress in the new century.

*Deputy Secretary of Transportation Mortimer Downey
Federal Interagency Committee on Aviation Noise
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We've also been cooperating with the National Park Service to design ways to characterize noise in the back country sections of our National Parks, something that's vital to our efforts to protect these areas.

Today's forum is a way to share the results of such research with the American people, to keep up-to-date on our current work, and to hear people's ideas on what our research priorities should be.

This ability to exchange views is absolutely crucial to ensuring that aviation noise research continues to be focused on the bottom line: producing real results and real benefits for real people. It assures that these programs won't simply become academic exercises. So I encourage you all to participate fully, and to make your views heard, today, and in future dialogues.

Let me close on this note: transportation cannot help but affect our environment, and we have a responsibility to mitigate its effects wherever they threaten the natural balance. It is, as I said, one of our five key strategic goals for the Department. We appreciate what you're doing in this forum to help us. And so today, raise your voices so that tomorrow, others can enjoy the sounds of silence. Thank you.

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(In his remarks, the Deputy Secretary referred to Alan Zusman, Chair of the Federal Interagency Committee on Aviation Noise, and to U.S. Secretary of Transportation Rodney E. Slater.)

TALKING POINTS
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
"FIND THE GOOD AND PRAISE IT" CEREMONY
U.S. EMBASSY, TOKYO, JAPAN
MARCH 2, 1998

- * I'm pleased to begin my stay in Japan by presenting an award from the Department of Transportation to two people well known to all of you -- Larry Greenwood and Mike Garrote.
- * Secretary Slater and I have made an effort to single out for special recognition DOT employees who have done an exceptional job. Alex Haley, the author of *Roots* -- and, through his career in the Coast Guard, a member of the DOT family -- provided the inspiration for this award with his epitaph: "Find the good and praise it."
- * We know, too, that we need help from partners, and we want to recognize the efforts of other federal employees when they're part of such partnerships. We recently saw just such an instance. For more than 15 years, we've sought to expand access to Japan's port services industry -- something we believe would be mutually beneficial to Japan and to its trading partners. As you all know, this matter came to a head last October -- and we succeeded in reaching an agreement. Now it's time to say thanks to those who worked so long and hard to bring this issue to this point.
- * In Washington recently, Secretary Slater recognized staff from the State Department, the Maritime Administration, and the Office of the Secretary of Transportation who were instrumental in this effort. Notable by their absence were two State Department representatives who, for obvious reasons, couldn't be with us that morning: Larry Greenwood and Mike Garrote.
- * Larry and Mike lived this issue every day for months. All of the briefings. All of the meetings with the foreign carriers. All of the meetings with the Japanese lines. The meetings with the JHTA. And, Larry, I vividly recall the outstanding job you did in the face-to-face negotiations Undersecretary Eizenstat and I conducted with the Japanese Ambassador on that critical Friday in October.
- * Larry, Mike: your hard work, sound advice, and leadership were essential in reaching a landmark agreement. I'm pleased to present this award and lapel pin to both of you, with special thanks from your colleagues at the Department of Transportation. Congratulations!

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6/15/98

TALKING POINTS
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
DINNER HOSTED BY HIROMICHI TOYA,
VICE MINISTER FOR INTERNATIONAL AFFAIRS, MINISTRY OF TRANSPORTATION
TOKYO, JAPAN
MARCH 2, 1998

- * I want to thank you, Vice Minister Toya, for hosting this dinner. It's been a wonderful opportunity to enjoy your gracious hospitality, and to share in a civilization of rich culture and great elegance.
- * I also honor you for your knowledge, your insight, and your leadership in international transportation. We in the United States value your continuing contributions in moving forward the dialogue between our nations on issues of mutual interest, especially your vital role in reaching the recent aviation accord.
- * The aviation agreement exemplifies our shared commitment to freedom of movement, to prosperity, and to creating opportunity for our peoples to lead better lives. I hope that we can continue the cooperation that led to this important accord.
- * That is because our two nations have a great deal in common, even if we are half a world apart. By working together, we can create prosperity and opportunity for the people of both Japan and the United States. And we will prepare our nations for the challenges of the 21st century by building bridges based on mutually beneficial relationships.
- * [*Raise glass*] Yori isso yoi nichu-bei kankei no tame...Kanpai!

(Yor-ee ee-so yoy nee-chee-bay khan-kay no tah-may
...<pause>... Khan-pay! <For the sake of even better U.S.-Japanese relations...Toast!>)

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TALKING POINTS
DEPUTY U.S. SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
DINNER HOSTED BY THAI MINISTER OF TRANSPORTATION
AND COMMUNICATION H. E. SUTHEP THAUGSUBAN
BANGKOK, THAILAND
MARCH 4, 1998

- * Thank you, Minister Suthep Thaugsuban, for hosting this dinner and for your contributions in sponsoring this most valuable conference. I also thank the people of Thailand for their generosity and hospitality, which continues a tradition of friendship between our peoples that dates back more than 160 years, to the signing of a peace treaty between the very young United States and the proud and historic Kingdom of Siam.
- * I'm also deeply gratified by the presence here tonight of so many of our friends from throughout Asia. [*Other acknowledgments to be added on site.*]
- * Tonight we speak many languages, but we also *share* many languages. We share a language of progress -- we share a language of determination and spirit -- and we share a language of hope for the futures of all of our countries.
- * In Asia, much of that hope rests -- as it does in the United States -- on the building of safe, efficient transportation systems to carry our products to market and our peoples to new, unprecedented opportunities.
- * I've seen and heard enough in my visit to say with great confidence that, with the completion of each new transportation facility in Asia, will come economic gains and personal growth. That has been our experience in the United States, and I am sure it will be your experience here.
- * And so tonight I honor our friends and partners in the eight nations which have come together here in Bangkok for an important international conference which will lead to closer ties between our nations. [*Raise glass*] May we have eternal friendship, may our peoples always enjoy prosperity.

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REMARKS PREPARED FOR DELIVERY
DEPUTY U.S. SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
ASIA TRANSPORT 1998 CONFERENCE
BANGKOK, THAILAND
MARCH 4, 1998

Good morning. I'd like to begin by bringing you greetings from President Clinton, Vice President Gore, and Transportation Secretary Slater.

Let me also thank Minister Suthep Thaugsuban for his contributions in hosting this conference, and the people of Thailand for their generosity and hospitality to all the participants.

I'm honored to join you here at this conference intended to foster our common prosperity. I look forward to the conference's producing concrete results, results that will generate jobs and economic growth in all of our nations.

In turn, this cooperation between our nations will not only advance our mutual interests, but also contribute to a significant strengthening of relations.

President Clinton understands this. He recently said that "America is and must remain a Pacific power as we enter the 21st century...our prosperity requires involvement because Asia buys nearly a third of what we sell abroad, supporting millions of high-paying American jobs. More than ever, America's future and Asia's future are joined."

In fact, the U.S. Commerce Department has listed many of the nations represented at this conference among the emerging markets which will play a leading role in the new century, implicitly recognizing that closer economic ties between our nations are likely -- *and necessary* -- in coming years.

Those links will be strengthened by a commitment to building bridges -- and not walls -- between our countries.

As these bridges are built, we expect trade and investment to grow, strengthening all of our economies. However, this continued progress is by no means foreordained.

We in the U.S. need to continue creating the institutional infrastructure -- the liberalized economic and trade practices -- needed to promote economic growth in the international arena.

That means continuing on the path President Clinton began with NAFTA and GATT and -- in transportation -- the liberalizing aviation accords which we've reached with most of your nations.

We Americans also need to continue building our physical infrastructure of telecommunications and power systems -- roads and railroads -- and airports and seaports that enables the efficiency needed for trade growth.

Last year President Clinton proposed a new, six-year plan for increased surface transportation investment, and we're engaged with the Congress to make it a reality.

Your nations are in much the same position as the U.S., needing to continue modernizing your economic systems and your infrastructure. Much of that investment must be in transportation: new or improved roads, airports and seaports, and railways.

These systems in all our face severe challenges: growing travel demand, inadequate capacity, and bottlenecks and poor connections between different forms of transportation.

Such shortcomings can cause severe capacity constraints, lessening service quality, and imposing high costs on users -- problems which are familiar to those who manage or use transport systems in the U.S. and around the world.

Competitive nations all over the world know that safe and efficient transportation is the backbone of their economies and the bridge to long-term growth.

How can we expect to grow if people can't get to work? And if companies can't ship their products to market? And if ports can't efficiently load products for overseas movements, or import needed supplies? And if global investors can't easily fly to and from our nations?

All of you understand this, and that's why you're preparing ambitious plans to upgrade your infrastructure -- plans as ambitious as the ones President Clinton is implementing in the U.S.

Well-planned investments will integrate national economies with each other -- deepen the ties between peoples -- and better link all nations to global markets.

Such transport links are extremely important, as we Americans are learning from our experience with NAFTA, which links the economies of the U.S., Canada, and Mexico.

As you build similar links with us and with your economic partners, 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 and capacity with new technologies.

That knowledge provides the basis for cooperation in our mutual interest. Such international 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 much greater reliance on the private sector.

