

STATEMENT OF SAMUEL K. SKINNER
NOMINEE FOR U.S. SECRETARY OF TRANSPORTATION
U.S. SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION
JANUARY 25, 1989

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

My name is Samuel K. Skinner, and I am the President's nominee to be Secretary of Transportation. Mr. Chairman, I appreciate your willingness to schedule this nomination hearing as one of the Committee's first orders of business in the 101st Congress. I also thank you and the Committee's other members for the opportunity to visit with you individually. I believe those were very useful and productive discussions, and I hope our meetings marked the beginning of a good working relationship.

I am particularly honored by this nomination, not just because I have a strong personal interest in transportation, but because a safe and efficient national transportation system is so critical to a strong, vibrant economy.

If confirmed, my principal goal will be to develop a new national transportation policy that strengthens both our national security and our nation's economy. While I have not endorsed or formulated any particular policy blueprint, please know that I intend to fully take into account the views of members of this Committee, the Congress, the public, industry, labor and, of course, the President

before moving forward. But if confirmed, I want to put into place a strategic plan for dealing with this nation's transportation needs into the next century -- across all modes.

If we are to have a policy of this magnitude, I strongly believe we must take advantage of the synergy that exists between the various modes of transportation. Having brought modes together on a much smaller scale in my home state of Illinois, where we have the metropolis surrounding Chicago as well as a great deal of rural area, I am well aware of the competing interests that must be balanced. This will require a strong commitment to intermodalism, because cooperation within the Department as well as cooperation between the Executive Branch and the Congress is vital to success. So that there can be no doubt -- my goals are to make travel safer, more efficient, and less expensive for the American consumer.

The United States has the safest transportation system in the world, but it can and must be improved. This means ensuring that transportation workers who literally hold hundreds of lives in their hands on a daily basis must be tested for illegal drugs. It means adequate staffing of and effective management of our air traffic control system. It means meeting head-on the gruesome threat of international terrorism with all the resources we can muster. I believe that the United States can and will take a leading role in combatting terrorism in the skies.

These are only a few of the numerous challenges we face. Economic deregulation of U.S. airlines has been a dynamic process benefitting millions of Americans in the past 10 years. But with deregulation has come a dramatic restructuring of the airline industry, something predicted but perhaps not fully appreciated back in 1978. The challenge today is to see that both safety and service excellence are preserved in this deregulated environment. Another issue that demands attention is the treatment of aging aircraft. We have to gather the facts and deal with this issue in an expeditious and decisive manner, so the American people can have complete confidence in the safety of our aviation system.

Other issues involving the FAA are familiar to you. Complaints about delays are as old as the airline industry itself. We have an immediate need for additional air traffic controllers to improve safety and on-time performance. And as a pilot, let me say air traffic controllers have one of the most difficult and high-pressure jobs in government; we will need to look at ways to make sure that we provide flexibility and support for the men and women in the tower.

The railroad industry has seen a similar restructuring under economic deregulation. However, we have to balance deregulation with our need to maintain safety and to ensure fair rates for all shippers.

The Coast Guard faces a comparable breadth of challenges. It not only plays a vital role in maintaining our national security, but performs important duties involving law enforcement and drug interdiction; monitoring fisheries and commerce; protecting the marine environment; and preserving the health and safety of boaters and commercial seamen. More and more Coast Guard resources are being devoted to drug law enforcement, which now comprises one-quarter of the Coast Guard's operating budget. I want to work with the Congress to ensure adequate funding of these missions, as well as the Coast Guard's traditional at-sea missions.

I view the merchant marine as another element of defense readiness. I believe that the primary objective of the Maritime Administration should be to ensure that the nation has sufficient sealift capabilities in the event of hostilities. Regrettably, we are experiencing a serious decline of this important link in our transportation system; the downhill slide must end. This Administration is committed to a comprehensive maritime policy with the ultimate goal of restoring the U.S. Maritime industry in the interests of economic and national security.

Regulation of motor vehicle safety and fuel efficiency, as well as working to reduce the carnage wrought by drunken and drugged driving, also deserve the attention of the Secretary of Transportation. While a small agency, the National Highway Traffic Safety Administration has an impact on the everyday lives of most Americans, even though the public may not realize it.

While not directly within the Committee's jurisdiction, I want to briefly touch on highway and mass transit assistance programs. These programs affect virtually every state and constitute a large portion of the Department's budget. Wise allocation of these funds will be essential to sustaining the nation's infrastructure. At the same time, we must remain mindful of the need to reduce the budget deficit. The President and I both support expenditure of these trust funds for the purposes for which they were intended, consistent with our ability to gradually reduce the deficit.

Another area of transportation policy that deserves high-priority treatment is that of hazardous materials transportation. There are few things more frightening to someone living near a major railroad line than a serious hazardous materials spill. The unknown characteristics of some materials, and the difficulty involved in containing them, only heightens concern. This issue represents part of the safety mission of this Department and will be carefully examined.

The President understands that all of these problems require an energetic, innovative management approach by the Executive Branch, building on the significant progress already made in many of the areas I have discussed. I think that the wide range of issues that we have only briefly covered this morning makes apparent the need for a new national transportation policy.

If confirmed, my first orders of business will be to assemble a management team at the Department, to formulate marching orders on the development of a national transportation policy, and to assist the President in developing this Administration's budget priorities in the transportation area. In doing so, I expect to consult with this Committee and the Congress on how best to accomplish our many transportation goals within a fiscally responsible budget. Some tough choices will certainly have to be made.

My experience in law enforcement at the U.S. Attorney's Office and in the transportation area at the Regional Transportation Authority of Northeastern Illinois have convinced me that even the most daunting problems in government can be resolved. While I realize the national issues facing the Department are far more complex and difficult than those we dealt with in Chicago, I believe the same kind of hard work, long-range planning and spirit of cooperation that succeeded there can achieve similar results at the national level. If confirmed, I hope to bring a full understanding of the complexities of the process, including the need for continuing interaction between the Congress and the Executive Branch, to the job of Secretary of Transportation.

Mr. Chairman, I appreciate very much this opportunity to come before the Committee today, and I am prepared to respond to any questions you or other Committee members may have.

UNITED STATES SENATE
CONFIRMATION HEARING
OF
SAMUEL K. SKINNER
NOMINEE FOR U.S. SECRETARY OF TRANSPORTATION

Before the
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

January 26, 1989

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1 THE CHAIRMAN: The Committee is holding its
2 first meeting of the 101st Congress today. The reason
3 is to receive testimony from Samuel K. Skinner,
4 Secretary Designate for the Department of
5 Transportation.

6 Mr. Skinner's views are of considerable
7 interest to the Committee due to his jurisdiction over
8 the Federal Aid Highway Program and oversight
9 responsibilities for the Federal Highway
10 Administration.

11 To put things in perspective, FHWA
12 constitutes about half of the DOT budget and over half
13 of the spending of this Committee overseas. The
14 Commerce, Science, and Transportation Committee held a
15 confirmation hearing yesterday with the Secretary
16 Designate and has jurisdiction in according his
17 nomination to the Senate.

18 Mr. Skinner has very kindly agreed to back
19 to back hearings so that we can focus on the highway
20 and related transportation issues with him today.

21 Once the decision had been reached on who
22 will be nominated to the head of FHWA, this Committee
23 will reassemble to consider that nomination, of
24 course.

25 The Highway Program is one of the largest

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1 and most successful of all federal programs. It is
2 based on a long-standing and solid federal/state
3 partnership. Our system of roads and bridges provides
4 an essential service moving people and goods around
5 this great nation.

6 The Highway Trust Fund has proved to be a
7 superb financing tool channeling revenues from highway
8 user taxes into highway improvements. There are no
9 deficits, no budget imbalances, no drain on the
10 general fund for this program. It pays for itself and
11 it always has. That is why many of us are so
12 concerned about efforts to divert critically-needed
13 highway funding to other modes or to make cuts in
14 authorized spending levels. Or even more seriously,
15 to turn the Highway Trust Fund into a cash cow for
16 budget deficit reduction.

17 Even by the Administration's own forecast,
18 we need to spend from \$26 billion to \$31 billion
19 annually just to maintain the current physical
20 condition and operating conditions of our highway
21 system.

22 In the near future, according to FHWA,
23 annual costs will rise to almost \$40 billion. And
24 those figures don't include needed investments in
25 local roads which the American Association of State

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1 Highway and Transportation Officials estimates will be
2 up to \$60 billion a year.

3 While budgetary matters seem to be of
4 overriding importance right now, there are many other
5 pressing highway issues from rural transportation
6 financing to highway safety to determining the
7 appropriate federal role in the ^{past} proposed interstate
8 ERA.

9 The Highway Program is now nearly halfway
10 through its last year authorization cycle. It is my
11 earnest hope that this time as new authorization
12 legislation is developed, Congress and the
13 Administration can work together in shaping the best
14 possible transportation policy for the 1990s and
15 beyond.

16 In closing, let me just reemphasize the
17 significance of the highway travel. The vast majority
18 of travel from city to city and in urban and rural
19 areas for commuting purposes and goods movement is by
20 highways. While there are many other modes of
21 transportation for which the DOT secretary has
22 significant responsibilities, a well-maintained
23 highway and bridge system is of most importance to the
24 greatest number of Americans.

25 It is a pleasure welcoming you to the

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1 hearing today, Mr. Skinner, and I look forward to
2 hearing your testimony.

3 I yield to my colleague.

4 THE RANKING MINORITY MEMBER: Well, thank
5 you very much, Mr. Chairman.

6 First of all, I want to say what a delight
7 it is to be with you as we start our first session
8 meeting of this new Congress. And I look forward
9 greatly to working with you as our Chairman and of
10 course with the other members of the Committee.

11 And I also want to join with you, Mr.
12 Chairman, in welcoming Mr. Skinner before this
13 Committee. I've had the privilege of meeting
14 privately with him as I suspect most of us have and
15 came away impressed.

16 This Committee's primary interest as you
17 noted, Mr. Chairman, is focused on the Federal Aid
18 Highway Program over which we have jurisdiction, where
19 we're spending around \$13 billion a year. And as you
20 said, it affects every locality, every state, every
21 community in our nation and all our citizens.

22 But also, I would like to point out -- and I
23 think this is really what I want to stress today with
24 Mr. Skinner -- is that this is also the Environment
25 Committee and we have oversight responsibility for the

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1 environmental laws. And there are many areas where
2 transportation and the environment intersect, and
3 there are going to be more in the future.

4 What trucks and buses and automobiles do in
5 contributing to our air pollution of course is well
6 known. And the cities may have to consider various
7 transportation controls in order to meet the air
8 quality standards. Also, there is a growing concern
9 over the diminishing acres of wetlands in our nation.
10 And anytime we build highways, that frequently--
11 nearly always -- impacts on wetlands.

12 And so I hope you, Mr. Skinner, will work
13 with us in assuring that the Federal Aid Highway
14 Program is managed in such a way that it does indeed
15 protect our environment.

16 And finally, the issue of safety. Fifty
17 thousand Americans are killed on our highways every
18 year. If this was occurring in airplane crashes or
19 ship accidents there'd be revolution in this country.
20 And I just don't think we should tolerate that number
21 of people dying. And that of course correlated
22 directly with a greater number of individuals who are
23 severely injured and permanently injured.

24 We know that seat belt laws, seat belts, and
25 motorcycle helmets, for example, save lives. And we

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1 know that keeping drunks and drunk drivers off our
2 roads also saves lives. So I hope we can do something
3 to improve not only the fatality statistics but also
4 the injury statistics in this society.

