FIFTH DRAFT - 6 -3-93 AT 11:30 A.M.

SECRETARY OF TRANSPORTATION FEDERICO PEÑA
GREATER WASHINGTON IBERO AMERICAN CHAMBER OF COMMERCE
JUNE 3, 1993
ARLINGTON, VIRGINIA

Thank you very much Will Soza (Gala Chairman) for that introduction.

It's a great pleasure for me to participate in this gala event of what is probably the most diverse Hispanic American Chamber of Commerce in the United States, and to add my congratulations to the award winners, especially the young entrepreneurs here tonight. As a newcomer to the Washington area, I'm excited to see those of you from Central and South America joining people with Spanish, Puerto Rican, Mexican and Cuban heritage to share cultures and community in a uniquely Hispanic American way.

Your theme -- working together is working for our future -- truly captures the spirit that President Clinton aims to rekindle in this country. Tonight I want to talk about the President's economic plan and how small business -- especially Hispanic-owned businesses -- fits into the overall picture.

All of us in this room share with President Clinton the belief that small business is the heart and soul of a strong American economy. There are over 20 million small businesses in America, including more than 6,000 Hispanic-owned businesses in the Greater Washington area alone. Small business was <u>the</u> prime job generator of the 1980s, providing almost two-thirds of all new jobs. In the last three years, however, the worldwide recession took its toll on America's small businesses. That's why the core elements of the

President's economic plan are directed at getting small businesses like yours growing again.

Two of the President's most important initiatives to help small business were included in the budget bill which passed the House of Representatives last week.

First, the bill increases to $25,000 the maximum amount of new investments that a small business can deduct as expenses every year from its federal income taxes. This means that you can invest to expand your business immediately write $25,000 of your investments off of your taxable income.

Second, the bill would set up 10 empowerment zones and 100 enterprise communities, in which companies like yours would be given tax incentives so that new businesses can sprout and existing ones can flourish. We believe as you do, that small businesses

are the best vehicle for economic revival and that's why the President took the unprecedented step toward empowerment zones. Empowerment zone incentives and transportation are the keys to rejuvenating communities throughout the country because transportation gets people to and from work, stores and shops and home. Through these empowerment zone incentives and such specific transportation investments as the Red Line metro in Los Angeles, and the check we presented Mayor Kelly recently for work on the Green Line in the District of Columbia, we aim to revive our nation's most distressed communities.

We will be working very hard to move this legislation through the Senate in the weeks ahead so that we can start working together with you to reinvigorate our economy and create new jobs.

As Secretary of Transportation, the single most significant contribution I can make to strengthen small business is to improve access to government contracts. One of my highest priorities is to devise a bold, aggressive program to ensure that minority and women entrepreneurs, including Hispanics, have a better chance to win government contracts -- because the American dream of hard work and success belongs to all of us. All of us.

I saw it from your side when I was Mayor of Denver. We had little encouragement or direction on minority contracting from the federal government. That's why I aim to create at DOT the model program to increase opportunities for small disadvantaged business. It's good for the government. It's good for the country. And it's good for the American economy.

I've asked my deputy chief of staff, Catherine Archuleta to be my representative in getting this program moving in a more effective way. She will keep me informed every step of the way.

For us to succeed, I'm going to need the help of everyone in this room. In the same way that President Clinton determined that the tax write-off and empowerment zones were two important ways to help small business, I intend to seek -- from you -- the knowledge and support I need to make the Disadvantaged Business Enterprise program at DOT the best one in the entire government. It may be a classic case for reinventing government. It may take restructuring the whole Disadvantaged Business Enterprise program to make it work for the people, but I intend to do what it takes and the process begins

with you. The President asked small business representatives what was needed and that's where tax write-offs and empowerment zones originated. In that spirit, I urge you to let me know what is working at DOT and what isn't. You have a unique opportunity to make a difference in one of the most critical federal programs in existence today.