Whereas after World War II the rebuilding of economies around the world was funded heavily by the U.S. government, fiscal realities today dictate a greater role for business.

We look to private companies from the United States and throughout the world to make this happen -- and to make it happen *efficiently*. Such companies have the knowledge, the skills, the experience, and the motivation to help economies move forward.

For instance, most nations -- including the U.S. -- are discovering that government resources alone can't build all the infrastructure a growing nation needs. More and more, we're relying on the private sector to finance key projects.

In the United States, we've learned that lesson and are developing financing techniques that combine public and private investment in innovative ways -- bringing into play our strong private transport sector, the kind of private sector that Asian countries are now creating.

The marketplace has been telling us that certain types of projects -- especially infrastructure facilities with measurable revenue streams -- are suitable for public-private ventures.

These principles led to innovative financing -- the idea of cutting red tape to move projects ahead faster and attracting private and nontraditional public sector resources to leverage federal funding far more effectively than the grant approach.

The result is we're building highways two to three years faster. And -- in some cases -- we're now able to move forward on projects that had been on the drawing board as long as 30 years. Most importantly, we've also leveraged about \$5 billion in additional, nonfederal financing.

Many of these projects are targeted at improving freight shipping. For example, we've helped to finance a truck-rail freight transfer facility in Ohio and a project designed to improve rail and truck access to Seattle's seaport.

We've also funded a \$400 million direct loan to the Alameda Corridor, a dedicated rail line to speed shipments from Los Angeles' seaport. Projects such as this support the private transport sector with mixed investment for public works projects which benefit all parties.

Direct, private investment also is increasingly important. Most of our nations will need a lot more investment, including funding from overseas, to build the new infrastructure we need.

At the same time, investment is needed into private transport companies. Increasing efficiency will allow their needs to be met through normal market mechanisms.

And that is why APEC transport ministers created a special group to facilitate the privatization of public works projects.

It's chaired by Indonesia -- a world leader in this area -- and it recently held a workshop to look at the many aspects of privatization.

As a follow-up, APEC will host a workshop on alternative means of financing transportation infrastructure to be held this April in Mexico City.

APEC also has sponsored two roundtables on infrastructure development. During these roundtables, participants made certain observations about the best environment for privatization in this region.

These include the principle that the mitigation, and allocation, of risk between the public and private sectors should be made clear, and that it should reflect the nature of each specific project.

Government and private investors should break the risk into segments as much as possible to allow distribution of the risk to the most appropriate party.

Financial hedging techniques can be used and measures to offset the risk absorbed by the respective parties should be examined. For example, on a rail project the investor could be given the right to develop adjacent real estate.

Process transparency is paramount to attracting private investment. Financing and insurance costs decrease with greater transparency.

Government must make clear to private investors whether it will allow future projects which will compete with that investor.

For instance, if there is a toll road project and the government plans a parallel railroad in the future, the toll road investor must be aware of the plan.

Nor should privatization be a method for government to escape its appropriate share of the risk and cost of infrastructure development.

Government must understand the perspective of the private investor. It must understand that borrowed capital must be paid back in a timely fashion, and that inflexible pricing by government will only delay projects or kill them.

In this regard, government must include in its calculations the very real economic price of inaction in delaying infrastructure development once projects have been identified.

Accurate feasibility studies, in which both government and private investors honestly look at both downside risks and potential profits, are essential to establishing expectations for all participants. They should be provided to clarify the technical, economic, and risk fundamentals of investments.

Government must be aware of the high cost of feasibility studies and contract acquisition risk -- that is, the cost to a private investor of seeking a contract.

Where feasibility studies are a major cost and, therefore, a risk factor in and of themselves, government should consider covering some or all of these costs for the winning bidder -- either from government sources or within the price of the winning bid itself.

Government must take the risk-return profile of projects into consideration in creating support measures to develop a project that is attractive and viable from both the private sector and public interest viewpoints.

This may include government guaranteeing a rate of return, mitigating the impact of inflation or currency devaluations, and/or borrowing the capital with the private investor assuming repayment.

All of these are principles which we in the U.S. are either considering or are already applying to our own projects, and we commend them to you as you continue your own infrastructure development efforts.

They will increase the feasibility and the attractiveness of the privatization initiatives I've mentioned. At the same time, the pace of investment must be established in light of economic conditions and the overall credit markets.

I know many of your countries are particularly interested in attracting capital from various sources to help finance your infrastructure improvements and sound economies, based on sound infrastructure should prove to be good investment opportunities.

Some transport ministers have expressed an interest in privatizing nearly 40 percent of their infrastructure over the next couple of years.

That is a trend being repeated throughout Asia. According to the World Bank, about 10 to 15 percent of total infrastructure investment is now privately financed.

And, over the next decade, the share of private financing is likely to jump to 30 percent.

The themes developed by the APEC Infrastructure Roundtable may prove useful in identifying options for privatization in specific projects.

And U.S. companies and investment institutions can prove indispensable in providing the necessary capital and financial strategies necessary to make them a success.

In addition to financing, there are other areas in which U.S. companies can play a role. For instance, American businesses produce some of the best equipment in the world -- airplanes, motor vehicles, rail rolling stock, and the apparatus which sustains them -- everything from radar to rail signals to maintenance-of-way equipment.

We also can support growth by providing training and consulting services in fields as varied as the rationalization of unnecessary transportation connections, air traffic control systems, and cargo handling.

Many U.S. agencies have worked with you in recent years: not only TDA and the Commerce Department, but also the State Department, the Export-Import Bank, and others.

We in the Department of Transportation have begun to look at technical cooperation that supports business activity. These can help to efficiently advance the major investment projects you're now contemplating.

They're another way of opening markets for the U.S. private sector, because they feature American expertise and technology. So we look forward to pursuing such efforts with our partners.

Now, let me end on this note. As all of you know, our nations have a great deal in common, even if we are half a world apart.

By working together, we can create prosperity and opportunity for all of our people. And we will prepare our nations for the challenges of the 21st century by building bridges based on mutually beneficial relationships.

I look forward to your comments and questions at the conclusion of this segment. Thank you.

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Of course, strategic planning isn't an end in itself -- it's worthwhile only if it helps us to think and to act strategically. And having the best strategic plan in government is valuable only if it leads to our being the best *department* in government.

So the most important outcome of strategic planning is not the document -- it's a strategic approach to our work.

The plan we released last fall is based on a long history of strategic planning at DOT, dating back two decades to Secretary Coleman's "National Transportation: Trends and Choices to the Year 2000."

Other steps forward included Secretary Goldschmidt's surface transportation agency proposal and the National Transportation Policy document by Secretary Skinner, both of which advanced the idea of a coordinated, comprehensive approach to transportation.

The plan issued four years ago under Secretary Peña's leadership was an effort to update this vision for the '90s. And the Government Performance and Results Act has made this approach a government-wide mandate.

Now, with our new strategic plan, we're looking at challenges we'll face well into the 21st century, and giving ourselves the tools and the resources we need to meet them.

TALKING POINTS
DEPUTY U.S. SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
RECEPTION HOSTED BY U.S. FOR ATTENDEES OF ASIA TRANSPORT 1998
BANGKOK, THAILAND
MARCH 5, 1998

- * I'm pleased to welcome you all to this evening's reception, the final event of "Asia Transport 1998." Over the past three days we've achieved a great deal during this most valuable conference.
- * I'd like to thank Minister Suthep Thaugsuban and the Royal Thai Government for hosting the conference, and the people of Thailand for their generosity and hospitality.
- * I'm also deeply gratified by the presence here tonight of so many of our friends from throughout Asia. I especially appreciate the support of the transportation ministries of Brunei, Indonesia, Malaysia, the Philippines, Singapore, South Korea, Thailand, and Vietnam, which have cooperated in making "Asia Transport 1998" possible.
- * And I want to thank the U.S. Trade and Development Agency for sponsoring this conference, and our friends in the Department of Commerce for their support. I'd also like to thank De Leuw Cather for sponsoring this reception.
- * Finally, I want to thank Asil Gezen, Lynn Harmon, and TERA -- Transportation and Economic Research Associates -- for their fine efforts in organizing the conference and the other meetings over the past few days.
- * As I mentioned, we've made a great deal of progress this week. We've heard about the newest technologies, financing methods, and project implementation strategies. We've heard about ambitious investment plans in eight dynamic nations. And we've heard about the capabilities of private firms from around the world. I hope we can return home to apply what we've learned, and aggressively move forward on projects in each of our nations.
- * But for tonight, I hope you'll all enjoy yourselves, and relax after the hard work of the past three days. [*Raise glass*] I look forward to greater cooperation between all of our peoples, cooperation that leads to prosperity. And may the sea that separates us also be a shining path between us.

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**REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
COMMITTEE FOR A SMART NEW JERSEY FOURTH ANNUAL SYMPOSIUM
PRINCETON, NEW JERSEY
MARCH 11, 1998**

Thank you, J.P., for that introduction, and for your leadership of the Committee for a Smart New Jersey.