5 So, Mr. Skinner, you're undertaking a job
6 that has great challenges and I think great
7 satisfactions to it. And I know you've made
8 considerable sacrifice personally to come here to take
9 up this job and we look forward to working with you.

10 Thank you, Mr. Chairman.

11 THE CHAIRMAN: My friend from Minnesota.

12 SENATOR: Thank you, Mr. Chairman. It's a
13 pleasure to be here on this first meeting with you and
14 the ranking member and I look forward to a very
15 interesting and exciting 101st Congress.

16 I too join in welcoming Sam Skinner. I
17 don't know Sam well, but I have the feeling after
18 knowing him a little bit that we're all going to know
19 him really well real quickly. And I think that's not
20 only a compliment to him but to President Bush and his
21 choice of someone with whom he's had a relationship
22 over a period of time and the confidence that he has
23 in his designee.

24 Mr. Skinner, I don't want to ask any
25 specific questions, but I wonder if it wouldn't be

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1 appropriate -- if I could just ask one question, I
2 need to excuse myself, Mr. Chairman. Would that be
3 appropriate or is this just the opening statements?

4 THE CHAIRMAN: Just one.

5 SENATOR: Basically, this is more a where
6 you come from kind of a question. One of our
7 colleagues on the democratic side here has provided a
8 lot of leadership on this Committee even before I got
9 here on the issue of infrastructure. And while we've
10 paid a lot of attention, nobody else seems to have
11 paid a great deal of attention. It isn't even on the
12 front page of *Time* magazine any more like it was four
13 or five years ago. But Pat Moynihan has dragged a lot
14 of folks in here to talk about the decaying
15 infrastructure in this country, and a lot of that is
16 in transportation but a lot of it is water works and
17 sewage treatment and hazardous waste disposal. All my
18 hazardous waste comes to your state and gets dumped
19 someplace. I don't know where. But one of these
20 days, Jim Thompson's going to do what the Governor of
21 South Carolina did, I imagine, and issue an edict to
22 throw up the borders.

23 But I just wondered, in the philosophic
24 sense or where you come from sense, if you might
25 comment briefly on your feelings on infrastructure in

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1 this country and the role that you believe that your
2 area of responsibility in making recommendations to us
3 might make some contributions in the future.

4 MR. SKINNER: Yes, Senator. Thank you.

5 In 1984, the Governor of the State of
6 Illinois asked me to assume responsibility in Northern
7 Illinois for mass transportation, which was in a
8 serious financial predicament and had been in somewhat
9 chaotic conditions for a number of years.

10 One of the first things I did when taking
11 over the chairmanship of that second largest mass
12 transit system in the country is begin to deal with
13 two problems: number one, the day to day operating
14 assistance problem or the operating problems, which
15 primarily dealt with some reforms in some financial
16 funds for operation and to put the system on a sound
17 operating basis; and then number two, I quickly
18 recognized as I'm sure some other people did
19 throughout the country that the transportation
20 infrastructure for mass transit in Northern Illinois
21 had not been addressed.

22 Over the last three years, we've developed a
23 strategic plan for mass transit in Northern Illinois.
24 I think it's probably the most comprehensive plan of
25 any mass transit system in the country. It was

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1 developed with engineers, with industry, and with
2 consultants working with the various service boards
3 within our system.

4 For the last two years, we have been trying
5 to demonstrate to the public and to the Illinois
6 General Assembly the need for state and local funding
7 for the first phase of that multi-phase infrastructure
8 program. I'm hopeful that this year will be the year
9 that the General Assembly will address that problem
10 and put the first phase into operation.

11 It became quite clear to me as I went
12 through that process that the infrastructure needs of
13 our nation are not limited to just mass transit. They
14 are throughout the country. They are in all modes of
15 transportation. They are in all major cities,
16 especially the older cities of this country. Our
17 bridges in this country are in serious condition.

18 And infrastructure, as you correctly point
19 out, is not exciting. It is just the basic
20 ingredients of a sound transportation system. I
21 pledged yesterday before the Committee yesterday that
22 one of our top priorities will be the development of a
23 national transportation policy. And a linchpin of
24 that policy will be to identify and then move forward
25 on an infrastructure rebuilding program across the

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1 country, across all modes.

2 So that's where I stand. My record, I
3 think, in Northern Illinois shows I recognize
4 infrastructure and am able to put a plan into place,
5 hopefully to replace it. I hope to take that
6 knowledge which I would admit is on a much smaller
7 scale and put it to work at the federal level on the
8 infrastructure problem.

9 SENATOR: Thank you.

10 Thank you, Mr. Chairman.

11 THE CHAIRMAN: Senator Lautenberg?

12 SENATOR LAUTENBERG: Thanks, Mr. Chairman.

13 I too want to join our colleagues in
14 welcoming Mr. Skinner to what I think will be the
15 first of many appearances before this Committee. And
16 as you know, I chair the Transportation Subcommittee
17 in appropriations.

18 As we discussed when we last met, I see
19 transportation as a key ingredient in the future of
20 our country both from the standpoint of the economy as
21 well as the quality of life. If we can't move people
22 and goods, we can't move this country forward.

23 The infrastructure reference that we just
24 heard is one that commands great attention. It's
25 falling down around us. You've warned about an

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1 infrastructure failure resulting -- that has resulted
2 from federal disinvestment. It's been estimated that
3 we have a shortfall of as much as \$70 billion a year
4 in infrastructure spending. Now, short-sighted
5 policies played no small part in that legacy. Unless
6 that's reversed we face an even bigger problem, our
7 infrastructure's foundation. If it crumbles, so will
8 in my view the cities and the economies that are built
9 upon it.

10 We want to work with you to turn things
11 around. Over the course of the next few years, we're
12 going to be looking at how we can address this macro-
13 problem, how we build new roads and bridges and repair
14 the old ones, how we make airline travel safer and
15 more efficient, how we keep cities from choking on
16 auto exhaust through the better use of transit, how we
17 develop better rail systems in this country.

18 So, I've been encouraged by your interest in
19 looking at this problem in what seems to me to be a
20 balanced and a constructive way. And I look forward
21 to a positive relationship between you and this
22 Committee and the entire Congress. You have a
23 formidable task and I look forward to working with you
24 and welcome you here formally.

25 MR. SKINNER: Thank you, Senator.

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1 THE CHAIRMAN: Senator Reid?

2 SENATOR REID: Mr. Chairman, I have some
3 questions which will come in an appropriate time.

4 I just wanted to take this opportunity as
5 the other members of the Committee have to welcome you
6 here. I'm impressed with you and your resume, but do
7 recognize as you'll see from the questions that I have
8 and I'm sure other members that you have a burdensome
9 task. And so, I welcome you to this Committee and
10 look forward to working with you.

11 MR. SKINNER: Thank you.

12 THE CHAIRMAN: Senator?

13 SENATOR: Thank you, Mr. Chairman.

14 I do not have a prepared statement, but
15 rather a request or recommendation for a point of view
16 in your position.

17 It is easy to become overwhelmed with
18 yesterday's problems. Those need to be dealt with.
19 But I would suggest that one of the greatest
20 challenges that you're going to have is to look
21 futuristically and ask the question, what kind of
22 transportation system does the United States of
23 America need as we enter the 21st century. And we
24 have some major challenges.

25 Our aviation system, as is true in Europe,

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1 is getting further behind the demands that the public
2 is placing upon it. It's going to take some new
3 creative thinking. Our traditional ground
4 transportation system is at the conclusion of a major
5 national effort of the interstate system. Where we
6 will go beyond the interstate is another challenge for
7 leadership to the Department.

8 And the question of new -- or what to the
9 United States would be new -- technology, such as
10 magnetic levitation and other forms of high-speed rail
11 transportation will be a third example of the kind of
12 futuristic thinking which the nation needs from the
13 person who fills your leadership position.

14 Your resume indicates that you are
15 comfortable with that kind of visionary responsibility
16 and with the other members of the Committee I look
17 forward to working with you in turning those visions
18 into reality.

19 MR. SKINNER: Thank you.

20 THE CHAIRMAN: Senator Lieberman?

21 SENATOR LIEBERMAN: Thank you, Mr. Chairman.
22 Mr. Chairman, may I say at this first meeting that
23 I've been honored to attend as a new member of the
24 United States Senate how much I look forward to
25 serving on this Committee and particularly serving

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1 under your leadership.

2 If I may cite a reference from another
3 culture, they use to in China talk about quotations
4 from the Chairman. I would begin my brief remarks to
5 Mr. Skinner with a quotation of yours, which is, "We
6 have produced a high standard of living, but we are
7 beginning to see cracks in that high standard. And a
8 less than adequate infrastructure has been identified
9 as the cause."

10 Mr. Skinner, I'm delighted to have the
11 opportunity to meet with you this morning. I come
12 with some of the same concerns that other members of
13 the Committee do. It seems to me that in part what
14 we're seeing is that after your confirmation you will
15 not only be the Secretary of Transportation but in
16 some substantial measure the Secretary of
17 Infrastructure.

18 I just wanted to add this one note to all
19 else that has been said about that. I spent the end
20 of last week and early this week in the hearings of
21 the Governmental Affairs Committee on the nomination
22 of Richard Darman, speaking about the budget deficit,
23 but also acknowledging the fact that that deficit is
24 symptomatic of larger problems in our economy, a lower
25 savings rate and a lower productivity rate.

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1 I had occasion a while ago to read an
2 article quoting a source close to you from the Chicago
3 Fed. Letter, an economist, Davis Ashour, making, I
4 thought, a very compelling argument there, that there
5 is a remarkable correlation between the rate of
6 productivity growth and public sector, non-military
7 infrastructure investment. It comes from Chicago Fed.
8 Letter of last September of '88.

9 His data actually shows that a one
10 percentage point increase of public infrastructure
11 capital brings forth a one-third of a percent rise in
12 productivity. So, paralleling the decline in our
13 productivity rate over the last decade or two decades
14 is a decline in our non-military public infrastructure
15 investments. So that when we're talking about
16 rebuilding the infrastructure, we're not just talking
17 about it from a safety point of view or a quality of
18 life point of view. We're also talking about it, if
19 this article is correct, and I have no reason to
20 believe it's not, from the point of view of some of
21 the underlying problems of our economy.

22 I hope, as you go forward as the Secretary
23 of infrastructure, you will bear that in mind.

24 Thank you, Mr. Chairman.

25 THE CHAIRMAN: Senator Symms?

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1 SENATOR SYMMS: Thank you very much, Mr.
2 Chairman. I'm pleased to be here also this morning to
3 welcome our new members to the Committee, on both
4 sides of the aisle.

5 But, Mr. Skinner, I think the President has
6 certainly made a good choice in selecting you.
7 There's no question that you face a very challenging
8 task, but I think you certainly come prepared and with
9 the talent to be a good spokesman for Transportation
10 in this country.

11 As you know, I've had the privilege of
12 serving both as the Chairman and the Ranking Member of
13 the Subcommittee which includes the Highway Program.
14 During that time I've heard a lot about our
15 transportation system and have had the opportunity to
16 see many of our transportation facilities on a first-
17 hand basis.

18 I don't think that it could be argued that
19 we don't have the best transportation system in the
20 world, and probably Americans are the most mobile
21 people in the world and I think that's a credit to the
22 cooperation we've had, federalism if you will, between
23 the federal, state and local governments, and of
24 course a strong private sector that's been able to pay
25 for it, which has provided the leadership with that

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1 partnership to make this system possible.