The numbers express the need for change. DOT and the state and local transportation authorities that implement our programs did over $3 billion in business with small and disadvantaged business enterprises program last year. That's $3 billion out of $21.8 billion in federal transportation-related contracts nationwide. That's $3.6 billion in direct contracts and $18.2 billion to state and local entities. But it's not good enough.

For example, while Hispanic firms received $438 million in highways, transit and rail contracts -- that's only about 4 percent of the total spent. Of the 83 small and disadvantaged businesses receiving contracts with Greater Washington area airports last year, only two were Hispanic. Disadvantaged business at Washington National Airport where hundreds of millions of dollars in construction is planned and underway totaled $14 million last year; Hispanics, $465,000. We can do better. And we will.

But I don't need numbers to know the story. As I travel around the country, I hear from minority and women business owners. The four most common problems they raised with me are: one, the lack of capital to compete for government contracts; two, inability to obtain bonding; three, lack of knowledge of

contracting opportunities; and four, in the area of direct contracting, the practice of the "bundling" of contracts into one large contract too big for any minority firm to handle. We are moving on all four of these problems.

First, the lack of capital. One of President Clinton's primary initiatives is to make it easier for small and disadvantaged businesses to obtain loans.

At DOT, we have translated that initiative into positive action and we intend to do more. As most of you in this audience know, the Department of Transportation has had a short term lending program for several years. The level of financing will support a $7.5 million program. Our minority-owned partner banks can issue lines of credit up to $500,000 to enable minority contractors to perform government contracts. Sounds good -- on paper. Last year,

though, our three partner banks approved only $1.1 million in lines of credit under this program. Why? The reasons I hear run to gamut from not knowing that the program exists or how to apply to too stringent loan requirements and too much paperwork. Whatever the reason, we are going to make the short term lending program work. Already, this year, the amount of lines of credit issued has doubled to $2.2 million.

These lines of credit span the length and breadth of transportation contracts from Pennsylvania to California, from Florida to Missouri. But I want to see the entire $7.5 million in the short term lending program placed as soon as possible -- with businesses like yours -- and I want to know from you if more is needed.

The second most common complaint -- bonding --

is another challenge. I don't have to tell anyone in this room that bonding is a major problem for small disadvantaged business enterprises. DOT has had a bonding program since June 1987. It has a program capacity of $12 million at any given time. It has insured only $3 million in bonds over the entire life of the program. Yet, numerous small and disadvantaged business people from all over the country have told me that it is virtually impossible to get the bonding needed to contract with the government. When we have had only two bond applications from the District of Columbia over the life of the program, you know the program does not work. Here is where I need your help.

We have initiated demonstration bonding programs here in the District of Columbia, and in

California and Illinois. And DOT is participating in a six-month pilot bonding program with the Dallas Fort Worth Airport. In these demonstrations, we are having the surety companies work directly with state and local agencies. We are insisting that the surety underwriters go on-site and work directly with disadvantaged business contractors. If these efforts don't work, we will try something else. We intend to help prospective DOT contractors get bonding. But you have to let us know the obstacles in the bonding program.

Third, we must do a better job in getting the word out about contracting opportunities and in helping small disadvantaged business enterprises through the process. Many tried in the 1980's and gave up -- frustrated by the maze of red tape and paperwork.

Apparently the complexities have not decreased.

We're doing something to change this.

We have taken a number of steps to get contractor and contracts together and lead first-time bidders through the process. Earlier today we participated in a District of Columbia Federal Procurement Conference in which for the first time procurement agents from throughout the government brought small purchase contracts of $25,000 or less to the conference to match them up directly with participating contractors. We are making more partnership agreements with organizations such as yours to get the word out and match bidders with contracts. Since I became Secretary, my Office has brought on-line computer and fax capability to match up contracts and contractors and notify the prospective contractors of

the opportunity. We mean to put our money where our mouth is.