The transportation successes we see around this state today are really just the beginning of a renaissance which is transforming our roads and railroads and transit systems. This renaissance will help to ensure New Jersey's future prosperity and maintain its historic role as the crossroads of America. And those of you in this room are going to play a key role in it, because ITS is essential to developing the full potential of the transportation systems that will sustain New Jersey's mobility.

That's because, after six years of research and scores of operational tests, ITS's potential is clear to all who have studied the results.

In the same way that improved air traffic control has been the key factor in doubling the number of planes that our aviation system can handle, so improved surface transportation management systems can help us to make better use of our existing roads and transit lines.

In metropolitan areas, we know that ITS can cut by 35 percent the cost of providing the highway capacity we need over the next decade, and it's also clear that, in an era of limited resources, we can't pass up that kind of savings.

ITS also can improve safety: if all vehicles were equipped with only three of the primary ITS crash avoidance systems, rear-end, roadway departure, and lane change/merge, we believe that we could prevent one out of every six crashes. That would avoid more than a million accidents a year, saving thousands of lives and \$26 billion in medical and other costs annually.

As traffic increases, threatening to overtake the progress we've made on safety, ITS's potential improvements are another strategy for gain that we can't pass up.

ITS also can save taxpayers money directly through improved government operations, another imperative in today's environment of budget constraints at all levels.

For example, transit agencies can achieve substantial savings using such ITS technologies as advanced fleet management systems and electronic fare payment. Baltimore already has increased transit productivity 23 percent by using a fleet management system.

States can also benefit through operating budget savings when they invest in the various commercial vehicle applications of ITS: electronic clearances could save up to \$160,000 annually per weigh station, and electronic tolls can cut collection costs by 90 percent, certainly an important issue here in New Jersey.

And ITS's benefits aren't limited to metropolitan areas. Rural areas can benefit from many ITS-based services: Mayday response for faster emergency service on isolated roads, rural transit dispatching, using global positioning satellite systems, accurate information on weather and road conditions, and tourist information services.

And commercial vehicle operators can benefit from such ongoing initiatives as electronic transponders which provide nonstop clearance for trucks, automatically identifying, classifying, and weighing them and checking their permits and tax status, saving as much as a half-hour per truck.

One thing I want to be sure to mention because it's so important for this state is ITS's potential for supporting intermodalism, both passenger and freight. It can make the vision of a genuinely interconnected national transportation system a reality.

ITS can make possible the seamless links and ease of transfer we need between highway, transit, intercity rail, and airline travel. Where is that more important than in New Jersey?

ITS also can provide the automatic vehicle and freight tracking and other services we need to cut delays in shipping and make "just-in-time" deliveries feasible for more and more businesses, cutting costs and improving service.

These are among the many reasons all of us have supported ITS so strongly over the past several years.

DOT has contributed seed money for deployment, supported research, aided in the setting of technical standards and the creation of an architecture, and provided training and technical assistance to states and localities.

We've invested more than a billion dollars in ITS over the ISTEA era, thanks to the leadership of Senator Lautenberg and Chairman Roe, and we've seen results which justify that investment, and call for more.

We remain committed to the national goal we set two years ago when then-Secretary Peña launched Operation TimeSaver. That goal is a basic ITS infrastructure deployed across the nation within a decade, one that will cut travel times by 15 percent in 75 metropolitan areas, one that will produce comparable benefits for rural areas and for commercial trucking.

We're dedicated to continuing these efforts to making intelligent transportation systems a reality in New Jersey and in all 50 states, and to using the deployment to achieve Operation TimeSaver's goals.

I don't want to repeat the success stories you've already heard, or step on the lines of those who will speak after me, so instead I'd like to focus on the future federal role.

The federal commitment to ITS was created by ISTEA. ISTEA expired last year, and its programs were temporarily extended by Congress. That temporary reauthorization lapses at the end of next month, and it's one of the top issues now before Congress.

A year ago this week Secretary Slater joined the President and Vice President Gore to announce our proposed successor to ISTEA, NEXTEA, the National Economic Crossroads Transportation Efficiency Act. Much of its funding will go towards infrastructure and towards technology, especially ITS, which we want to continue to support through a three-part program.

The first part is funding to support technology development and encourage ITS deployment through standards development, training, and technology transfer.

In recent decades cars have become safer, better protecting their occupants in crashes. The next step is to enable cars to help prevent crashes in the first place. Our Intelligent Vehicle Initiative would fund research in collision avoidance systems to do exactly this. This is one of 10 multi-modal, multi-agency transportation research initiatives moving forward under the auspices of the National Science and Technology Council. We're now in the process of soliciting government and industry comment on how best to do this, and we're looking forward to your ideas and your participation as this effort advances.

Although we recognize that partnership with industry and other levels of government is absolutely essential, we also strongly believe that the federal government *must* take a lead role on such R and D activities.

This is because they're of genuinely national concern, because of the value of coordinated research that generates synergies and economies of scale, and because our participation encourages private sector activity.

The second part of our proposed commitment to ITS is an incentive grant program that would promote the deployment of fully-integrated ITS infrastructure technologies in

metropolitan, in rural areas, and for commercial vehicle systems within states and at border crossings.

What's unique about this program is its emphasis on integration, integration between technologies and integration among jurisdictions.

We know that we can't get the most out of ITS if adjacent cities and counties and even adjacent states don't have interoperable systems, if their traveler information and traffic management networks can't "talk" to each other.

We need regional cooperation, so that commuters and commercial drivers don't find themselves running into "black holes" in which ITS systems are incompatible. That's especially true in New Jersey, with its many counties and local jurisdictions and its close commercial relations with neighboring states.

Nor will we get the most out of ITS if the different technologies within areas are fragmented, if they can't work together. For instance, a city may be using an automatic vehicle locator to track transit buses and an advanced signalization control system to manage traffic flow.

Separately, these can be good. But integrated, they're much better. The transit bus location data can give a more complete picture of traffic flow, and traffic signals can be adjusted to help buses stay on schedule even as they help pedestrians cross the street to get to the bus stop.

And linked to a travel information system, these two networks can give commuters a complete, real-time picture of their options. These are the kinds of synergies we envision our ITS incentive grants promoting. The kind of cooperation we want is it's what we're already seeing in the travel information model deployment that New Jersey agencies, through TRANSCOM, are carrying out with New York.

I was happy to join many of you in Jersey City last year at the award of funds for the model deployment, and I'm happy to hear that the travel information telephone access system will be up and running next month.

As with our innovative finance programs, which are designed to attract private sector investment in transportation projects, we see the incentive grants as leveraging other nonfederal investment to produce real public benefits. Between FHWA research funds and spending authorizations in NEXTEA, we're proposing a six-year total of about \$1.6 billion in ITS funding.

This is really only the tip of the iceberg: the third element of our plan is a series of proposed legislative changes that would give state and local decision makers enhanced flexibility to use existing federal-aid funds to deploy the basic ITS infrastructure. *Every dollar in every*

major program would be usable for ITS, giving states and localities an unprecedented range of funding options.

This proposal, too, has its roots in ISTEA, and in our NEXTEA extension proposals, which emphasized a level playing field and greater flexibility to help ensure that the best projects received funding regardless of mode.

Most of the potential federal resources will be available through the existing programs, and we'd encourage state and local governments to take advantage of the flexibility we want to build in.

If they do, then we see almost limitless possibilities. Reauthorization could provide the funding and technologies needed to improve traffic and transit flow, to reduce congestion and accidents, and to reduce the cost to taxpayers and system users of providing transportation services.

There is no magic bullet in transportation, but there *is* a potential of magic buckshot, a range of strategies which, carefully coordinated, *can* make a difference. ITS is part of that solution, and we want to help you make the most of the opportunities it offers.

When we were developing NEXTEA, we asked our transportation partners, including many of you, 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, I hope, we learned, and we've put forward a plan which can take America's transportation system into the 21st century. We're working with Congress to make it a reality, and we're optimistic that we can sustain the bipartisan cooperation which gave us ISTEA and the intermodal cooperation that made ISTEA work within the DOT and with its partners.

The signs are promising: the Senate bill that is currently being debated, and the House bill which was introduced last year, both include most of what we need. We are concerned about some aspects of the House bill, for instance, we don't think it provides enough dedicated ITS funding, and we don't think it offers states and localities enough flexibility to transfer money to ITS from other program categories. We hope that, as these bills move forward, such issues will be addressed, either on the floor or in conference.

Now, I hope that all of you will make your voices heard in the great national debate over ISTEA reauthorization. That's because we can't take for granted a continued, strong federal role in ITS, or in technology development more generally.

There are still a lot of skeptics who believe that ITS money is better spent elsewhere, and we have to persuade them that this is a smart investment. That's why we need the views of informed public officials, business leaders, and professionals such as yourselves if we're going to have genuinely innovative policies and programs.

I also hope that you, as the leaders in this state's ITS community, will take up the challenge to make the most of the research and development that's being done throughout the country and around the world.

Finally, I hope that you'll continue the efforts to link ITS to the realities of people's lives. We need to prove ITS's benefits at a fundamental level if we're going to maintain the public support necessary for a strong governmental role.

We always need to link our plans and programs back to their fundamental purpose: making possible the mobility that produces prosperity and a high quality of life for our people. I want to commit our support as you do each of these things: my door, and those of my colleagues at DOT, is always open to you and to your ideas.