2 Having said that, I think we've come to a
3 point in our decision-making that's critical for the
4 future of the transportation system and mobility of
5 our citizens. And much of our infrastructure has
6 already served more time and more traffic than it was
7 designed to move, as you're well aware of. It's
8 wearing out.

9 Travel forecasts show that car and truck
10 travel will increase by an average of two to three
11 percent per year just to maintain the highway system
12 we have. And it will probably require a capital
13 investment of \$35 billion to \$40 billion a year just
14 to keep even with where we are currently. This means
15 no improvements.

16 So as coming from a state where highways are
17 so critical as we try to get our products from the
18 farms to the markets primarily in the urban areas,
19 most of which goes by truck, it's part of everything
20 that people in my state do. And I think that's pretty
21 much true around the country. It's involved in every
22 business in the country, going to work, recreation,
23 food, shelter, national defense. And we simply can't
24 allow this to weaken.

25 So I hope that when we get to the question

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1 period you'll have an opportunity to address the \$9
2 billion surplus that's in the Highway Trust Fund. And
3 I hope that you will be an advocate within the
4 Administration to promote the idea that we are
5 deceiving the taxpayers by taking in dollars that are
6 dedicated to highways and then keeping them on balance
7 to make the budget deficit look better, when in fact
8 then it detracts and expands the -- and makes the
9 problem worse in the long run on the highway program.

10 So I really look forward to working with you
11 and wish you the very best of success. It will be, I
12 think, a challenging four years for you. And I hope
13 that we'll be able to be successful to return those
14 dollars back to the states and get on with the
15 program.

16 Thank you very much, Mr. Chairman.

17 THE CHAIRMAN: Senator Humphrey?

18 SENATOR HUMPHREY: Thank you, Mr. Chairman.
19 Nice to be back after a lapse of two years.

20 Why is that funny? Mr. Chairman laughs.
21 The witness laughs.

22 Well, let me pick up on what Senator Symms
23 said. I think it's an important point. We have, as I
24 understand -- by the way, in the intervening two years
25 I can't see anything anymore -- we have a surplus of

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1 \$8.8 billion in the Highway Trust Fund and a surplus
2 of \$6.9 billion in the Aviation Trust Fund. If we're
3 going to collect taxes in the name of improving
4 highways and transportation safety, including air
5 safety, then we ought to spend them for those purposes
6 and not impound them.

7 By the way, this isn't entirely the fault of
8 the Executive. I think the Congress has only been too
9 willing to play this game.

10 Well, let me ask you your view. What do you
11 think about this situation?

12 I beg your pardon. We're not in questions?

13 THE CHAIRMAN: We're not in the question
14 period yet.

15 SENATOR HUMPHREY: I beg your pardon. Maybe
16 I need a hearing aid as well.

17 All right. Well, you get my drift. I have
18 no further statement, besides which I need to make a
19 phone call at 10:00.

20 THE CHAIRMAN: Senator Jeffers?

21 SENATOR JEFFERS: Thank you, Mr. Chairman.

22 It is a pleasure to be here on this
23 Committee, following in the footsteps of my
24 distinguished predecessor, Senator Stafford. Whether
25 I'll be able to fill his shoes, only time will tell.

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1 But I have many of the same interests that he does and
2 it's a pleasure to be here, especially representing a
3 small state in the Northeast corner of the United
4 States, one of the most rural in the country, with
5 serious problems with railroads and roads.

6 I certainly want to work with you as we try
7 to make sure that all of the country gets some good
8 care out of our programs. We'll be interested in your
9 work as time goes by. I have heard such wonderful
10 reports about you that I have nothing but great hopes
11 for the future.

12 MR. SKINNER: Thank you very much.

13 THE CHAIRMAN: Senator Breaux?

14 SENATOR BREAUX: I just have some questions.

15 SENATOR BAUCUS: Mr. Chairman?

16 THE CHAIRMAN: The Senator from Montana.

17 SENATOR BAUCUS: Thank you, Mr. Chairman.

18 Mr. Skinner, I have just two basic points to
19 make to you. One, somewhat following along the
20 statements of the Senator from Idaho, Senator Symms,
21 of the importance of highways in rural states. As you
22 well know, a lot of us rural states have talked to you
23 about essential air service and the importance of
24 transportation in so far as the airlines are concerned
25 in rural states. I want to make the same point when

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1 it comes to highways and highway funding.

2 There are always rumblings that the
3 Administration might attempt to change formulas or
4 change allocation of highway funds which are
5 disadvantageous to rural states. And I want to very
6 strongly leave the impression with you that would be
7 very firmly resisted by many of us in the rural
8 states.

9 My state of Montana is the fifth highest in
10 its gasoline tax. We pay, I think, over 20 cents a
11 gallon in the State of Montana for gasoline tax. And
12 that's to pay for the highways we have in our state.
13 So any formula that takes money away from rural states
14 means an even higher gasoline tax in those rural
15 states, which is obviously unfair when you compare it
16 with the federal gasoline tax which today as you know
17 is about nine cents a gallon. So I strongly urge you
18 to resist efforts to change formulas at the expense of
19 rural states.

20 The second point goes to ironically the
21 environment. I say ironically because it may be that
22 the new Transportation Secretary will in effect make
23 the Administration's first major pronouncement with
24 respect to the environment. That's because of the
25 cafe standards.

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1 As you know, your potential predecessor,
2 Secretary Burnley, recommended rolling back the cafe
3 standards from I think 27.5 miles per gallon on the
4 corporate fleets to 26.5 miles per gallon. The effect
5 of that would be to increase the emissions of carbon
6 dioxide in the air and other emissions in the air
7 which would have an adver effect on global warming.

8 Each tank of gasoline emits about 400 pounds
9 of carbon dioxide, each tank about 400 pounds of
10 carbon dioxide. And so I strongly urge you when you
11 review that decision which will come to you from the
12 Department of Energy to not agree to roll back -- not
13 recommend that the cafe standards be rolled back from
14 27.5 to 26.5 miles per gallon.

15 Thank you, Mr. Chairman.

16 THE CHAIRMAN: Are there any further
17 questions now?

18 Do you want to be heard? Proceed.

19 MR. SKINNER: Thank you, Mr. Chairman.

20 I have a brief statement and then we'll get
21 into questions.

22 Mr. Chairman and members of the Committee,
23 it is a pleasure for me to appear before you this
24 morning on the occasion of my nomination to be the
25 10th Secretary of Transportation. I am honored that

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1 President Bush has asked me to serve in his Cabinet,
2 and if confirmed by the Senate I intend to work very
3 hard to justify his faith in me. I am eager to return
4 full-time to public service and to earn the confidence
5 of the people I will serve.

6 Mr. Chairman, I will keep my remarks brief,
7 mentioning just a few items of concern to me so that I
8 might answer any questions that you or members of the
9 Committee might have.

10 As Chairman of the Chicago Regional
11 Transportation Authority of Northeastern Illinois, I
12 am aware of many of the challenges in the
13 transportation area. It will not be an easy task to
14 meet our vital and growing transportation needs in
15 this time of fiscal restraint. However, I assure you
16 that I will endeavor to work with each of you to find
17 solutions to the problem we face.

18 If confirmed, my principal goal in
19 consultation with the Congress, the public, and
20 industry, will be to develop a national transportation
21 policy that enhances our public security and
22 strengthens out national economy.

23 Your Committee is the architect and
24 conservator of the Federal Aid Highway Program, one of
25 the most successful public work efforts ever

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1 undertaken. It serves as a model for cooperative
2 efforts between the states and the federal government.
3 There has been great progress. The Federal Interstate
4 System is nearing completion. And because of an
5 increased financial commitment during the 1980s, the
6 decline in our nation's highways and bridges has
7 largely been arrested.

8 However, all of us must realize urban
9 congestion is increasing and out rural communities
10 face special transportation needs. A modern, well-
11 maintained infrastructure of highways and bridges is
12 absolutely critical to this country's well-being. I
13 am committed to make sure that our investment is
14 preserved.

15 I am aware that we are approaching an
16 important juncture in this program. Although we do
17 not face re-authorization until 1991, the debate and
18 discussion over the future of the Highway Program has
19 already begun. You have my pledge to work with you to
20 develop an effective, long-range plan to deal with our
21 infrastructure needs into the next century.

22 What is required is a careful and thoughtful
23 examination of the legitimate role of the federal
24 government and the states and new and efficient ways
25 to finance the expanding needs of our nation's

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1 infrastructure to insure a greater transportation
2 return on every dollar spent. I intend to work with
3 you and the transportation community in this effort.

4 In the meantime, I am committed to the
5 completion of the Interstate Highway Program. Over
6 the long-run, I am like President Bush committed to
7 the expenditure of highway trust funds for the purpose
8 for which they are intended, with ultimate expenditure
9 of the balances as we make continued progress on
10 deficit reduction.

11 I share this Committee's great concern over
12 highway safety and I will make it one of the highest
13 priorities of my tenure as Secretary. Safety is
14 dependent on many factors including highway design,
15 vehicle safety standards and maintenance, driver
16 training, inspections, law enforcement, and the
17 elimination of drunk or drug driving. The President
18 and I are committed to make every effort we can to rid
19 our nation's highways of the danger posed by drug or
20 drunk drivers.

21 One important area of mutual interest is the
22 national maximum speed limit law. I personally
23 believe that the states are in a better position to
24 evaluate the many factors relative to setting speed
25 limits such as terrain, weather conditions, traffic

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1 congestion, accident statistics, and police resources.

2 However, I am aware that the first of three
3 annual reports has just been released on the effect of
4 the increase in the speed limit on rural interstates.
5 I will give careful and thoughtful consideration to
6 this report. I will also dedicate the resources of
7 the Department to aid the states in managing their law
8 enforcement resources to better address the danger of
9 excess speed. I am also very interested in assisting
10 law enforcement efforts to recognize drug-impaired
11 drivers and to remove them from our roadways.

12 I also share this Committee's commitment to
13 protecting our marine environment. The Coast Guard
14 has two major statutory marine environmental
15 protection goals: to respond to oil pollution
16 incidents and prevent accidental discharges. A
17 patchwork of domestic statutes and international
18 agreements form the legal basis for the Coast Guard's
19 environmental programs.

20 I am part of an Administration that has
21 pledged greater attention to the environment, so I
22 assure you that I will work with this Committee to
23 review the need for stronger measures to strengthen
24 and consolidate oil spill liability and compensation
25 to provide better protection for our environment and a

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1 faster system for compensating the victims of oil
2 pollution.

3 I look forward to your guidance and
4 cooperation in this very important effort. I
5 appreciate the opportunity to appear before the
6 Committee and I anxiously await your questions so that
7 I can respond to the best of my ability.

8 Thank you, Mr. Chairman.

9 THE CHAIRMAN: Thank you.

10 Senator Moynihan is stuck in the Rules
11 Committee right now. He would appreciate it if I
12 would publicly express his regrets for not attending
13 to Mr. Skinner, and announce that Mr. Moynihan will
14 submit written questions for the record.

15 Do you have an opening statement, Mr.
16 Simpson?

17 SENATOR SIMPSON: Mr. Chairman, no thank
18 you, sir.

19 I welcome the nominee and I've had a very
20 fine opportunity to visit with him. I think he's
21 going to do an excellent job. I'm impressed with his
22 background and strength of purpose, which he will
23 require in this task.