Fourth, there is a growing problem arising from the growing need to cut administrative cost in government, called "bundling." This occurs when a number of small contracts in a related field are "bundled" together into one large contract. This may cut administrative costs, but it greatly reduces the opportunities for small and disadvantaged businesses to compete as prime contractors. At DOT, we studiously avoid bundling where possible because the benefits of diversity outweigh small gains in administrative cost savings.

Admittedly, though, bundling is sometimes justified because the administrative cost savings from bundling are too big to ignore. But in those cases, I

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I know you want to be prime contractors. So let me throw out an idea to you. How difficult would it be for you to form consortia to go after the big bundled contracts? What could we do to help? Can you be creative and innovative and give us some alternatives to sub-contracting from a bundled contract?

Now, let me throw a few more questions at you concerning the entire contracting process. These are things I'm looking at as we begin devising the best program in government. Our director of the Office of Small and Disadvantaged Business Utilization is not on board yet, and it would be unfair to launch a new

initiative before I even have a chance to talk to that person. But here are some questions we have to ask, and I'd like any input you have.

Should there be additional class set-asides for small businesses in procurements other than construction?

Should the number of DOT total and partial set-asides be increased?

Should DOT impose a requirement for major acquisition contractors to establish an apprenticeship program for minority and women-owned businesses?

Should bidders' mailing lists be established to clearly identify minority and women-owned businesses and ensure that solicitations are sent to firms on the lists?

Should master contracts for small and

disadvantaged businesses for high technology programs be established?

I don't have all the answers. There may be more questions. But these should stimulate thought and discussion. So long as you remember that by far the most important part of my efforts to expand and enhance the Department's small and disadvantaged business enterprise program depends on the help that those of you in this room tonight can give me.

And, in conclusion, let me clue you into what will be one of the largest, most dynamic contracting opportunities in government in the next few years.

The Clinton Administration is committed to a far-reaching technology initiative that will get this country moving again and the Department of Transportation is on the cutting edge of that initiative. For example, we

are heavily engaged in defense conversion technology, applying defense technology to transportation uses. Defense technology will be used in developing a high speed rail system, in making stealth buses and in GPS satellite navigation. I met with the Defense Department yesterday to review the ways we can use defense technology in transportation and the potential is unlimited. Technology is an area that traditionally has not been open to minorities. I'm prepared to see that minority contractors get an opportunity in this vast field, but you must be prepared too. Watch this area closely and let me know how you can use your skills to help America rekindle its technological genius and move us into the 21st century.

Many of you are already successful businessmen and women with hard-earned experience and wisdom

to spare. For instance, one of your members, Oscar Bazoberry, President of World Data, a firm with expertise in computer technology, is working for DOT today. Oscar's firm is under contract with our Office of Small and Disadvantaged Business Utilization. Juan Rossel, President of Rossel Advertising, has very successful subcontracting relationships with major DOT prime contractors. And Juan Sosa, your Chamber's executive director, has done an outstanding job in holding up your end of the cooperative agreement with DOT.

Through that agreement your Chamber will be a critical link to Hispanic businesses that need information on procurement opportunities. I ask you here tonight to play the role of our ambassadors to the minority and disadvantaged business community. Help

us get the word out. Help us help you. *Somos uno.* We are all in this together.

We have a rare opportunity in this last decade of the 20th century. Together, we can bring diversity to government contracting and energize the government and the American economy as a whole. You have much to offer us in that task. A wealth of talent, a storehouse of business knowledge and the ingenuity that comes from American business enterprise.

Join me in this crusade to employ the talent and skills of Hispanic, minority and women entrepreneurs to meet federal government's needs. The real winners will be the American people I serve. Most important of all, when young people such as those you honor here tonight reach our age, they will have a chance to be just as entrepreneurial -- and successful -- as they

have been in winning this award.

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U.S. Department of Transportation

News:

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Washington, D.C. 20590

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Tele: (202) 366-4570

SECRETARY OF TRANSPORTATION FEDERICO PEÑA
FEDERAL PROCUREMENT CONFERENCE
JUNE 3, 1993
WASHINGTON, D.C.