Let me close by wishing you the best of luck in your own efforts to build transportation systems for the new American century. Thank you.

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(In his remarks, the Deputy Secretary referred to Committee for a Smart New Jersey Chairman Joseph (J.P.) Miele; to U.S. Secretary of Transportation Rodney E. Slater; to former U.S. Secretary of Transportation Federico Peña; to U.S. Senator Frank Lautenberg of New Jersey; and to former Congressman Robert Roe of New Jersey.)

TALKING POINTS
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
MEETING WITH NORTHERN KENTUCKY CHAMBER OF COMMERCE DELEGATION
WASHINGTON, D.C.
MARCH 17, 1998

- * **ISTEA:** Last Thursday's 96-4 Senate ISTEA vote a big step in right direction. Higher funding, most of the President's values as articulated in his NEXTEA proposal. President supports higher transportation investment if it's within a balanced budget, respects his priorities, and is allocated in a balanced way.
- * **Balanced bill:** Senate bill maintains original ISTEA legislation's commitment to a balanced transportation system, continuing core highway programs while strengthening support for transit, intermodal projects. For Kentucky highways, \$437 million annual average under Senate ISTEA II, up 55 percent. Transit formula also up, \$20 million in '98 to \$27 million in 2003. SIBs, Access to Jobs.
- * **ISTEA's future:** Original ISTEA expired in October, resuscitated by Congressional extension; now on life support, expires in six weeks. Would shut down safety programs, construction. Focus shifts to House; hope it acts swiftly, and hope Congress moves a bill to the President's desk to keep America moving.
- * **FAA:** One of biggest challenges is preparing FAA to handle rapid growth in air traffic. Readying legislation to reauthorize FAA's programs, implement NCARC's recommendations to provide stable and sufficient funding for FAA operations. Will build on personnel and procurement flexibility already granted by Congress: need ATC spending flexibility.
- * **Aviation proposal:** Link revenues to spending, make air traffic services a business-like PBO beginning in 1999. Phased-in user fees linked to specific services provided. (General aviation continues with fuel tax, not user fees.) Gives us reliable, flexible funding. Also asking FAA reauthorization for '99-2003 for safety, security, R&D programs.
- * **'99 approps:** President's historic '99 budget -- first balanced budget in 30 years -- includes record \$43.3 billion for DOT strategic goals: *Safety* -- record \$3.1 billion. *Mobility* -- record \$4.6 billion for transit capital, \$621 million plus \$1.1 billion TRA funding for Amtrak. *Economic Growth* -- record \$30 billion for infrastructure, 42% more than previous Administration, including \$23 billion for highways, \$1.7 billion for airports, \$5.6 billion for FAA operations; record \$1.1 billion for R&D. *Environment* -- record \$1.9 billion. *National Security* -- \$437 million Coast Guard drug interdiction, \$284 million for aviation security.

**TALKING POINTS
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
MEETING WITH MAYORS AND COUNTY LEADERS
WASHINGTON, D.C.
MARCH 18, 1998**

- * Thank NACo President Randy Johnson for making meeting possible. County leaders and mayors have been strong supporters of the President's initiatives to aid urban areas, and I always welcome an opportunity to exchange views. Appreciate this group's expertise: Mayor Rendell, chair of Rebuild America; Mayor Campbell, chair of Conference of Mayors transportation committee; Mayor Barr, chair of League of Cities transportation committee.
- * You're here at a crucial time: we're nearing the ISTEA reauthorization endgame. ISTEA was a landmark for urban America, promoting intermodalism, increasing transit funding, creating new programs such as CMAQ, and strengthening MPO role in planning and decision-making.
- * President's March 1997 NEXTEA proposal built on this foundation; more transit and CMAQ funding, more flexible funding transferable to transit, greater local decision-making authority, Access to Jobs, ITS, streamlined planning.
- * Last Thursday's 96-4 Senate ISTEA vote a big step in right direction. Higher funding for highways (up \$26 billion) and transit (up \$5 billion, minimum allocation avoided). Most of President's values as articulated in NEXTEA: CMAQ up to \$1.3 billion -- DBE -- .08 BAC -- Welfare to Work at \$150 million annually. President supports higher investment if it's within a balanced budget -- respects his priorities -- and is allocated in a balanced way.
- * Focus shifts to House. Concerns: \$400 million preventive maintenance cap would make it difficult for transit agencies to make best use of federal funds. Welfare to Work -- House looking at just \$42 million annually, with a cap on the number of projects. Hope these are fixed.
- * Original ISTEA expired in October, resuscitated by Congressional extension; now on life support, expires in six weeks. Would shut down safety programs, construction. Hope House acts swiftly, and hope Congress moves a bill to the President's desk to keep America moving. Look forward to hearing your views, and to your making your voices heard in these great national debates.

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REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
RECEPTION FOR METRO-NORTH RAILROAD PRESIDENT DONALD N. NELSON
NEW YORK, NEW YORK
MARCH 19, 1998

Secretary Slater asked me to represent the U.S. Department of Transportation at today's farewell because he thought the privilege of paying tribute to Don should go to someone from New York, where Don has had so many of his greatest successes. Also, he was afraid that Don would try to lobby him one last time for more money for New York.

I'm *joking*, of course, but it's true that Don has been unwavering in his efforts on behalf of this city -- and he hasn't chosen to rest until the job was done.

In that way he's like Winston Churchill, who -- when he was in his late seventies and serving as Prime Minister -- was asked when he would retire. Churchill answered, "Not until I am a great deal worse and the British Empire a great deal better."

If you'd asked Don that some years ago, he would have said much the same thing about himself and Metro-North. Now, while he fortunately is no worse, Metro-North is a great deal better.

The numbers, as always, tell the tale: ridership is up, efficiency is up, service quality and dependability are up. That's a testament to Don's managerial excellence, the drive for perfection that has led him to senior positions at Conrail and elsewhere in the rail industry.

Don, as a way of recognizing your life-long record of achievement in the transportation industry, your friends in Washington would like to present you with a little memento.

I'd like to read the citation on this plaque: "In recognition of your distinguished career providing high-quality public transportation to the American people. You brought visionary leadership to the Metro-North Railroad and you improved commuter service for millions of New Yorkers. Your legacy will be a lasting one."

Don, on behalf of Secretary Slater and all of us at DOT, congratulations on an outstanding career in transit management.

Now, as the poet Milton wrote, "tomorrow to fresh woods, and pastures new." We're glad that *you're* not going out to pasture and -- as you move on to new pursuits -- your friends and colleagues in the federal government wish you well.

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REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
NATIONAL DOT REGIONAL DIRECTORS' CONFERENCE
CRYSTAL CITY, VIRGINIA
MARCH 19, 1998

Good morning, and welcome to the second day of our regional directors' meeting. Yesterday was a good start, and I'm looking forward to building on the progress we made.

We heard from the Secretary and the modal administrators about what they're trying to accomplish.

We heard about a wide range of shared experiences, and about activities already working in the field. These give us a solid foundation of best practices for the ONE DOT concept.

The ONE DOT idea is off to a great start, spurred by the momentum it gains from being a feature of what Congress has named the best strategic plan in the federal government.

This plan, as you all know, was developed with an unusually high degree of participation by nearly 200 DOT employees from all levels, both appointed and career -- including some of you.

Both the Secretary and I were closely involved in the year-long process which led to its creation.

This strategic plan envisions the future and develops the means for us to get there.

In developing this plan's goals, we asked both ourselves and our customers: what forces -- what factors -- and what trends will be important in transportation?

The answers came back loud and clear: demographics, such as the aging population -- the globalization of the economy -- and the increasing role of computers and other technologies.

These conditions also are "changing change itself" -- accelerating the pace of transformation. We see this in everything from the World Wide Web to the new 24-hour news cycle to global markets.

The pace and intensity is evident in our business of transportation: "just in time" freight deliveries are now spreading to automobile retailing where you'll soon be able to specify the car of your choice and have it delivered almost while you wait.

There also will be more interconnectedness and interdependence, something we see in environmental issues such as global warming; in capital markets, which are affected by such crises as in the Asian economies; and in health, where air travel has unfortunately made possible the rapid spread of viruses around the world.

Finally, the world is more competitive: The fight for scarce resources intensifies as more and more people, informed by more immediate and more widely distributed knowledge, compete for everything from jobs to resources.

To quote the economist, Lester Thurow: "We've only got two choices in this competitive world -- we can lose or we can change."

The strategic planning process was an effort to think about the change *we* need to deal with in light of the enormous implications of these trends for transportation.

The demands on our transportation system in the next 25 years will be enormous.

We'll see demand for greater levels of mobility -- for faster and more reliable freight shipments -- for greater reduction in urban pollutants and in greenhouse gases and a transition away from petroleum fuels -- all of this while reducing the costs of transportation and increasing its safety and its reliability.

Doing this, and keeping in mind the Secretary's vision of a system which provides opportunity and which enables people to reach their full potential, is a tall order.

It requires a balanced, integrated, intermodal transportation system -- one which more closely reflects how people function in the real world, where results are the most important thing.