24 I might have a question or two, but I thank
25 you, Mr. Chairman, for your courtesy.

1 THE CHAIRMAN: Apropos to what I said a
2 minute ago, would there be any objection to having a
3 five minute rule so everybody could be heard this
4 morning? If not, it will be the rule.

5 Mr. Skinner, the State of North Dakota is
6 currently de-mapping some of the local roads because
7 state and local funding is so limited. Those roads
8 are not eligible for federal funding. Many other
9 rural states are in the same fix. The problem is
10 compounded with the elimination of many railroad
11 branch lines and the discontinuation of general
12 revenue sharing.

13 What solutions do you see for rural highway
14 and bridge problems in the days ahead?

15 MR. SKINNER: Senator, you've identified
16 what is clearly a problem not only for your state, but
17 for virtually every state in the nation.

18 As I indicated in response to an earlier
19 question, one of the things that has come to my
20 attention and really surprised me is that as a federal
21 government we really have no national transportation
22 policy in place for the long range. I indicated to
23 you earlier that in Illinois that was one of my top
24 priorities.

25 We put a program into place and a plan into

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place that looks 30 to 50 years out, and then we are beginning to talk about the steps necessary to implement that policy and plan. Some state and local governments have done the same thing, but I find that at the federal government we really don't have that integrated policy.

It's quite clear that our nation's infrastructure is in need of substantial funding and substantial repair. But before we find ways to solve those problems we've got to have a policy that lets us look out long-range as to what our needs are going to be, identify the short-range steps and the areas that need immediate solution, and then begin to implement those steps as part of the long-range plan.

One of my top priorities as Secretary of Transportation will be to develop that national transportation plan. Obviously highways and bridges, given the role they play in our nation's transportation system, is going to be an essential and very, very important part of that policy. Once we've identified how big a problem we have, where that problem is, then we can begin to find solutions working with this Committee, not only for the rest of this century but into the next century, and not only for your home state but for all 50 states in our

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1 country.

2 THE CHAIRMAN: On the related rural
3 transportation issue, what are your plans for
4 implementing the essential air service program on
5 which so many small communities depend?

6 MR. SKINNER: I've now completed most of my
7 Hill visits. I've talked to most members of the
8 Committee. I haven't been able to see all of them,
9 but I hope to shortly. It's quite clear to me from
10 those visits that essential air service is at the top
11 of many Senators' lists.

12 I have pledged yesterday to work with the
13 Senate and the House in coming up with a solution to
14 maintain the essential air service subsidy level this
15 year and get it back up to what was initially
16 intended.

17 It is quite clear to me that there is
18 sentiment in the House and Senate for that. It is
19 clear to me that a supplemental appropriation or
20 reprogramming bill will pass. The sooner that passes,
21 the better off we're going to be. And I have agreed
22 to advocate strongly to the Administration that when
23 that bill is passed, which I believe it will, that it
24 be signed.

25 I am also anxious to work with the House and

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1 Senate, if I'm confirmed, in finding the way that
2 these funds -- finding the source of these funds if
3 it's going to be a reprogramming. And I believe that
4 some members of the Committee who have expressed their
5 concern are satisfied that the Department of
6 Transportation will work in tandem with the House and
7 the Senate in solving this problem.

8 THE CHAIRMAN: On that pleasant note, I'm
9 going to yield to the Senator from Rhode Island.

10 SENATOR CHAFEE: Well thank you very much,
11 Mr. Chairman.

12 Let me just say I don't share the enthusiasm
13 the witness has for some of these subsidized airlines.
14 I'll admit I don't come from a rural state, although
15 we have been cut-off to some extent in transportation.
16 But I would approach that with some caution.

17 I don't want to get in the middle of a large
18 state, small population situation with you. I'm
19 bracketed here on each side with tigers on the
20 subject. But I read the other day that one of these
21 subsidized airlines was carrying a passenger a day.
22 That might be a vital service to that passenger, but
23 we're in an era of tight funds and we've got to look
24 everywhere if we bear in mind the realization that
25 this budget deficit is a whale of a problem. But

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1 we'll leave that for a little later.

2 Mr. Skinner, there are two issues that I
3 would like to bring up in connection with the
4 greenhouse effect. Obviously, you know what that is
5 and the problems of global climate change.

6 The first has to do with the so-called "cafe
7 standards," in other words the auto mileage standards
8 for the year for the fleet. Now last year the
9 Secretary of Transportation decided to relax those
10 standards. In anything, I think they should be
11 tightened if we realize as Senator Baucus pointed out
12 what the emissions are doing to the atmosphere and the
13 greenhouse effect.

14 My question to you is pretty
15 straightforward. Do you plan to relax the cafe
16 standards like your predecessor did?

17 MR. SKINNER: Senator, let me say that it is
18 quite clear from everything that I have seen that the
19 President is committed to a very aggressive program
20 dealing with the environment. Part of that program
21 will obviously include the Department of
22 Transportation working not only with the Department of
23 Energy but the Environmental Protection Agency on that
24 environmental policy.

25 I would assume that a key ingredient of that

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1 are going to be the standards that you mention. I
2 come to the table with a clean slate on that issue. I
3 have never had to make a decision on that issue. I
4 have agreed to look at it from all perspectives, but
5 especially with the environmental concerns in mind.

6 I am the President's wing man on
7 transportation issues. I clearly plan to be his wing
8 man on his pledge to protect the environment. And I
9 will give serious consideration to environmental
10 concerns when it's appropriate to make such a
11 decision, after I've had a chance to look at all the
12 information that's available. I do promise a clean
13 look at it. I don't consider myself in a position to
14 prejudge that issue at all.

15 SENATOR CHAFEE: All right. Well, I do want
16 to stress that this Committee not only deals with
17 highways, but it also is the environment committee. I
18 encourage you in your support of the President,
19 President Bush's comments in connection with the
20 environment.

21 Now for example, he also has been a vigorous
22 supporter of alternate fuels. And thus, we get into
23 the ethanol/methanol situation. Now we've seen some
24 reports that show that using methanol made from coal
25 will actually increase the carbon dioxide emissions

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1 and add to the greenhouse effect. And I'd be
2 interested in having you take a look at that and
3 reporting back to us on your views on that particular
4 problem if you could.

5 MR. SKINNER: Well, I certainly will do -- I
6 know that, having watched the President in Illinois,
7 he's a strong supporter of gasohol. So I would hope
8 that we can look at that. I know that he's committed
9 to alternative fuels, but he's also committed to the
10 environment. But we'll look at that as we look at
11 these environmental concerns within transportation.

12 SENATOR CHAFEE: Yes. It's the methanol
13 that --

14 MR. SKINNER: I understand, but I'm just--
15 I didn't want to let the occasion pass without
16 mentioning an Illinois product, ethanol.

17 SENATOR CHAFEE: Now the last question, Mr.
18 Skinner, deals with the protection of the wetlands.
19 The President has indicated that he wants to pursue a
20 policy of what they call "no net loss." And that
21 would involve what we call mitigation. If he's going
22 to destroy some wetlands here, somehow he's got to
23 attempt to restore wetlands, which is an extremely
24 difficult and untested problem or solution on the
25 other side.

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1 There's a recent report from the Interior
2 Department called "The Impacts of Federal Programs on
3 Wetlands." I would commend this to you or your staff
4 if they could take a look at that, particularly on
5 pages 31 and 96. They deal with -- do you have
6 somebody here that --

7 MR. SKINNER: Yes, sir, I just turned to
8 them.

9 SENATOR CHAFEE: Yes. You'll learn to do
10 that automatically. That was pretty quick.

11 Pages 31 to 96, the report deals with the
12 current highway program and concludes that it's a
13 significant part of the problem of diminishing the
14 wetlands. I would appreciate it if your folks would
15 take a look at that. And if they could report back to
16 this Committee, I would appreciate that also.

17 MR. SKINNER: Thank you, Senator.

18 SENATOR CHAFEE: Thank you, Mr. Chairman. I
19 see my time is up.

20 THE CHAIRMAN: Senator Lautenberg?

21 SENATOR LAUTENBERG: Thanks, Mr. Chairman.

22 Mr. Skinner, you heard the concerns
23 expressed by those from the rural states. I'd point
24 out to you that the structure of this Committee is
25 such that there isn't, as I quickly think about it,

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1 not one New England state without representation here.
2 And we get to the Middle Atlantic states, New York and
3 New Jersey, very quickly. So we're talking about a
4 deep concern for the urban centers. The mass transit,
5 obviously, is an integral part of how we move -- maybe
6 not in parts of New Hampshire or Vermont.

7 But the fact is that if you take the region
8 as a whole, we are very much concerned about rail
9 service. And while our colleagues from the other
10 states, the more rural states, are placing rural air
11 service on a high priority list, you know that -- and
12 we've had this talk already that Amtrak mass transit
13 assistance is very important to me.

14 How do you see your advocacy developing vis
15 a vis those programs? You come from having had some
16 experience with a transit system.

17 MR. SKINNER: Well, I think that if one
18 looks at my background, Senator, they will see that
19 recently I have had a great deal of experience in mass
20 transit, and I think I understand the problems of mass
21 transit.

22 I grew up in the central part of the State
23 of Illinois, which is farmland and has a rural setting
24 to it. And of course, I went to school at the
25 University of Illinois in Central Illinois, which is

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1 similar. So I think I am able to identify with some
2 of the problems in the rural area as well as the
3 problems in the metropolitan area.

4 I am on record, as I believe we discussed,
5 that I think in the area of mass transit that it's a
6 partnership between the federal government and local
7 government.

8 You come from an area in the country,
9 especially in your neighboring state, New York, which
10 has put together a very significant infrastructure
11 rebuilding program funded by state and local
12 government funding in conjunction. They have done an
13 excellent job, as you know, in New York in rebuilding
14 an infrastructure that was in serious need. But that
15 was done as a partnership with the state and with the
16 federal government. Both have a role to play.

17 I think the federal government cannot just
18 pull the rug out from underneath mass transit while
19 the local mass transit funding is obtained. On the
20 other hand, I think we've got to provide incentives
21 and inducements to have the local governments play a
22 significant role and not rely totally on the federal
23 government.

24 So I think that you will find that I am a
25 proponent of mass transit funding. I am a proponent

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1 of state and local share in that mass transit funding.
2 And I am a proponent of coming up with new and
3 innovative ways to fund mass transit infrastructure
4 particularly.

5 As to Amtrak, I would look forward to the
6 day that this very important system is self-funded.
7 They have done a good job of going from approximately
8 50 percent to a fare box recovery ratio of 70 percent.
9 As you know from your experience in mass transit, a 70
10 percent fare box recovery ratio is a good ratio.
11 We're proud of a 50 percent in Chicago, which we're
12 now achieving.

13 On the other hand, it's a little different
14 service than urban commuter mass transit, and I think
15 we have to do everything we can to get that as self-
16 sufficient as possible. Because, the day that happens
17 we'll have additional resources available to fund the
18 other areas that are of so vital interest to you and
19 to other members of the Committee.

20 And as a member of the Board of Amtrak, I'm
21 going to be examining all of the alternatives that can
22 be taken to get them self-funded as soon as possible.
23 The Administration, as you know, supported funding at
24 approximately -- to OMB, the Department of
25 Transportation did -- with a number of about \$300

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1 million. That was rejected in terms of no funding.
2 We don't know quite where the Bush Administration
3 stands.