I don't have to tell you here today that Eleanor Holmes Norton is one of the truly outstanding members of the United States Congress. She is known throughout the Congress and the executive branch as one who is always prepared for committee meetings, always does her homework and takes care of the nation's business, yet still finds time to represent her constituents in the finest tradition.

This procurement conference is one example of her sensitivity to the advantages of diversity in federal contracting. Diversity helps the federal government as much as it helps any of you because the more experiences you bring into an organization the better the product, which in our case is service to the American people. This conference is also a shining example of Congresswoman Norton's concern for the business community in the District of Columbia.

This is first federal procurement conference in which the agency representatives have brought small contracts -- $25,000 or less -- directly to the meeting to be matched on the spot with businesses here to bid on them. So Congresswoman Norton has set a new trend and we look forward to learning about the results of this effort.

It's a great pleasure for me to participate in this event because I'm now beginning to formulate the small and disadvantaged business utilization program for the Department of Transportation.

Today I want to talk about the President's economic plan and how small business -- especially minority and women-owned businesses in the D.C. area -- fits into the overall picture.

- more -

All of us in this room share with President Clinton the belief that small business is the heart and soul of a strong American economy. There are over 20 million small businesses in America, including more than 233,000 minority and women-owned businesses in the Greater Washington area alone. Small business was the prime job generator of the 1980's, providing almost two-thirds of all new jobs. In the last three years, however, the worldwide recession took its toll on America's small businesses. That's why the core elements of the President's economic plan are directed at getting small businesses like yours growing again.

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Second, the bill would set up 10 empowerment zones and 100 enterprise communities, in which companies like yours would be given tax incentives so that new businesses can sprout and existing ones can flourish. We believe as you do, that small businesses are the best vehicle for economic revival, and that's why the President took the unprecedented step toward empowerment zones. Transportation plays the critical role of getting people to work, stores and homes, and through these empowerment zone incentives and such specific transportation investments as the check we presented Mayor Kelly recently for work on the Green Line in the District of Columbia, we aim to revive our nation's most distressed communities. We will be working very hard to move the budget legislation through the Senate in the weeks ahead so that we can start working together with you to reinvigorate our economy and create new jobs.

Another legislative initiative the Administration strongly supports is the proposal to raise the small purchase threshold from $25,000 to $100,000 and to reserve all procurements under $100,000 for small businesses. If this legislation is enacted, it will significantly increase the opportunities for you to do business with the federal government.

As Secretary of Transportation, the single most significant contribution I can make to strengthen small business is to improve access to government contracts.

One of my highest priorities is to devise a bold, aggressive program to ensure that minority and women entrepreneurs have a better chance to win government contracts -- because the American dream of hard work and success belongs to all of us. All of us.

I saw it from your side when I was Mayor of Denver. We had little encouragement or direction on minority contracting from the federal government. That's why I aim to create at DOT the model program to increase opportunities for small disadvantaged business. It's good for the government. It's good for the country. And it's good for the American economy.

In the same way that President Clinton determined that the tax write-off and empowerment zones were two important ways to help small business, I intend to seek -- from you -- the knowledge and support I need to make the Disadvantaged Business Enterprise program at DOT the best one in the entire government. It may be a classic case for reinventing government. We may have to restructure the whole disadvantaged business enterprise program at DOT to make it work for the people, but I intend to do what it takes and the process begins with you. The President asked small business representatives what was needed and he came up with tax deductions and empowerment zones. In that spirit, I urge you to let me know what is working at DOT and what isn't. You have a unique opportunity to make a difference in one of the most critical federal programs in existence today.

DOT and the state and local transportation authorities that implement our programs did over $3 billion in business with small and disadvantaged business enterprises last year. That's $3 billion out of $21.8 billion in federal transportation-related contracts nationwide. Of that total, $3.6 billion was spent in direct contracts and $18.6 billion went to state and local authorities who administer transportation programs.