Bringing about such a system demands cooperation: as Bob Fisher and Bo Thomas have said, "Today's world cries out for a different, more collaborative, less traditional response to the problems we face."

The effort to build teamwork, to create ONE DOT, is part of our way to change and to win.

So is our FY '99 performance plan, for which we're getting good reviews. The performance plan helps to set clear and definite goals by which we can measure our progress. It will be the way in which we measure our success and provide accountability to the American people for the resources they entrust to us.

These efforts are just the beginning. As we get clearer about our goals and about how to achieve them, we also need to be clearer about how we will achieve them.

That's where you come in. *You* are on the front lines, serving our customers, working with our partners, achieving our strategic goals.

You ensure that planes are safe and that the air traffic control system is keeping them moving.

You ensure the safety of recreational boaters and act to prevent oil spills in our waterways

You work with state and local officials to rebuild our highways and transit systems.

You help to protect our national security by defending Americans from terrorism and by supporting emerging democracies.

Yesterday, we discussed ideas and activities already underway one place or another in DOT -- you showed that you understand the concept of ONE DOT and are putting it into practice.

Today is when you really get down to work and identify how the concept of ONE DOT -- the idea of working better together -- can become our daily practice.

This is something which only you can do -- as regional administrators, you're responsible for getting services delivered.

So today, we want to hear what you need to do your job better, and how we at headquarters can help you -- *even if the best thing we can do is to get out of the way.*

By the end of the day today, I hope that we have: a few good new ideas of programs or activities we can do together which will support our vision and our ability to work together.

I hope we can identify some of the barriers or problems we face to performing as a team and working together to meet our customers' needs -- and, even better, offer some ways to break down those barriers.

I also hope we can strengthen our commitment to publicly supporting the future of transportation -- through annual events, such as National Transportation Week, and through ongoing initiatives, such as the Garrett Morgan Technology and Transportation Futures Program. We need your leadership to make these happen where it counts: at the regional, state, and local levels.

I want to thank you in advance for your contributions during this conference. It's another important step forward in our effort to create the feel of teamwork which will give us ONE DOT.

Let me close now by reminding you that our coins have stamped on them the words "E Pluribus Unum: -- "out of many, one."

That's what we hope to have here at DOT -- a collection of agencies with specific missions -- with unique histories -- and with individual strengths, that recognize that they can accomplish even more by cooperating to better serve the public. Thank you, and good luck.

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**REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
EMPIRE STATE REPORT'S 12TH ANNUAL PUBLIC FINANCE CONFERENCE:
"FINANCING NEW YORK'S FUTURE"
NEW YORK, NEW YORK
MARCH 19, 1998**

It's a pleasure to join you to talk about the future of federal transportation investment and its implications for New York. I especially want to focus on new strategies to expand the resources available for *all* of our transportation programs. I hope you're seeing the results of this intermodal approach, which is part of the philosophy that Secretary Slater and I call ONE DOT, here in New York.

We're not only increasing highway and transit funding, but also improving intercity rail access through high-speed improvements to the Northeast Corridor and through our plan to meet Senator Moynihan's vision to convert the Farley Building to new use as an expanded rail terminal.

Our new surface transportation metropolitan office here in New York City is integrating highway and transit concerns, giving our customers "one-stop shopping." Our FHWA, FRA, and MARAD team is working with you on port issues, including the possible freight tunnel.

We designated the New York-New Jersey region as one of just four modal deployments nationwide for integrated, 21st-century intelligent transportation systems for advanced traffic management and travel information services.

And we're helping to provide needed surface access to Kennedy Airport by permitting the use of Passenger Facility Charges to finance the rail connection, the kind of access which is common elsewhere in the U.S. and around the world. In fact, our forthcoming FAA reauthorization proposal will build upon this trend, not only including a strong airport improvement program but also giving states and localities needed flexibility in how to use their passenger facility charges.

ISTEA, as we have known it and as we have worked to renew it, is the centerpiece of this transportation future, both nationally and for New York. The original ISTEA legislation was a landmark, revolutionizing the federal role in transportation, establishing new priorities and bringing in new players, and increasing funding to record levels.

are meant to serve as ongoing, revolving loan funds. As projects are implemented, loans are repaid to the SIB and the proceeds used for new projects in a continuing, virtuous cycle.

As we proposed in NEXTEA, the Senate bill continues SIBs. Unlike our proposal, however, it doesn't authorize any dedicated SIB funding. It does lift the limit, currently 10 percent, on the share of states' regular federal highway and transit funds which can be directed towards SIBs.

The Senate bill also creates a new infrastructure credit program similar to one included in NEXTEA. Called TIFIA, for the Transportation Infrastructure Finance and Innovation Act, it would support projects of national significance through direct loans, loan guarantees, and lines of credit.

Funds authorized by TIFIA, starting with \$60 million in 1998 and growing to \$115 million in 2003, could fund up to \$10 billion of credit assistance and leverage another \$20 billion in nonfederal resources.

They would advance large, capital-intensive projects that otherwise might be delayed or not built at all because of their size and the market's uncertainty over timing of revenues. By addressing the market's concerns about doing large projects which don't have much of a track record, this program would greatly expand their ability to access private financing.

For example, we're now providing a \$400 million loan for California's Alameda Corridor at a budgetary cost of just \$59 million, an amount pegged to interest costs and the risk factor. This federal loan was the factor that capped a total \$2 billion funding package, making the entire project viable. The new TIFIA program could be used for similar projects to maintain our nation's competitiveness.

The Senate's ISTEA bill, which includes so many of the concepts and values seen in our NEXTEA proposal, is highly promising. The action now shifts to the House, where timely action is also necessary.

ISTEA expired last October, but it was resuscitated by Congressional extension. It's now on life-support, and expires again in just six weeks. Its lapse would shut down safety programs and construction projects around the country. We're hoping that the House will act quickly, and that Congress will send the President a timely bill which would keep these vital programs operating.

We're looking forward to a bill which fits within the balanced budget agreement, which respects the President's priorities, and which allocates funds in a balanced way, with funding going not only to build highways but also for transit, safety, and environmental programs.

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TALKING POINTS
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
TEXAS TRANSPORTATION INSTITUTE LUNCHEON
COLLEGE STATION, TEXAS
MARCH 24, 1998

- * Thank TTI Director Dr. Herbert Richardson -- leading a program which benefits not only its students but entire transportation community. Depend on it to develop our future work force and to help generate needed ideas, programs, technologies. Like to talk about DOT education priorities, then hear your thoughts.
- * University programs vital. ISTEA outreach: heard the key need for the 21st century is *people* -- well-educated, well-trained people to develop advanced transportation systems. Need an educational community that's ready to prepare them. We're ready to do our part; NEXTEA's strong support of UTCs, R&D.
- * Senate passed ISTEA II two weeks ago. Overall, a very positive bill -- more funding, continued intermodal focus. For UTCs: funding at current levels; up to five new UTCs (which could reduce per-school funding). House is expected to have similar funding. Major NEXTEA concern affecting universities: Senate cut our highway R&D request by about 20 percent. House tentatively has higher funding, but doesn't have adequate deployment funding or intermodal focus. Hope conference works this out.
- * Beyond reauthorization, want to build new partnerships that will benefit UTCs -- e.g., with TRB. Help modally-oriented programs integrate them. Develop stronger programs in new areas, such as environment, technology, transportation finance, intermodalism. Expand other efforts -- Professional Capacity-Building Program for ITS Deployment.
- * Much attention has been on universities, but growing body of knowledge and skills required for transportation professionals means it's never too early to start. Need to make sure that all students have the academic background they need for demanding transportation curricula. That's why Secretary Slater created Garrett Morgan program, named after grandfather of transportation technology. President Clinton so supportive of it that he announced it himself last April.
- * Challenge at least one million young students to develop math, science, and technology skills to prepare for transportation careers. Foster the lifetime learning to keep those careers growing. Made a good start: already touched the lives of 250,000 children. Responsibility belongs to all of us -- including those who currently are students. You are especially well-equipped to help: hope you'll find time to serve as mentors, as role models, and as teachers. Questions/comments?



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**REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
WORK ZONE SAFETY CLEARINGHOUSE EVENT
COLLEGE STATION, TEXAS
MARCH 24, 1998**

Thank you, Dr. Richardson, for that introduction, and for your leadership at TTI. Bill Toohey, we're proud to be partners with ARTBA and TTI in this new initiative. I want to thank Paul Gonzalez of AFSCME for being here: this initiative will help the labor fulfill its goal of job safety for workers.

I'd like to thank the National Utility Contractors Association and the Institute of Transportation Engineers, who are going to help us publicize the clearinghouse. And I want to acknowledge the hard work of Sandy Tucker and Jerry Ullman, who are managing the clearinghouse.

Six years ago, President Clinton pledged to rebuild America, and he's fulfilled that pledge with record levels of infrastructure investment. All around the country we're building new highways and new transit systems, and we're doing more to maintain existing ones. We see that right here on State Highway 6.

NEXTEA, the name for the transportation spending bill that the President proposed last year, is making its way through Congress, and we can expect even more investment, and more construction, in the next six years.