4 But that's basically where I stand on those
5 two issues.

6 SENATOR LAUTENBERG: The self-funding is, I
7 really believe, wishful thinking. The fact is -- and
8 you and I concur on this -- that at 70 percent they're
9 doing pretty well. Coming from a far worse position,
10 not just the ratio of 50 percent, but from a totally
11 bankrupt system to within some let me say modest
12 proportional funding from the federal government
13 they're doing a pretty good job. They could do an
14 even better job if they were able to invest in capital
15 goods, the capital equipment necessary.

16 I just want to be certain that if you say
17 self-funding that that's not a code word for no
18 support. I mean, self-funding -- if we withdraw all
19 the subsidy, of course, they'll have to fund
20 themselves.

21 MR. SKINNER: Well, Senator, I would only
22 say this, that I'm going to look for guidance from the
23 Administration on that. As you know, we have a budget
24 on the Hill now that was prepared by the previous
25 Administration. The new Administration will address

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1 that issue shortly. I will examine the Department
2 position and deal with that. But I'm going to have to
3 at some point get some real direction from the
4 Administration on it.

5 And let me just point out another problem
6 what I think has to be dealt with as part of our
7 national transportation policy, and that's the issue
8 of infrastructure within Amtrak. We talk about
9 operating subsidies at the level of approximately \$600
10 million. But as you know, because you live in that
11 environment and represent the people that use that
12 system, railroad infrastructures also need rebuilding.
13 Mass transit does not have a monopoly on
14 infrastructure.

15 So we have to deal and identify long-range
16 with the infrastructure within Amtrak just as we have
17 to deal with the rest of our nation's infrastructure
18 and identify that and come up with a program to
19 rebuild that infrastructure. When we do that, we can
20 insure that Amtrak will have a future that will go
21 beyond the end of this century, and I'm pledged to do
22 that.

23 SENATOR LAUTENBERG: Thank you, Mr.
24 Chairman.

25 THE CHAIRMAN: Senator Simpson?

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1 SENATOR SIMPSON: Thank you, Mr. Chairman.

2 I particularly appreciate your sensitivity
3 towards the issue of speed limit in your remarks.
4 When we're in the area of transportation, I think it
5 is very true as Senator Chafee says, he's bracketed by
6 two senators who represent small states in population
7 and yet huge in expanse. Without adequate highway
8 systems, we really lack the necessities of life. The
9 air service is very poor or nonexistent. And without
10 interstates -- and I think North Dakota and Wyoming
11 have the largest percentage of interstate highways of
12 any state. We have three in Wyoming and I think North
13 Dakota has a tremendous expanse. So, I appreciate
14 that and setting the speed limits in that area.

15 Infrastructure rehabilitation, the issue as
16 Senator Chafee speaks of, subsidized essential air
17 service, I think we do have to look at carefully. The
18 problem is that whether it's one passenger per day on
19 the air or in Amtrak it's usually a Congressman who's
20 the one passenger I find. And that makes it
21 difficult. But let me tell you, the abuses within the
22 subsidies of Amtrak are just as abusive as the
23 subsidies within essential air service. So it's
24 something we ought to look at honestly.

25 I do favor keeping the Northeast Corridor

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1 subsidized with regard to rail service and Amtrak. I
2 have no problem with that. It's carrying a tremendous
3 number of people. But certainly four passengers a day
4 out on Amtrak just so you can take your kids in the
5 bubble car once a year is not my idea of economy. Nor
6 is one or two or five passengers a day in a 40 seat
7 aircraft. So I'm ready to help with that, but let's
8 realize it's a serious problem all around.

9 There's another issue that we'll address
10 later. My state is a bridge state. With regard to
11 tonnage allowances, we've resolved that at least until
12 the year '90 or '91. When it returns again, I hope
13 that you'll be cognizant of how important that is. We
14 certainly can't be lesser in requirement than the
15 states all around us. The Department of
16 Transportation has been very helpful in the past and
17 we appreciate that.

18 So those are just some things that I note,
19 provincial things like we all do address here, and
20 important things. I look forward to working with you.
21 I assuredly do. I really don't have any questions. I
22 thank you.

23 THE CHAIRMAN: Senator Breaux?

24 SENATOR BREAUX: Thank you, Mr. Chairman.

25 Thank you, Mr. Skinner, once again. For the

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1 last two days you've been before the Senate Commerce
2 Committee, the Senate Environment and Public Works
3 Committee. You've heard Senators express to you their
4 wishes, their desires, their needs for their
5 respective states, and also a number of suggestions on
6 how you should run your Department.

7 After hearing all of that, are you sure you
8 still want this job?

9 MR. SKINNER: I think I'm pretty well
10 committed.

11 SENATOR BREAUX: An absolute commitment.

12 Well, we're glad that you're here. And as I
13 said yesterday, we're pleased that you're willing to
14 make the sacrifice, and indeed it is, to take the job.
15 We're glad that you're willing to do it.

16 There was a commission last year that made a
17 recommendation that called for doubling the amount the
18 nation spends on public works each year. Much of that
19 money would go to roads, bridges, highways, and rail
20 systems. That was the commission's recommendation.
21 As the new incoming Secretary of the Department which
22 would really be responsible for overseeing that type
23 of a proposal, what are your general thoughts about
24 the need for the type of extra building and
25 improvements in the areas that the commission made a

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1 recommendation for?

2 MR. SKINNER: Well, Senator, it's quite
3 clear that we have begun to educate the American
4 people on infrastructure and the need for increased
5 funding for infrastructure. But I don't think that
6 education process is complete.

7 As I indicated yesterday, infrastructure is
8 not sexy. It doesn't sell. It doesn't go to the
9 front page. We take infrastructure for granted. We
10 take our roads and bridges for granted. And then one
11 day when one collapses, we have a very serious
12 situation that should have been dealt with.

13 It appears to me that when the national
14 transportation policy is developed it is going to
15 identify some very, very significant capital needs for
16 infrastructure and some additional funding needs.
17 Until we identify the problem, how big a problem it is
18 when that problem really takes hold -- in other words,
19 what is the timing of that problem -- it's hard to
20 predict with any degree of certainty what our fund
21 needs are going to be and when.

22 So I think there's been some short-range
23 planning reports like the one you talked about. I
24 think it's essential that we fit those into the long-
25 range, then make sure --

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(Tape change.)

MR. SKINNER: Once we do that, and if we do it across the board, with all modes of transportation, and if we build constituent support from users across the board as well as state and local officials, then we can create the national consensus necessary to find the funding necessary for that program. That program is obviously going to be tied in closely when the plan is done and when the reauthorization bills are up for the various modes. I know that's at the top of my list of things to do and I look forward to working with Congress on it.

SENATOR BREAUX: How do we address the problem that I think Senator Humphrey began to speak to with regard to the huge surpluses that are building up in the User Fee Program with the American people? I think the American people are willing to pay a user fee if the money, in fact, is being used for the purpose in which they're willing to pay it. When you show the surpluses that we have in the Aviation Trust Fund, the surpluses that are rapidly building up in the Highway Trust Fund, people start beginning to question shouldn't we maybe not be paying so much if we're not going to use it.

I guess my question really goes to the

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1 Highway Trust Fund. Do you see a need down the line
2 to expand construction of highways and the repairs of
3 bridges and roads in the system? What are your
4 philosophical thoughts about what we're going to be
5 doing with the Highway Program?

6 I know we had a study authorized last year
7 for extending an interstate segment from Kansas to
8 Shreveport, Louisiana. Everybody says it's feasible
9 and technically doable, but it's not in the program
10 now and as it comes to an end, what are we going to be
11 doing with it in the next decade?

12 MR. SKINNER: Well, obviously, we really
13 have three trust funds that we're dealing with. Each
14 of them has a little different twist to it. The
15 Highway Trust Fund, on a current spending basis, if
16 you'll forget the balance that's been building up,
17 they've been spending the Highway Trust Fund basically
18 at full funding and the balance has dropped several
19 billion dollars over the last several years.

20 In many respects, Mass Transit, the real
21 problem is Mass Transit cannot design and build some
22 of the projects that are top priority projects as fast
23 as they should. That's also true in aviation. So, it
24 runs in parallel.

25 Number one, we should spend money. We

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1 should get as soon as possible into an environment
2 that allows us to spend the money in the trust funds
3 for the purpose for which the money is collected. We
4 should do that consistent with law. The deficit
5 reduction and budget balancing problem must be solved
6 if we're going to convince OMB to allow us to spend
7 that money to the degree that we want to spend it and
8 need to spend it.

9 That, in fact, is probably not enough.
10 We've got to identify, as I've indicated to you
11 earlier, just what is enough. What is realistic to do
12 and where are we going to raise that additional
13 funding? The Reauthorization Bill is coming on line,
14 so to speak, for consideration. Next year would
15 probably be the perfect timing to address that. In
16 the meantime, hopefully the Administration and the
17 Congress will address the deficit and budget balance
18 problem. But I'm going to do everything I can to make
19 sure that to the degree funding is available, it's
20 spent wisely and sufficiently and as quickly as
21 possible.

22 SENATOR BREAUX: I have one short comment,
23 Mr. Chairman. I know my time has expired.

24 Dealing with some of the states with regard
25 to the Highway Program, prosperity has not reached all

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1 of the states and mine is a particular example of
2 where it has not. We have had trouble maintaining our
3 roads to come of the conditions because of the
4 economic situation down there, the lack of funding for
5 the state.

6 One of the procedures that the Highway
7 Department has used, the Federal Highway
8 Administrator, is when a state is not doing the job,
9 for whatever reason, if it's because of a lack of
10 money, the penalty becomes taking away or withholding
11 federal money, which makes it a lot more difficult for
12 the state to ever get back on track in bringing the
13 roads up to stand^{ard} and the bridges up to standard.

14 So, I wish, as you take office, to look at
15 that with an understanding of the fact that the
16 penalty in many cases is not helping the state to ever
17 overcome the problem. That's one of the concerns that
18 we have in Louisiana.

19 MR. SKINNER: Well, let me say that
20 incentives and penalties are for the purpose of
21 insuring states that have the responsibility to make
22 sure that they fulfill that responsibility. Now, that
23 doesn't mean that there may be extenuating
24 circumstances in a particular situation that would
25 cause, I would think, the Department of Transportation

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1 to be more realistic in its assessment of whether
2 penalties are appropriate, the ability of the states
3 to make movements along those lines.

4 You know the difference. The difference is
5 they're just not doing the job. That's one thing. If
6 they're incapable of doing the job for reasons beyond
7 their control, that fits into a different category of
8 problem and we ought to look at that with a little
9 different perspective. I'll try to make sure we do.

10 SENATOR: Thank you, Mr. Chairman. I will
11 be a little bit provincial this morning. Being my
12 first day on this committee, I want to make sure the
13 people back home know I care about what's going on.

14 The first part will be just a statement of a
15 situation which exists in Massachusetts or Vermont
16 with respect to Amtrak, especially in view of Mr.
17 Simpson's comments about the ridership.

18 We've had a failure of that line due to the
19 fact that the infrastructure failed, a bad accident
20 and then in combination with the railroad's desire to
21 turn all the traffic south instead of north. We had a
22 serious problem and had to get appropriation of funds,
23 et cetera, to redo a line and now we're in the process
24 of trying to reroute.

25 So, the Montrealer, which had one of the

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1 best ridership records of the trains in Amtrak has not
2 ridden for a long time now, but is in the process of
3 being restored. However, it is being terminally
4 delayed. We've had delay after delay and now it's off
5 into April before it will start running again. I just
6 want to make you aware of that because I'm sure we'll
7 be bugging you if there's another delay on that. It
8 was one of the best, but due to problems it has had
9 some difficulties in getting restarted.