But I don't need numbers to know the story. As I travel around the country, I hear the concerns of minority and women business owners. The four most common problems discussed with me are: one, the lack of capital to compete for government contracts; two, inability to obtain bonding; three, lack of knowledge of contracting opportunities; and four, in the area of direct contracting, the practice of the "bundling" of contracts into one large contract too big for any minority firm to handle. We are moving on all four of these problems.

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At DOT, we have translated that initiative into positive action and we intend to do more. As most of you in this audience know, the Department of Transportation has had a short term lending program for several years. The level of financing will support a $7.5 million program. Our three minority-owned banks can issue lines of credit up to $500,000 to enable minority contractors to perform government contracts. That sounds good -- on paper. Last year, though, our partner banks approved only a little over a million dollars in lines of credit under this program. Why? The reasons I hear run the gamut from not knowing that the program exists or how to apply to not being able to cope with too stringent loan requirements and too much complicated paperwork. Whatever the reason, we are going to make the short term lending program work. Already, this year, the amount of lines of credit used by participating banks has doubled to $2.2 million.

I want to see the entire $7.5 million in the short term lending program placed as soon as possible -- with businesses like yours -- and I want to know from you if more is needed.

The second most common complaint -- bonding -- is another challenge. I know I don't have to tell anyone in this room that bonding is a major program for small and disadvantaged business people. DOT has had a bonding program since June 1987. It has a program capacity of $12 million at any given time. It has made only $3 million in bonds over the life of the entire program. Yet, numerous small and disadvantaged business people from all over the country have told me that it is difficult to get the bonding needed to contract with the government. When only two bonding applications come from the District of Columbia over the life of the program you can know the program doesn't work. Here is where I need your help.

We have initiated demonstration bonding programs here in the District of Columbia, and in California and Illinois. In addition, DOT is participating in a six-month pilot bonding program with the Dallas Fort Worth International Airport. In these demonstration programs, we are having the surety company work directly with the state and local agency. We are sending the surety underwriters on-site, working directly with the disadvantaged business contractor. If these efforts don't work, we will try something else. We intend to help prospective DOT contractors get the bonding they need. But you have to let us know the obstacles in the bonding program, and the lines of communication are open.

Third, we must do a better job in getting the word out about contracting opportunities and in helping small disadvantaged business enterprises through the process. We must start by streamlining the process. Many business people tried in the 1980's and gave up -- frustrated by the maze of red tape and paperwork.

Apparently, that hasn't changed all that much. We're doing something to change this perception, too.

We have taken a number of steps to get contractor and contracts together and lead first-time bidders through the process. We are making partnership agreements with minority chambers of commerce to get the word out regarding DOT's procurement, lending and bonding programs. Since I became Secretary, my Office has brought on-line computer and fax capability to match up contracts and contractors and notify the prospective businesses of the procurement opportunities. We mean to put our money where our mouth is.

Fourth, there is a major problem arising from the growing need to cut administrative cost in government, called "bundling." This occurs when a number of small contracts in a related field are "bundled" together into one large contract. This may cut administrative costs but it greatly reduces the opportunities for small and disadvantaged businesses to compete as prime contractors. I know that the Small Business Administration at the direction of the Congress is looking into this issue. At DOT, I can tell you that we studiously avoid bundling where possible because the benefits of diversity outweigh small gains in administrative cost savings.

Admittedly, though, bundling is sometimes justified because the administrative cost savings are too big to ignore. But in those cases, I will ensure that your sub-contracting opportunities are extensive. We used sub-contracting to involve dozens of minority businesses in the construction of the new airport in Denver.

But I want you to be prime contractors. Let me throw out an idea to you. In cases where bundling is a necessity to save taxpayers money, how difficult would it be for you to form consortia? Do joint ventures to go after the prime contract? What could we do to help? Could you be creative and innovative and give us some alternatives to sub-contracting?