Most of the time we can't shut down traffic while this construction is going on, so we have to create work zones to let traffic pass even while highway workers do their jobs just a few feet away. There's clearly risk for workers, and for the travelers passing by: each year seven to eight hundred people are killed, and 5,000 injured, in work zone crashes. That is a real danger, and it's unacceptable not to do everything we can to eliminate it.

When he took office a year ago, Transportation Secretary Rodney Slater made improving transportation safety his highest priority, and the highest priority for us in the Department. We're working hard to implement proven safety strategies, everything from programs to increase seat belt use to improvement of grade crossing safety to campaigns against drunk driving.

Today we're taking another step to make our transportation system safer, a landmark partnership to give contractors, workers, safety officials, and others the information they need to make highway work zones as safe as possible.



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**REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
TEXAS TRANSPORTATION INSTITUTE COUNCIL
COLLEGE STATION, TEXAS
MARCH 24, 1998**

Good afternoon. I want to start by thanking you, Larry, for that introduction. Herb, thank you for your leadership in building a university program that I think we can safely say is second to none, a program which benefits not only its students but all of us in the transportation community.

Over the last two years, as part of our preparation for the reauthorization of ISTEA, the Intermodal Surface Transportation Efficiency Act, many of us at the Department traveled the country, meeting with transportation leaders, business professionals, elected professionals, and others to ask what was most needed to prepare for the transportation systems of the 21st century.

The answer shouldn't have surprised us, and it probably won't surprise you. It wasn't new technologies, or more money, or any of the other things you might expect, although no one would turn down progress in those areas.

But, in fact, what we heard was that the key need was *people*, or, to be more specific, the well-educated, well-trained people who can help to design, finance, build, operate, and maintain the advanced transportation systems we'll need for economic success and a high quality of life.

And to do that we will need an educational community that understands these requirements, and is ready to prepare the next generation of transportation professionals to fulfill them.

We depend on programs such as yours for our industry's future work force and for the ideas and the programs and the technologies we need for safer and better transportation. The importance of what the Texas Transportation Institute does has long been clear to us in the Department of Transportation. So, before I begin my remarks, I want to make a special presentation.

There was a saying among America's early settlers: "don't eat the seed corn." If you do, you won't have the seed to start next year's crop, and then you'll surely starve. That's where we are today with transportation. Our support of education and research is *our* seed corn, and we have to sustain it if we're going to have the transportation systems we need to compete, and win, in the global economy of the 21st century.

Our proposal was introduced in Congress, and became the standard by which other bills were judged. Overall, we're pretty happy with what Congress has done so far.

The full Senate passed its ISTEA II reauthorization bill by a 96-4 vote two weeks ago, on March 12, the first anniversary of the President's proposal for NEXTEA. The Senate's bill incorporates many of NEXTEA's provisions, including higher funding.

Texas would come out relatively well under this bill's formulas, averaging nearly \$1.74 billion in highway funds annually over the next six years, which would make it second only to California. That's a 48 percent increase above the average Texas received under ISTEA.

This bill maintains the original ISTEA legislation's commitment to a balanced transportation system, continuing core highway programs while also strengthening support for transit and intermodal projects.

The Senate bill also protects American's health and safety. It includes a tough, new .08 BAC national standard for drunk driving, a law banning open alcohol containers in vehicles, and strong incentive programs to expand seat belt use.

The Senate's ISTEA II legislation expands proven strategies to protect public health and the environment, such as the Congestion Mitigation and Air Quality Improvement Program and the Transportation Enhancements program.

The Senate's bill helps to expand opportunity for all Americans. It maintains a strong disadvantaged business enterprise program, and creates a new program to help those who are making the transition from welfare rolls to payrolls get to where the jobs are.

It also expands tax-free transit benefits, which cut the cost of transit use for all Americans. That builds on such groundbreaking Administration proposals as parking cash-outs and equalization of transit and parking benefits.

Finally, the bill also continues support for UTCs, leaving funding at current levels and creating up to five new UTCs around the country.

We do have some concerns, however. The Senate bill cut our highway research and development request by about 20 percent, which doesn't give us enough money to fund needed technology programs. As I indicated earlier, cutting research and education funding is borrowing from the future.

The action now shifts to the House Transportation Committee for mark-up as I speak. From what we've heard about that bill, it seems to be positive. However, we do have some concerns. For example, there's less balance between highways and transit, which could set back both large urban systems and smaller rural lifeline services.

*Deputy Secretary of Transportation Mortimer Downey
Texas Transportation Institute Council*

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 young students to develop their math, science, and technology skills to prepare for careers in transportation. It also will foster the lifetime learning that will keep those careers growing as the transportation system changes rapidly.

We've made a good start: the Garrett Morgan program, in its infancy, has already touched the lives of 250,000 children across America. That's impressive, but it's only a start. The responsibility of helping these students, especially the younger ones, belongs to all of us, not only to public officials, but also to those who currently are university professors and researchers, students, and supporters of institutions such as TTI.

I believe that you are especially well-equipped to help make the Garrett Morgan program a successful and continuing reality. I know that you're all busy with your own work, but I hope that you can also find the time to go out to elementary and high schools here or in your hometowns, and serve, for an hour a week, or whatever you can spare, as mentors, as role models, and as teachers. I think you'll find the rewards of giving to this community well worth your time and effort.

Coordination of the Garrett Morgan program is a responsibility of the Research and Special Programs Administration in Washington, which, as you know, is also the home of our University Centers programs and related educational efforts. They can give you more information if you want to get involved, and I'd be happy to put you in touch with them.

This university's students are the immediate future of America's transportation industry, but all of us also can help, *now*, to prepare the following generation of professionals. I hope you'll all consider doing what you can to inspire others to follow in your footsteps, and help to produce the TTI students of the next century.

Now, I'd like to thank you for your attention, and listen to your questions and thoughts...

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(In his remarks, the Deputy Secretary referred to Dr. Herbert Richardson, Director of the Texas Transportation Institute; to Dr. Ray Bowen, President of Texas A&M University; to Larry Heil, Chairman of the Texas Transportation Institute; to Dock Burke, Director of the SWRUTC; and to U.S. Secretary of Transportation Rodney E. Slater.)



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**REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
LIFESAVERS 16 NATIONAL CONFERENCE ON HIGHWAY SAFETY
CLEVELAND, OHIO
MARCH 30, 1998**

Good morning. Let me start by bringing you greetings from Secretary Slater, who is in Botswana this morning accompanying the President on his trip to Africa. As the Secretary has so often said, safety is his, and the Department of Transportation's, highest priority, the North Star which guides us.

The Secretary has shown that this commitment to safety is real by supporting new and expanded safety programs, but his deepest impact may come from a new perspective he's bringing to all of our operations. As part of our landmark strategic plan, a plan which recognizes safety as the first of the Department's five key goals, the Secretary has promoted the idea of ONE DOT.

America's coins are stamped with the words *E Pluribus Unum*, "out of many, one," and that's exactly what ONE DOT is all about. It's not just better coordination or cooperation between DOT's 10 modal administrations, but integrating their operations, their goals, and their philosophy to create a more unified and purposeful Department.

This is more important than ever in a world in which "intermodalism" isn't just a buzzword but a day-to-day reality for our transportation customers. In such a world, DOT's employees must work together as a team, and our need to achieve new safety goals is a perfect example of why we need to do this. Many safety issues, such as highway-rail grade crossings, cross the traditional modal barriers. We've got to work together if we're going to solve these kinds of problems.

Our new DOT Safety Council is one of the steps we've taken to ensure the integration of ONE DOT. Chaired by Ohio's Jolene Molitoris, our FRA Administrator, the Council brings together all of our DOT operating agencies to better connect their efforts. Currently, the Council is focusing on fatigue, how it affects travelers and workers in all of our modes, and how we can counter its effects. We're looking forward to the Council's bringing this integrated, cross-cutting approach to a wide range of issues.

Another way we're trying to enhance our safety programs is expanded partnering all up and down the organizational chain: two weeks ago we brought in the directors of all of DOT's field offices to work towards greater cooperation around the country. We're going to continue to build this initiative, and I hope you'll bring the same spirit to your own safety efforts. That's

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because the principles which bring you together at the Lifesavers 16 conference are much like those which are making ONE DOT a reality.

Here at Lifesavers, diverse organizations with differing interests have been brought together by a shared goal: making our roads safer. I'm looking forward to *your* forming new partnerships during this conference, and to your taking an intermodal perspective which goes beyond safe roads to promote safe communities and safe families.

And as you become more intermodal, you will have support from an intermodal DOT. FRA might help by getting a major railroad to do a seat belt campaign, as they are doing, or NHTSA might help by assisting on outreach for a Coast Guard boating safety initiative, I should note that the Coast Guard's District Commander, Admiral John McGowan, is with us today. The opportunities for cooperation between the different forms of transportation are boundless.

I'm confident you can make this intermodal approach to safety work because, over the years, you've been so effective in helping to make our roads safer.

If our highway fatality rate were the same as it was a generation ago, at the time DOT was founded, about 120,000 Americans would die on our roads every year, triple today's number. So we've come a long way, but we still have far to go. Growing travel, fueled by a strong economy, has crowded our roads and caused improvements in safety to level off.