10 My second question though is a little bit
11 more difficult in that sense. It has to do again with
12 Vermont and I'm sure it's true of other states, that
13 the problems with our highways has resulted in serious
14 problems for us trying to be able to keep track of the
15 falling bridges. We're in the process now of raising
16 our gasoline tax to one of the highest in the nation,
17 as well as a diesel tax. They're also considering a
18 weigh-distance tax for trucks. Our concern as to
19 whether the federal government will be excited about
20 such things or whether they would want to, as a
21 national transportation policy, preempt and try to
22 outline a taxation structure for the states such that
23 if we get going in that direction we may find
24 ourselves having to redo things because of preemption.

25 I wondered if you would give us your

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1 feelings on the rural states and the transportation
2 policy, especially in developing innovative or new
3 measures of taxation in order to sustain and to
4 improve our highways.

5 MR. SKINNER: Senator, it appears to me that
6 it's fundamentally fair that if we ask states to
7 assume a greater responsibility in rebuilding their
8 infrastructure and they make the courageous decision,
9 and I've been in the process of trying to convince the
10 state legislature and an administration to impose some
11 additional taxes for infrastructure. So, I know how
12 hard it is to get there.

13 If we're going to encourage them to do that,
14 we can't then be developing a policy that undercuts
15 their funding, which obviously is a linchpin of any
16 state involvement. We give lip service to state and
17 local environment, unless we recognize they're going
18 to have to find ways to fund it. It probably cannot
19 come out of general revenues in most states. It
20 probably has to come out of some other creative
21 financing technique. If we now encourage them to do
22 that, they are doing it. They are contributing to
23 solving the infrastructure problem. I would hope and
24 I would work to make sure that we don't, as a part of
25 a national transportation policy, undercut the

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1 linchpin of the state and local cooperative effort.

2 So, that's basically where I stand. I think
3 it's a sharing thing anyway. I don't think in some
4 areas that the federal government should assume as
5 great a role as it has traditionally. In other areas,
6 given the nature of the problem, it may be as that
7 policy develops that the federal government may play a
8 slightly greater role. But in the areas you're
9 talking about, my indications would be along the lines
10 that I've said.

11 SENATOR: I would assume that it would also
12 fall -- and I'm sure you've answered this question,
13 but I have not heard your answer to it. That is that
14 you would not look with great delight on utilization
15 of the federal highway tax as a general revenue
16 source --

17 MR. SKINNER: No.

18 SENATOR: -- for taking care of the federal
19 deficit.

20 MR. SKINNER: Yes. I answered that
21 yesterday, but I'll answer it again today.
22 Congressman Rostenkowski, from my state and who I had
23 the honor of being introduced by yesterday, as you
24 know, has proposed that. One of the times we were
25 flying back to Chicago, he and I had what I'd call a

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1 somewhat heated discussion over that issue. He and I
2 have agreed to disagree over that issue.

3 I am not in favor of raising the tax period
4 at this time. That is also the President's position.
5 It would be difficult for me to understand from my
6 personal viewpoint and from the Department's
7 viewpoint, using funds that were intended for
8 infrastructure or for highway, mass transit and
9 transit, to use those funds for general revenue
10 purposes when we've got the dire needs that we do.

11 So I think you'll find that I would be a
12 strong advocate of using taxes like the taxes you're
13 talking about for the purposes -- and that's what the
14 President is committed to, consistent with, as you
15 know, the budget reduction problems.

16 SENATOR: I would certainly agree with you.
17 With all the infrastructure needs we have, as exciting
18 as that may be to some people, it's certainly not very
19 exciting in my state.

20 Thank you very much.

21 THE CHAIRMAN: Senator Reid?

22 SENATOR REID: Thank you, Mr. Chairman.

23 Initially, Mr. Designee, I am glad that you,
24 in your opening statement, talked about drunk driving.
25 I think it's something that we don't talk enough

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1 about. As we all recognize, 24,000 people were killed
2 last year by drunk drivers. I have a lot of other
3 questions I want to go into, but I would hope that you
4 would, in writing as soon as you get settled, give me
5 some ideas that you and your agency, your department,
6 will have regarding drunk drivers. As far as I'm
7 concerned, 24,000 people are murdered each year by
8 drunk drivers and we have to do something about it.
9 Okay?

10 MR. SKINNER: Let me just give you -- one of
11 the first questions -- go ahead. Maybe I don't have
12 to answer it.

13 SENATOR REID: Okay.

14 MR. SKINNER: I'll be glad to answer where I
15 stand on that if you want because --

16 SENATOR REID: How long will it take you?

17 MR. SKINNER: I won't use your time. I'll
18 figure another time to do it. Okay.

19 SENATOR REID: First of all, do you know how
20 much nuclear waste is now stored in the United States?

21 MR. SKINNER: I do not know, but I know that
22 your state, along with a couple of other states, are
23 big depositories of nuclear waste.

24 SENATOR REID: Well, they're not yet, but
25 they're looking to us. But there's 70,000 tons

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1 waiting to be hauled someplace. There are only two
2 ways it can be transported, highways or railroads. At
3 Yucca Mountain, the place that they're talking about
4 putting it, they're trying to characterize now,
5 there's no railroad. So that only leaves the
6 highways.

7 Your predecessor, when asked some questions,
8 said it could only be hauled on interstates. Now, if
9 that's the case -- he didn't testify in person, he
10 sent me a letter indicating that was the case. If
11 that is the case, then it's going to be interesting
12 how it's going to get to Yucca Mountain because we now
13 have 146,000 truckloads ready to be hauled someplace.
14 Plus, just to keep up with the amount that's produced
15 each year, it's 3 to 4,000 truckloads.

16 So, if it has to be hauled on the
17 interstates to come to Nevada, it's going to have to
18 go through San Bernadino, California, Salt Lake, Utah,
19 places like that, San Francisco. It's a real concern
20 that hasn't been addressed in the Nuclear Waste Policy
21 Act and it leaves the responsibility to the Department
22 of Transportation.

23 In the past, states have tried to stop
24 shipments of hazardous wastes through their borders
25 and the courts have said you can't do that. Only the

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1 Department of Transportation can determine what is
2 hauled.

3 So, I give this brief statement to you to
4 ask, first of all, have you looked into the nuclear
5 waste problem?

6 MR. SKINNER: I'm aware that there is not a
7 unified policy regarding that and how we're going to
8 regulate that over the long-haul and that's one of the
9 top priority projects also within the Department to
10 address.

11 SENATOR REID: Well, it really should be. I
12 don't know -- and I say this respectfully, I don't
13 know that the Department is capable of doing that. I
14 can remember when the Secretary appeared last year, he
15 indicated that they were going to get a grant of
16 \$300 -- I'm trying to find it here. I don't know if
17 it was \$300 million or \$300,000.

18 MR. SKINNER: I don't think it was \$300
19 million, I hope, because we haven't got that.

20 SENATOR REID: The point of the matter is,
21 it should be.

22 MR. SKINNER: I will say, Senator, you're
23 absolutely right. It's an expensive proposition from
24 what I understand to regulate that type of system.
25 Who is going to do that is also an important part. So

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1 you've identified --

2 SENATOR REID: Well, you're going to do it.
3 That's the way the law now stands. So, you can't
4 lateral the ball to anybody unless the law is changed,
5 the way I understand it. It's a serious situation.
6 We have now -- in one of these buildings in the Senate
7 side of the Capitol we have the Senators of Idaho,
8 Colorado and I don't know what other states, all there
9 saying, "We don't want it, take it someplace else."
10 In fact, Governor Andress of Idaho has situated state
11 personnel to stop, forcibly if necessary, train loads
12 of nuclear waste coming from Colorado. It's even low-
13 level, as I understand it.

14 So, it's a serious problem. The Office of
15 Technology Assessment has told us that hazardous
16 wastes alone, there are 6,000 incidents each year,
17 accidents involving hazardous waste. But they told us
18 that only about half of them are reported, so that
19 means 12 to 15,000 incidents involving the
20 transportation of hazardous wastes.

21 We know now that most nuclear waste is not
22 being transported. It's stored. It's not being
23 moved. When we start getting nuclear waste into this,
24 we're going to have San Bernadino, California, Salt
25 Lake City, Utah, as I mentioned, maybe San Francisco,

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1 any place there's an interstate, thousands and
2 thousands truckloads of nuclear waste each day being
3 transported. And we have no monitored retrievable
4 storage system which would cool it down. So we're
5 going to have the most volatile, dangerous, toxic
6 substance known to man, plutonium, being hauled
7 through the streets of our cities.

8 It is your responsibility, and I would
9 really hope that this Administration understands that
10 it has a tiger by the tail. The mere fact that
11 they're going to try to force the location of this on
12 Nevada doesn't mean that Nevada has all the problems.
13 We only have a little bit of the problem because you
14 have to figure some magical way to get it there.

15 MR. SKINNER: Thank you, Senator.

16 SENATOR REID: I would just end by saying
17 that I would ask that in addition to the drunk driving
18 question that I asked, that as soon as you get seated
19 in your office, if you would ask some of your staff to
20 give us what they've got on how transportation of
21 nuclear waste is going to take place, I would
22 appreciate that.

23 MR. SKINNER: All right. We'll do that.

24 SENATOR REID: My time is gone. I have some
25 other questions about essential air service, but we'll

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1 *Leave* that to some subsequent time, Mr. Chairman. Thank
2 you.

3 THE CHAIRMAN: Senator Lieberman?

4 SENATOR LIEBERMAN: Thank you, Mr. Chairman.

5 Mr. Skinner, yesterday in your testimony
6 before the Commerce Committee on a couple of occasions
7 you referred to yourself as a team player. Generally
8 speaking, that's obviously appropriate because as a
9 member of the Cabinet you are clearly a member of a
10 team.

11 But it does seem to me too that there's a
12 balance to be struck there. Perhaps part of the
13 reason why, for instance, we've had a drop in
14 investment in infrastructure funds is because some of
15 your predecessors have not been willing not only to be
16 members of the team, but to step up to the plate and
17 swing, to be advocates for the needs to the Department
18 of Transportation and the programs it oversees.

19 Are you prepared to be an advocate in that
20 sense?

21 MR. SKINNER: Senator, I did talk about a
22 team player yesterday. I talked about it as being a
23 team player not only with the Administration, but with
24 the Congress. So, I talked about looking at it as a
25 team across the board.

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1 Number two, also in that testimony I talked
2 for a moment about my advocacy. I indicated that I
3 had spent the first eight years of my life, as I told
4 Senator Lautenberg, as a salesman, selling a product
5 for IBM, a very technical product. My strategy -- and
6 I was somewhat successful because I got my case
7 together and then with some tenacity I continued to
8 advocate a position.

9 As United States Attorney and as a trial
10 lawyer, I've been doing that, as you know, for many,
11 many years. You really have to have the facts and
12 then you go out and sell them. I think my record in
13 that regard is also quite good. I have been a
14 strong -- no one has ever accused me of being a
15 shrinking violet. I promise you I will not be
16 shrinking violet when it concerns infrastructure.

17 SENATOR LIEBERMAN: I appreciate that. That
18 heartens me because I think that is going to be an
19 important part of fulfilling your statutory
20 responsibilities.

21 If I may, this was touched on somewhat by
22 Senator Breaux and Senator Jeffers, but as so many
23 others, and I'm sure yourself, are troubled by the use
24 of some of those Highway Trust funds derived from user
25 fees for other than highway purposes. And accepting

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1 precedent that Senator Jeffers generally said to be
2 somewhat parochial, I can tell you that in Connecticut
3 right now where we do have a serious highway
4 congestion problem, OMB's policy has meant that in
5 fiscal year '88 we didn't receive approximately \$45.5
6 million in authorized federal aid highway funds. Our
7 current backlog, and we're a small state of course, is
8 \$166 million, which again is all money collected from
9 users with the understanding and commitment that it go
10 to improve our highways.

11 Are you prepared to do battle with OMB on
12 that matter to make sure that the users get what
13 they're paying for?

14 MR. SKINNER: I think that I am clearly--
15 and do battle is, I guess, a proper word. But as I
16 indicated a moment ago, the President made a
17 commitment and he is a man that keeps his commitments.
18 He wants to get those funds available for the purpose
19 for which they were intended.

20 He has asked me as Secretary of
21 Transportation to carry out his campaign promises, his
22 commitments, and I'm going to do what I am told as a
23 team player and advocate and remind the Office of
24 Management and Budget that we are committed to this,
25 that the President is committed to it. I am committed

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1 to him and I think the Office of Management and Budget
2 is also committed to him. So, I would hope with that
3 kind of commitment we can reach that point in the not
4 too distant future.

5 SENATOR LIEBERMAN: Thank you. I appreciate
6 that answer.

7 If I may give you another opportunity for
8 advocacy in the area of mass transit. I know based on
9 your background that you understand the strong
10 connection between investment and mass transit and
11 economic development. I gather that here in
12 Washington is the handiest example. A substantial
13 part of the economic growth that's occurred here in
14 the last decade, as much as half of it has actually
15 occurred in relative proximity to the Metro stations.
16 So, there's a clear connection there.

17 In Connecticut, we have a similar situation.
18 In fiscal year '90, we hope to receive approximately
19 \$25 million in Section 9 formula funds, and \$90
20 million in discretionary Section 3 capital funds,
21 aside from the operating assistance. We've got many
22 priorities, including restoration of a bridge in
23 Bridgeport and comprehensive bridge restoration along
24 the New Haven Line and track maintenance, new facility
25 improvements.

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1 My question is this, the outgoing budget
2 that the Reagan Administration submitted cut transit
3 spending by nearly two-thirds. Are you prepared, and
4 I know it's a short time frame, in the time between
5 now and February 9th when President Bush comes before
6 Congress, to argue within the Administration,
7 particularly to OMB, that those cuts be diminished or
8 eliminated?

9 MR. SKINNER: I have not had a chance,
10 because I've been involved in confirmation hearings
11 and Director Darman has also been involved in
12 conformation hearings. I've not had a chance to sit
13 down with him on the Bush budget. The biggest problem
14 I face immediately is dealing with the budget, given
15 the previous actions of Congress in the areas of mass
16 transit funding and in Amtrak subsidies.

17 Given the commitments that I have made and
18 the President has made in the area of the FAA and the
19 Coast Guard, which I've heard from a number of members
20 on the Hill, how we're going to handle this on various
21 scenarios, and it appears to me what we're going to
22 have to do is we're going to be operating under
23 certain constraints from the Office of Management and
24 Budget on a total picture and then I'm going to have
25 to work with not only our Administrations but with the

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1 Hill in seeing how we can satisfy it.

2 We can't be everything to everybody this
3 year. I want to be as fair as I can in helping make
4 those decisions with the Congress, in making sure that
5 once they are made that at least the Congress is fully
6 informed of all the implications. And hopefully,
7 working with the key members of the committees, we'll
8 at least reach an understanding as to where we have a
9 disagreement. Eventually, obviously, the Congress
10 will impose their desires on that budget and I will
11 try to be as reasonable as possible addressing it all.

12 But it's on the screen, Senator, for next
13 week, and it's going to be an all day session. It's
14 not one I look forward to.

15 SENATOR LIEBERMAN: Okay. Thank you.

16 THE CHAIRMAN: What do you see as major
17 highway issues now and in the near future and
18 reauthorization legislation next considered? What
19 will be regarded as the priorities in the Federal Aid
20 to Highways Program as we renew the act?

21 MR. SKINNER: Well, I think the
22 reauthorization, when it comes up, we're number one
23 going to have to look at -- do some validation of the
24 results. We want to learn from the experience of the
25 act as it currently stands. By then we'll have

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1 identified how big a problem we have out in the
2 future. We'll then be in a better position to take a
3 look at what any reauthorization should be.

4 It's clear to me that these programs over
5 the years -- General Eisenhower, President Eisenhower,
6 identified the Interstate Highway Program as a
7 national defense program. I think we've gotten away a
8 little bit from the importance of highways for
9 national defense purposes. We're going to have to
10 begin to remind people of that.

11 We've talked about -- our situation is
12 changing. Our plan is going to identify a new
13 economic environment or a predicted economic
14 environment in the years 2020 and beyond, whether it
15 be a system that allows us to handle safely and
16 transport safely hazardous waste or move people on the
17 Northeast corridor in modes of operation other than
18 air, maybe with some kind of system that we don't--
19 you know, high speed trains we don't even have today.

20 So, I think in those areas, and as well as
21 the basic highway problems, the priority is going to
22 be identifying how big a problem it is, what we want
23 our system to look like and how we're going to get
24 there.

25 THE CHAIRMAN: I've got another good

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1 question for you.

2 MR. SKINNER: I'm ready.

3 THE CHAIRMAN: You ready?

4 MR. SKINNER: I hope.

5 THE CHAIRMAN: Former Secretary Dole and
6 present Secretary Dole had a vigorous program for
7 recruiting and promoting qualified women, minorities
8 for positions within DOT. Do you share her views? If
9 so, what are your plans.

10 MR. SKINNER: Okay. I've had the
11 opportunity to meet with Former Secretary Dole and
12 Secretary Designate and confirmed almost Secretary
13 Dole. I spent an hour and a half with her recently.
14 She was kind enough to give me some time to discuss
15 her service as Secretary of Transportation where she
16 had so many accomplishments.

17 One of the things she brought up and we
18 discussed at some length was her program to increase
19 the representation of women in the work force at the
20 Department of Transportation. It's moved up slightly.

21 Let me just tell you where I stand on that
22 issue briefly. As United States Attorney, I think I
23 was the leading United States Attorney in the country
24 in making employment opportunities available to women
25 and minorities. I had on a percentage basis and a

1 total basis more women Assistant United States
2 Attorneys in trial lawyer positions and in supervisory
3 positions than any in the country.

4 At the Regional Transportation Authority, I
5 have women in significant -- and one in particular--
6 in a significant management position.

7 I fought as a trial lawyer as United States
8 Attorney for equal opportunity within public
9 employment in very controversial law suits against the
10 Chicago Police Department and the Chicago Fire
11 Department and we were successful working with the
12 Civil Rights Division of the Department of Justice.

13 The President is committed to that
14 involvement. My record shows I believe a level of
15 commitment. So, I think my record on that area, where
16 I have a clean slate in others, on that one it's
17 pretty clear. My commitment is total and complete.

18 THE CHAIRMAN: Thank you.

19 Do you have a question?

20 SENATOR: A couple, if I might, Mr.
21 Chairman.

22 Mr. Skinner and I have some similarities of
23 background in that your service with the Transit
24 Authority in Illinois and mine with the Port Authority
25 in New York. You were a salesman, I was a salesman.

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1 We bought what you sold in my former life.

2 MR. SKINNER: You were more successful too.

3 SENATOR: I don't know about that. Well,
4 you had an easier product to sell.

5 In any event, just going back to Senator
6 Lieberman's comments about the advocacy role. Mr.
7 Skinner, nothing is going to happen unless we get
8 funding for our programs. Since I'm the
9 Appropriation's Subcommittee Chairman, it's very tough
10 if we have a pie of a given size to divide up and give
11 enough pieces that exceed the size of that pie. We
12 have Coast Guard and the environmental concerns, of
13 course, are now a significant part of their agenda.
14 Highway support, air, rail, you name it. There's a
15 lot of competition.

16 The fact that you are going to be a major
17 player on the Bush team obviously got you to this
18 point. How do you view your responsibility as a
19 secretary based on the laudatory comments that you got
20 coming in here? I mean you've got a pretty good shot
21 at this, I'd say. How do you determine how hard you
22 push? When you go into the meeting with Mr. Darman,
23 what's your position?

24 MR. SKINNER: Well, I think that --

25 (Tape change.)

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1 MR. SKINNER: -- similar responsibility.
2 Not only our days in the computer business and our
3 days in public service in the local sector, but now
4 you will be involved as a key member in the
5 appropriations side in transportation. I will be
6 involved, hopefully, as Secretary of Transportation.
7 I do hope it looks pretty good. I'll be working with
8 my people.

9 But the first thing I have to do, because
10 you're on the power curve -- you're ahead of the power
11 curve, Senator. You've been through this process and
12 you know how this balancing takes place. I still know
13 a little bit about the problems, but my first budget
14 meeting, which will be next week, just to balance
15 that, I've got to come up with a strategy and a
16 scenario that makes sense given all these competing
17 needs and given the restraints I've got.

18 Until I've sat down with my people, looked
19 at their various budgetary needs, looked at various
20 scenarios based upon a prediction of what we think
21 might happen in the House and the Senate, then I can
22 be in a position to advocate what we're going to do on
23 the short-range and what we're going to do on the
24 long-range. I don't think we're going to have a whole
25 lot of movement on the short-range. There's not going

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1 to be major revenue inflow on the short-range into
2 this year's budget. We've got to look at little bit
3 beyond that, but I've also got a short-term problem as
4 to what's our strategy as a Department going to be.

5 Once I make those decisions, and all I can
6 promise you -- I don't know how they're going to come
7 out. I want to listen to everybody. Whatever success
8 I've had in government in the private sector is
9 because I will listen and be fair. I will hopefully
10 ask penetrating questions, be able to identify with
11 good staff the right areas, what really has to be
12 done, what can be put off and the impact of putting
13 that off. Then we can come up with the scenario that,
14 frankly, you and I will sit down with and try to work
15 this out.

16 I don't think you and I are going to agree
17 on everything, but I think you and I have agreed to
18 have open dialogue, in your office when we met, on a
19 continuing basis on this problem with you and your
20 committee and I'm going to do the same thing with the
21 House. But you'll understand, at this point I
22 don't --

23 SENATOR: No, and I appreciate -- it's a
24 balanced response. Don't always like to hear a
25 balanced response when you're an advocate, but the

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1 fact is I also sit on the Budget Committee and that's
2 coming up very soon. That review is coming up very
3 soon and I hope that President Bush will interject
4 into that program that the Reagan Administration left,
5 the budget program, and that we'll be able to deal
6 with it.

7 I would just, before leaving the subject,
8 urge you to have a fairly narrow focus on this because
9 the person who sits in a Secretary's seat who doesn't
10 support the largest share of the budget they can get,
11 in my view, is not upholding the responsibilities of
12 that office. You're not an extension of the Budget
13 Office and I think you've got to have to, as they say,
14 let their mother worry about that.

15 I believe that you understand the problems
16 and I really must tell you that I respect your
17 constant reference to the longer range, to the
18 balance. The system doesn't work well in that regard.
19 The system here doesn't work well. The system there
20 doesn't work well. You turn over FAA Administrations
21 with administrations and decisions that maybe take 10,
22 12, 15 years to implement, just get switched in the
23 middle and that's too bad. We see the results of that
24 kind of change. But I would urge you to be as thick-
25 Skinnered as you can.