Drunk and drugged driving remain persistent problems. At least a third of all motorists still don't use seat belts, and many don't know how to properly use child safety seats. And aggressive driving is on the rise in our congested urban areas. These trends threaten an unacceptable increase in highway deaths, endangering the progress we've seen over the past generation and precluding future gains.

One of the steps we need to take to reverse these trends is to continue, and build upon, the programs which have helped us to make so much progress over the years.

The key is reauthorization of ISTEA, the Intermodal Surface Transportation Efficiency Act, which covers highway, transit, and highway safety programs. More than a year ago, the Secretary and Vice President Gore joined President Clinton in proposing NEXTEA, our comprehensive ISTEA reauthorization plan.

And over the past few weeks Congress has been moving ahead with its versions of reauthorization. The Senate passed its reauthorization bill on March 12, the first anniversary of the President's announcement, and the House Transportation Committee approved its version last week. The full House is scheduled to take it up this week.

Overall, we're pleased with the substance of what Congress has done so far. Much of what's in these bills reflects the fundamentals of the President's NEXTEA proposal.

For instance, both bills include anti-drunk driving incentive grant programs which are virtually identical to those proposed in NEXTEA.

Both also promote seat belts, the single best way to protect a vehicle's occupants. They provide funding to help us achieve the goals of the President's National Seat Belt Plan, which, over the next two years, seeks to increase seat belt use to 85 percent and to decrease child motor vehicle deaths by 15 percent. These bills support the kinds of education and law enforcement efforts we're promoting through our Buckle-Up America campaign.

The Senate bill, in fact, has *two* programs, one sponsored by Senator McCain and one sponsored by Senator Chafee. Senator Chafee's includes an innovative provision which links seat belt use increases to their projected medical cost savings, and which rewards states which make progress.

So there's much to applaud in these bills. However, we do have concerns.

First, the Senate's funding levels for highway safety grants, one of our key programs, and one which supports state and local activities around the country, are much too low, 15 to 30 percent below our requests, depending on which fiscal year you look at. That's true even with the bill's overall spending higher than might be affordable.

The preliminary House numbers are much better, and we hope that the House-Senate conference will give this important program adequate funding as they deal with funding levels.

We're concerned about the Senate bill's restrictions on the Department of Transportation's current ability to work with state legislatures when they deliberate on ways to promote effective safety strategies. This could harm our ability to get legislatures the information they need to make their decisions.

We're disappointed that neither bill currently includes a program to support drugged driving countermeasures similar to that the President proposed in NEXTEA. We proposed to create a new incentive grant program to help states working to reduce drugged driving, and we hope that Congress reconsiders.

The Senate, following the leadership of Senator DeWine of Ohio and Senators Lautenberg and Dorgan, has included strong provisions to create a nationwide .08 blood alcohol content standard and to require open container laws nationally. The House bill as reported has

neither provision, although I understand that Congresswoman Lowey and Congressmen Castle and Canady may introduce a .08 amendment on the House floor.

Let me say a little more about this, because the absence of these strong anti-drunk driving provisions in the House bill concerns us deeply.

You all know that two of every five fatal crashes are alcohol-related, a rate which is starting to edge back up after years of progress. We've got to take steps to reverse this trend, and .08 is a solid starting point. That's why the President supported it earlier this month.

Now, virtually all drivers are substantially impaired at .08. Whether they've had one drink in the previous hour or five isn't relevant: the level of impairment is, which is why a tough B-A-C standard makes sense. If .08 were adopted across the country, we could save 500 to 600 more lives every year. And yet only 15 states have this as their standard.

Elsewhere, .08 legislation has been fought, state by state by those who resist change. Without a federal .08 requirement, they may have the upper hand in blocking these laws. I hope that the House does the right thing, and joins the Senate to make .08 the law of the land.

I also hope that the House acts quickly, on this and on other reauthorization measures, and that the eventual House-Senate conference moves ahead promptly. Timely action is necessary. The original ISTEA legislation expired last October, but was resuscitated by Congressional extension. It's now on life-support, and expires in a month. Its lapse would shut down safety programs all around the country.

So we're hoping that the House will act quickly, and that Congress will send the President a bill which would keep these vital programs operating.

All of this, of course, is part of a great national debate over safety and how we work together to ensure it. *I hope that, as this debate unfolds, you continue to make your voices heard.*

I also hope that you'll join us in meeting the challenges we're going to face in the new century. A growing population in an increasingly auto-dependent society, a population which has both more very young *and* very old drivers, promises to generate more travel and, potentially, more crashes.

We have to continue doing what we've been doing, implement the kinds of proven programs we're debating as part of ISTEA reauthorization, and look to the next generation of strategies. We have to focus on all three of the factors involved in safety: driver behavior, road design, and vehicle standards.

We have to identify new ways to address the role of human behavior in crashes, focusing on those carried out at the community level. This also means creative partnerships of the kind that I mentioned earlier, for instance, with medical and public health organizations. Lifesavers has been a model of this through your outreach to new players, and I hope you'll continue these efforts.

We have to find ways to help travelers avoid collisions, and this means continuing to improve road design and to create new technologies, such as our Intelligent Vehicle Initiative, which can prevent hundreds of thousands, if not millions, of crashes annually.

We have to better protect travelers when crashes do occur, and we have to help get them to medical attention more quickly. Improvements in vehicle design and materials can play a significant role, and new technologies, such as Mayday systems, can get help to crash scenes faster.

In order to do these things, we need the commitment and the support of people, people such as yourselves. So this morning I want to challenge you to join me in this effort to protect those we love the most.

We need your ideas and your energy as we seek to develop, and carry out, the strategies that will be most effective. And we need your voices to get the public support these new initiatives will need.

Let me close by saying that, with the help of the millions of Americans who are increasingly concerned about the safety of their families, friends, and neighbors, we'll continue to save lives *today, tomorrow, and every day*, this year, and far into the new century.

Thank you for your attention, and for your hard work every day in the business of saving lives. Good luck in your work in this important conference.

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DOT OFFICIALS TALKING POINTS (READ ONLY)
TRANSIT BENEFITS
MARCH 26, 1998

The Senate's ISTEA bill includes an amendment by Senator Moynihan to expand employer-offered transit benefits. We applaud this initiative, which builds on President Clinton's groundbreaking transit benefit proposals, and hope that the House incorporates an even stronger plan in its ISTEA bill.

- * **Effectiveness of transit benefits.** Employer-offered transit benefits are a cost-effective way of expanding access to transit, especially for lower and middle-income riders, and of increasing transit use, reducing congestion and air pollution.
- * **The President's 1993 cash-out proposal.** President Clinton has long supported expanded transit benefits. In 1993 the President proposed to expand existing benefits through a parking cash-out plan. Large businesses which subsidized leased workplace parking would have been required to offer their employees the value of their parking as either a taxable cash allowance or as a tax-free transit benefit. Congress did not pass this proposal.
- * **Transit benefits expansion in NEXTEA.** As part of NEXTEA, his 1997 ISTEA reauthorization plan, President Clinton again proposed to expand transit flexibility through a voluntary cash-out initiative. Congress included a similar concept in the Taxpayer Relief Act it passed later in the year. Businesses which offer their workers subsidized parking could now offer *taxable* cash in lieu of the parking.
- * **The President's 1998 benefits equalization proposal.** In his FY 1999 budget, President Clinton proposed to further expand transit benefits. He called for enabling businesses to offer transit or vanpool benefits instead of compensation. This would give them the same status as parking benefits and exempt them from taxation, increasing their real value. He also called for raising the monthly tax-exempt limit on transit and vanpool benefits (currently \$65) to \$175, the same as the tax-free limit on parking benefits.
- * **The Moynihan amendment.** Senator Moynihan's plan was included as part of S.1173, the ISTEA bill which the Senate passed on March 12. It would enable businesses to offer transit and vanpool benefits in lieu of compensation, as does the President's proposal, although only to \$100 monthly. It's an excellent step towards the President's goal of creating a true level playing field between transit and parking. We applaud the Moynihan proposal, and hope that the House will take the next step and fully equalize transit and parking benefits.



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**REMARKS PREPARED FOR DELIVERY
DEPUTY SECRETARY OF TRANSPORTATION MORTIMER DOWNEY
HEWLETT PACKARD AUTOMOTIVE TECHNOLOGY SEMINAR
LIVONIA, MICHIGAN
MARCH 31, 1998**

Good morning. Thank you, Paul, for that introduction, for your vision of the future, and for hosting what promises to be a very informative and useful conference. I'm glad to have this opportunity to join you this morning to talk about the Department of Transportation's Intelligent Vehicle Initiative. Before I do, I'd like to make an announcement.

As we approach the 21st century, what we most need to prepare for the transportation challenges we face are *people*, or, to be more specific, well-educated, well-trained people who can help to develop and deploy advanced transportation systems. And to have such a workforce, we need schools which can prepare the next generation of transportation professionals.

Our chief DOT initiative to support the nation's educational community is our University Transportation Centers program. It advances American technology through academic research centers, and at the same time it trains the scientists and engineers we need.

One of the nation's outstanding programs, and an outstanding participant in our UTC program, has been the Great Lakes Center for Truck and Transit Research. Headquartered at the University of Michigan, this consortium includes Central State, Eastern Michigan, Michigan State, Northwestern, Wayne State, and Michigan Technological University.

We're proud to have been this center's partner for the past decade, and we're looking forward to continuing our partnership through a \$500,000 grant which I'm going to award today. This grant, the first installment of our support for the 1998-99 academic year, will support the center's educational programs.

The balance will come after reauthorization of ISTEA, the Intermodal Surface Transportation Efficiency Act, which covers our highway and transit programs. ISTEA expired last October, and was extended by Congress only temporarily, which is why this is just the first installment. We hope Congress will act quickly to pass a long-term reauthorization bill before this extension lapses at the end of next month. That will enable us to get the Great Lakes Center and our other UTCs their full year's funding.

Now, I'd like to ask Professor Robert Carr of the University of Michigan, the Great Lakes Center's Associate Director for Academic Programs, to join me and our host Paul Chermak so I can present this grant to him on behalf of Secretary Rodney Slater and the Department of

Transportation...I want to congratulate the Great Lakes Center's member schools for their outstanding work over the years. We look forward to more outstanding alumni of their programs.

The center's programs are important to creating the new technologies we need for the 21st century, technologies which will help us to meet the challenges we face, everything from congestion to pollution to energy waste.

The class of advanced technologies known as intelligent transportation systems is particularly important for us and our interest in developing the full potential of the transportation systems to sustain our mobility.

DOT been in the middle of this development. We've contributed seed money for deployment, supported research, aided in the setting of technical standards and the creation of an architecture, and provided training and technical assistance to states and localities.

The results we've seen justify the investment we've made, and call for more: after a billion dollars of investment, six years of research, and scores of operational tests, ITS's potential should be clear to even the most skeptical observer.

In the same way that improved air traffic systems have been the key factor in doubling the number of planes that our aviation system can handle, and have laid the groundwork for advanced air traffic management, so improved surface transportation management systems can help us to make better use of our existing roads and transit lines.

In metropolitan areas, we know that ITS can cut by 35 percent the cost of providing the highway capacity we need over the next decade, and it's also clear that, in an era of limited resources, we can't pass up that kind of savings.

ITS also can save taxpayers money directly through improved government operations, another imperative in today's environment of budget constraints at all levels. For example, transit agencies can achieve substantial savings using such ITS technologies as advanced fleet management systems and electronic fare payment. Baltimore already has increased transit productivity 23 percent by using a fleet management system.

States can also benefit through operating budget savings when they invest in the various commercial vehicle applications of ITS: electronic clearances could save up to \$160,000 annually per weigh station, and electronic tolls can cut collection costs by 90 percent.

ITS's benefits aren't limited to metropolitan areas. Rural areas can benefit from many ITS-based services: Mayday response for faster emergency service on isolated roads, rural transit dispatching, using global positioning satellite systems, accurate information on weather and road conditions, or tourist information services.

Incidentally, today Vice President Gore announced that two new civilian signals will be provided by GPS. These signals, made possible by a partnership between the Defense and Transportation departments, will expand the use of GPS in everything from aviation to boating to surface transportation applications such as ITS. So the capacity and the opportunities will be there.

Commercial vehicle operators also can benefit from such ongoing initiatives as electronic transponders which provide nonstop clearance for trucks, automatically identifying, classifying, and weighing them and checking their permits and tax status, saving as much as a half-hour per truck.

ITS also can provide the automatic vehicle and freight tracking and other GPS-based services we need to cut delays in shipping and make "just-in-time" deliveries feasible for more and more businesses, cutting costs and improving service.

The most important reason for ITS initiatives, and the Department of Transportation's highest priority, is safety. Highway crashes alone kill more than 40,000 Americans each year and injure five million. They cost our economy \$150 billion annually in medical costs, property damage, and lost productivity. Those numbers could worsen as travel continues to increase.

Yesterday, I spoke to the Lifesavers conference in Cleveland, which each year brings together hundreds of dedicated safety professionals and volunteers from across the country. They're working every day to combat the causes of highway crashes, such as drunk and drugged driving, and to better protect travelers through such strategies as increased seat belt use.

I like to say that there's no silver bullet for any of the transportation problems we face, but there *is* silver buckshot. So, even as we implement the safety strategies that are available today, we need to keep searching for new solutions.

One very clear solution is intelligent transportation systems. That's because driver error is a primary cause of about 90 percent of all highway crashes. If we can create new technologies to avert those errors, then we can prevent crashes in the first place.

That's why we're launching the Intelligent Vehicle Initiative, the IVI, to help protect travelers. We believe that new technologies can enhance driver performance, helping motorists to avoid hazards and crashes, and I'd like to describe what we're doing.

This initiative already has federal support at the highest levels: it's one of 10 multi-modal, multi-agency transportation research programs moving forward under the auspices of the National Science and Technology Council. Through cooperative programs and public-private partnerships, we want to introduce both vehicle-based and vehicle-infrastructure-based driver assistance safety systems.

We see the prospect of real breakthroughs: sensing in the blind spots for drivers of school buses and trucks; enhanced night vision; intelligent cruise controls that will maintain the distances between vehicles, and not just speed; and run-off-the-road warnings

Nationwide implementation of just three of these systems, rear-end crash avoidance, road departure collision avoidance, and lane-change/merge crash avoidance, could prevent one out of six of today's crashes, a million annually. In fact, rear-end collision avoidance systems by themselves could prevent more than three-quarters of a million crashes each year.

The Intelligent Vehicle Initiative represents a fundamental shift in focus from protecting drivers in crashes and emphasizing driver behavior to encompass the prevention of crashes in the first place. The IVI will focus on human factors, to maximize safety and minimize the risk of driver distraction, always a concern in an age with everything from cellular phones to in-car fax machines.

The IVI will be comprehensive, covering all types of vehicles. And the IVI will be collaborative, bringing together diverse stakeholders to ensure that these systems are technologically, socially, institutionally, and economically viable.

As a first step, we want to accelerate the testing of these systems to demonstrate that intelligent vehicles can improve driver safety. We want to develop and validate performance specifications and design guidelines that can be commonly used within a decade.

We want to reach agreement on the basic functional requirements of driver assistance features, and target those features as the basis for industry investment in working prototypes. We want to create functional prototypes to enable us to evaluate intelligent vehicles as a complete market package. And we want to accurately estimate, through early demonstrations and field tests, these vehicles' benefits and costs in order to justify the investment necessary for extensive production.

The technologies we're looking at range from relatively simple in-vehicle travel and hazard information systems to advanced collision warning, control intervention, control assistance, and cooperative infrastructure networks. We see these falling into three levels of increasing capabilities and degrees of technical integration. First, warnings and information to drivers. Second, limited vehicle control and intervention. And third, advanced vehicle control and intervention.

We have some ambitious expectations. Our goal is to have intelligent cruise control on the street within two years; crash avoidance systems within five to seven years; and full integration of vehicles and the road infrastructure within 10 to 20 years. Ultimately, we see these technologies as the basis of a new level of transportation safety, something which could become as common as center brake lights or seat belts.

We've gathered our research efforts across the Department of Transportation into a single, integrated effort, and we're making a substantial investment, up to \$50 million annually for the IVI alone. And this is only part of our commitment to intelligent transportation systems.

All told, we want to invest about \$1.6 billion dollars in them over the next six years, much of it for research, and much to provide, through state and local governments and their private sector partners, the electronic infrastructure for systems which already are technically-feasible and cost-effective.

This is really only the tip of the iceberg: we've also proposed a series of proposed legislative changes that would give state and local decision makers enhanced flexibility to use existing federal-aid funds to deploy the basic ITS infrastructure. *Every* dollar in *every* major federal program would be usable for ITS facilities and services, giving states and localities an unprecedented range of funding options and dramatically increasing the pool of available capital.

The investment we propose is significant, but it's frankly not enough by itself to make such systems a reality. We need the support of the academic community and the private sector if we're going to continue making progress on both a national intelligent transportation infrastructure and a fully-integrated intelligent vehicle.

It's time for us to develop the collaborative partnerships we need to prevent crashes *before* they happen. I'm here to tell you that we are completely committed to the Intelligent Vehicle Initiative, and to encourage you to explore cooperative arrangements with us. We would welcome your participation, because these technologies are genuinely of national concern, because of the value of coordinated research that generates synergies and economies of scale, and because your participation leverages public sector investment at all levels.

We look forward to your involvement, and your support, from the start. I also hope that you, as the leaders in the national technology community, will take up the challenge to make the most of the research and development that's being done throughout the country and around the world.

I want to commit to you that my door, and those of my colleagues at DOT, are always open to you and to your ideas. Let me close by wishing you the best of luck in your own efforts to build transportation systems for the new American century. Thank you.

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(In his remarks the Deputy Secretary referred to Paul Chermak, marketing manager of Hewlett Packard's Enterprise Account Organization; to Professor Robert Carr of the University of Michigan, the Great Lakes Center's Associate Director for Academic Programs; and to U.S. Secretary of Transportation Rodney E. Slater.)