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1 Lastly, what I would say, Mr. Skinner, is
2 this. You've made very clear your view of the speed
3 limit thing. You know that I lost a battle on
4 retaining the old 55 as a maximum speed limit on the
5 federally involved highways. The initial report says
6 that fatalities have increased. You say that states
7 are best equipped to set those limits. Is there any
8 point at which you would say, "Hey, wait a second.
9 We're seeing too much destruction, too much death on
10 the highway that, maybe coincidentally or otherwise,
11 follows the increase in the speed limit."

12 MR. SKINNER: Yes, absolutely. I discussed
13 that a little bit this morning in preparation for this
14 hearing because my position is the state and local
15 governments, and particularly the states, are in the
16 best position. I give them the presumption that they
17 want to protect the lives of their citizens, just as
18 we do.

19 If there comes a point in time when the
20 statistics and support is clear and they are ignoring
21 that and they are just basically taking positions that
22 clearly are contrary to fact and they are doing it in
23 a way that has a significant disregard for the safety
24 of citizens, then I think it's time for the federal
25 government to give them some real incentives to get

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1 involved in that. When I talk about giving them
2 authority, I assume and presume that they have the
3 same care for safety that we do. When I see that's
4 gone, and heaven forbid they ever have a disregard for
5 that, then I think it's time to reassess.

6 SENATOR: I'll close, Mr. Chairman, I
7 promise you, without too much delay.

8 I sense your indignation at the loss of life
9 as a result of drunk driving on the highway and I get
10 the feeling that you're going to be with us, those of
11 us who care about that issue 100 percent of the way.
12 I take pride in the fact that I was the Senate author
13 of the 21 drinking age bill and we look at the
14 statistics with a degree of some satisfaction. Over
15 1500 lives a year, young lives, are saved from death
16 on the highways. I'd like to see us do better. That
17 still leaves some 3, 4,000 getting killed from alcohol
18 and driving.

19 We have another program that's in place,
20 Administrative Revocation of Licence and so forth. I
21 would hope that we could count on the DOT to pursue
22 that vigorously and give us an assessment as to
23 whether or not the incentive program that we've
24 proposed does the same job as the punitive program
25 that we proposed with the 21 drinking age when we took

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1 away highway funding. That got a response, not always
2 quick, but got a response.

3 MR. SKINNER: Well, this is probably a good
4 point to take a minute. I think it was Senator Reid
5 that didn't want me to take into his time. I do feel
6 strongly, you are absolutely right. I do feel
7 strongly about this. I feel strongly that it's a
8 safety issue. It's a safety issue not only on the
9 road but in the cockpit.

10 I have inherited a very strong drug policy,
11 as you know, including a very strong random drug
12 policy. The number of people that have alcoholic
13 problems in this country is significant, those over
14 18. Those people should not be on the road, they
15 should not be in the cab of a train and they should
16 not be in the cockpit. We've got to provide the
17 leadership role and I think they go hand in glove.

18 I don't want to be so arbitrary and
19 capricious as to come up with an unenforceable
20 program. But I think we at the federal government
21 have to send a significant message to the states that
22 we're not going to tolerate drunk driving. It is a
23 callous disregard for the lives of others and I am
24 going to be a very strong advocate.

25 SENATOR: Thank you, Mr. Chairman

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1 Good luck.

2 MR. SKINNER: Thank you very much, Senator.
3 Thank you for your time.

4 THE CHAIRMAN: Mr. Lieberman?

5 SENATOR LIEBERMAN: Thank you, Mr. Chairman.

6 May I state for the record that
7 unfortunately I have never been a salesman, although I
8 was involved in a political campaign last year, so in
9 that sense --

10 MR. SKINNER: You did a pretty good job.

11 SENATOR LIEBERMAN: That was a year of
12 sales. You and I, however, share another experience
13 is that we've both been lawyers and in law
14 enforcement. I want to ask you, if I may, two
15 questions that come out of experiences that I had in
16 Connecticut on transportation related issues as
17 Attorney General.

18 The first relates to tandem trucks.
19 Connecticut had a long-standing desire to prohibit
20 tandem trucks on our highways based on the belief that
21 they were unsafe, particularly on our congested, urban
22 highway system. The Surface Transportation Act came
23 along, we took it to Court. At least from my previous
24 perspective I would say unfortunately the preemption
25 clause remains strong and vital and we lost that

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1 battle.

2 But Congress then came back and passed a
3 Tandem Truck Safety Act which authorized states to
4 apply for exemptions on certain highways at certain
5 times. Our state department of transportation did
6 that for I-95 between Greenwich and New Haven. I
7 don't know if you've ever been on that highway, but
8 it's extremely congested during the rush hours. Our
9 application was for exemption during the rush hours.
10 Frequent exits, average exits coming about one every
11 mile, exits and entrances.

12 We lost that application primarily on a
13 technicality and we're going back to bring it up
14 again. I wonder, as a general statement, how you feel
15 about tandem trucks on the highways and then,
16 secondly, will you keep an open ear to applications
17 for these exemptions when the facts justify them?

18 MR. SKINNER: Well, I promise to keep an
19 open ear. You and I have been on both sides of cases,
20 as you know, over the years and I've been able to
21 advocate both sides. And on occasion, as an Attorney
22 General or as a United States Attorney, we're required
23 to make decisions, so we also kind of serve as judges
24 in that regard. I think over the years I've learned
25 to be open-minded and fair.

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1 I start with no record, pro or con, in the
2 issue of tandem trucks. I do feel that safety on the
3 highways involving trucks is very important. I think
4 there may be an increasing apprehension among people
5 in this country about truck safety. I think we have
6 to have, working with the states, a very realistic
7 program in enforcing truck safety and safety on the
8 highways in general. How tandem trucks fit into that
9 over our policy, I don't know.

10 But I think the American people have a right
11 to feel, just as they have a right to have confidence
12 in their aviation system, they have a right to have
13 confidence in the safety of their highway system.
14 We've got to come up with a fair approach to this and
15 a fair policy to this that recognizes the importance
16 of trucking to our economy, but at the same time
17 recognizing that our obligation to safety of our
18 citizens, there's no greater concern than that. I
19 think the balance of that, I'll try to do just to the
20 best of my ability.

21 SENATOR LIEBERMAN: Thank you for that
22 answer. We believe that tandems, based on the
23 evidence that the state put together, have a higher
24 propensity to be involved in serious accidents. We
25 look forward to the opportunity to put that before

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1 you.

2 MR. SKINNER: And as I say, I have no
3 opinion, pro or con. I'll be glad to look at the
4 facts and the briefs.

5 SENATOR LIEBERMAN: I appreciate that.

6 MR. SKINNER: I am pro pre-exemption now,
7 you understand that, preemption. I'm now a preemption
8 man. I think you probably might be too now.

9 SENATOR LIEBERMAN: Right. The last word
10 that one of the Assistant Attorney Generals in
11 Connecticut said as I walked out of the office on the
12 last day was, "Don't forget the Preemption Clause,"
13 from the state's point of view.

14 May I say I appreciate your comments about
15 truck safety generally because there's, apart from
16 tandems, tremendous apprehension in our state and I
17 assume throughout the country about the number of
18 highway accidents involving trucks and a fear that
19 that has something to do with the deregulation of the
20 trucking industry and the fact that there are a lot
21 more independent operators on the road, driving for
22 long periods of time, perhaps not with the capital to
23 maintain the vehicles in the best condition.

24 So I thank you for your interest in that
25 subject and the priority that you are going to give

1 truck safety.

2 If I may, Mr. Chairman, ask one more
3 question from Connecticut.

4 Another case that we were involved in, this
5 one we appreciated DOT's reaction. Going back to
6 Senator Reid's question, it has to do with the
7 transportation of nuclear wastes. I wouldn't be
8 surprised if you faced this in the coming years with
9 more frequency.

10 This was a case in which New York wanted to
11 truck nuclear waste from Brook Haven Labs on Long
12 Island, wanted to keep that waste out of New York and
13 therefore to break the established DOT routing system
14 which seems to say take it across the interstates and
15 take it on the shortest distance between two points.
16 This stuff was meant to go from Brook Haven on Long
17 Island to Idaho. Our neighbors in New York had the
18 ingenious idea of taking it north, across Long Island
19 Sound, up through Connecticut and then west on 84 on
20 its way out to Idaho, on the argument essentially, and
21 I hope I'm doing it justice, that there was less
22 congestion and fewer people in Connecticut than in New
23 York and therefore risked fewer people.

24 But, needless to say, Connecticut is a
25 densely populated state, particularly along the roads

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1 that this material was going to go and we thought that
2 that break in the national routing system would be a
3 very bad precedent because any jurisdiction with some
4 more congestion and more people than a neighboring one
5 would naturally want to get this nuclear waste off
6 their highways.

7 The Hazardous Materials Transportation
8 Section of DOT ruled in our favor. It was bounced
9 back as the result of a technical question that courts
10 had. It's now back at DOT. I generally wanted to
11 bring that to your attention, ask you if you have any
12 position on it and hope that you'll enforce that
13 routing system.

14 Incidentally, this is not one of those Nimby
15 cases. We have a lot of nuclear waste going across
16 our highways from Northern New England because it's
17 the most logical way for it to go, getting to
18 depositories. But it didn't seem fair to us for New
19 York to come up north and then west.

20 MR. SKINNER: I don't have any opinion. I
21 just haven't gotten into the factual basis, obviously.
22 The transportation of hazardous waste in a safe manner
23 is going to be, as one of your colleagues pointed out,
24 a very important part of the Transportation
25 Department's responsibilities. To the best of our

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1 ability, given that charge, we're going to do that.
2 But on this particular case, I didn't know, and I
3 assume under the normal process if it belongs or by
4 law it comes up to the secretary, it will eventually
5 come up and I'll take a look at it.

6 SENATOR LIEBERMAN: Appreciate it. Let me
7 just say, the general point I want to make is that
8 this -- no state, no jurisdiction will want this
9 material across its highways given a choice. This is
10 a classic area where there is a need for federal
11 leadership and decision making, just straight ahead
12 without any favoritism either way.

13 MR. SKINNER: Thank you, Senator.

14 SENATOR LIEBERMAN: Thank you.

15 THE CHAIRMAN: Well, I want to thank the
16 witness for appearing here today, spending his time.
17 We thank you, Mr. Skinner.

18 The record will remain open until 5:00 today
19 so other members might submit questions.

20 MR. SKINNER: Thank you, Senator.

21 THE CHAIRMAN: I hope that you can get
22 replies back -- how soon?

23 MR. SKINNER: Soon.

24 THE CHAIRMAN: Two or three days?

25 MR. SKINNER: Two or three days. That's how

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1 soon. Thank you. I want to thank your staff also.
2 They've been helpful and I appreciate all your staff
3 that's here and the others that already left. Thank
4 you very much.

5 THE CHAIRMAN: The meeting is adjourned.
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STATEMENT BY TRANSPORTATION SECRETARY-DESIGNATE
SAMUEL K. SKINNER
ON HIS CONFIRMATION BY THE SENATE
January 31, 1989

I am deeply honored and gratified by the overwhelming vote of confirmation today by the Senate. I look forward to serving the President and to working with the Congress, the public, industry and all concerned interest groups in developing a new national transportation policy for the 1990s and beyond.

The safety, efficiency and the future of our nation's transportation system will be among my highest priorities as I take this job. I will work hard to make all modes of transportation safer, more efficient, and less expensive for the American consumer.

##