Now, in conclusion, let me clue you into what will be one of the largest contracting opportunities in government in the next few years. The Clinton Administration is committed to a far-reaching technology initiative that will get this country moving again and the Department of Transportation is on the cutting edge of that initiative. For example, we are heavily engaged in defense conversion technology, applying defense technology to transportation uses. Defense technology will be used in developing a high speed rail system, in making stealth buses and in GPS satellite navigation. I met with the Defense Department yesterday to review the ways we can use defense technology in transportation and

the potential is unlimited. Technology is an area that traditionally has not been open to minorities. I'm prepared to see that minority contractors get an opportunity to this vast field, but you must be prepared too. Watch this area closely and let me know how you can use your skills to help America rekindle its technological genius and move us into the 21st century.

Many of you are already successful businessmen and women with hard-earned experience and wisdom to spare. You don't survive in business in the Greater Washington area unless you are tough competitors and good managers. So the fact that you are here today means you are tried and proven. I ask you to help us in building a stronger small disadvantaged business enterprise program that works for you. Help us help you. We are all in this together.

We have a rare opportunity in this last decade of the 20th century. Together, we can bring diversity to government contracting and energize the government and the American economy as a whole. You have much to offer us in that task. A wealth of talent, a storehouse of business knowledge and the ingenuity that comes from American business enterprise.

Join me in this crusade to employ the talent and skills of the District of Columbia minority and women entrepreneurs to meet federal government's needs. The real winners will be the American people I serve.

Thank you very much.

# # # #

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Final Draft -- 4 June 1993 5:30 p.m.

REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
ASPEN GLOBAL FORUM
ASPEN, COLORADO
JUNE 4, 1993

I'd like to begin by thanking Dean Marshall Kaplan of the University of Colorado for inviting me to this conference and giving me the chance to meet with so many distinguished scholars and public servants. I'm especially glad to see so many of our colleagues from Mexico, with whom we are working closely on a whole range of issues you'll be touching on in coming days.

I have to admit that on seeing the word Privatization in the conference's title -- and knowing that my Mexican friends would be here -- I felt like being invited to a seminar on boxing alongside Mohammed Ali. We're all aware of and deeply

impressed by the striking progress that Mexico has made under President Salinas in privatizing a host of industries, including major efforts in highway infrastructure and airline services. In this area, frankly, those of us from the United States must come as the students. We have much to learn from the Mexican experience -- including the costs and sometimes the errors that are inevitable in such a profound transition.

On our side of the border, by contrast, since the last major privatization of the 1980's -- the $2 billion sale of Conrail in 1986 -- there has been no large-scale movement to privatize existing highways, airports, urban transit systems or even the federally-backed AMTRAK passenger rail network.

One reason for that is that so much of the United States transportation infrastructure is already in private hands -- including virtually all of our freight railroads and nearly half of our ports. Even at our typical publicly-owned airports, upwards of 95% of employees on site arelikely to be engaged in private commercial activities -- overseen by small cadres of federal and municipal officials. Recently, we have begun to see more pressures towards privatizationor, perhaps more accurately,the conversion of our airports to profit-driven, revenue-generating enterprises under public management. One reason for these suggested changes is that some municipalities want to use airports to capture greater revenue streams, increase efficiency, or raise new capital. But those initiatives are in very early

stages; and any move toward airport privatization would face formidable opposition from both airlines and Congress. So when it comes to privatization, frankly, we in the United States are hardly at the cutting edge. Instead, I'm here to listen and to learn from you.

But when we look to the subject of Creative Finance, particularly for infrastructure, I can tell you that the United States is on the verge of a what Vice President Gore might call "a paradigm shift." We are entering an era that promises to open huge new vistas for private enterprise and private capital in initiating, financing, building and operating infrastructure projects that until recently were seen as exclusively the province of the state. And the Clinton administration will be a leader in this change.

The roots of this shift run back through years ~~of~~ when Finances forced a pullback in public declining federal and state investment in infrastructure -- leading to mounting public concern about the state of our highways, bridges and other public facilities. More than 200,000 miles, or about 20% of U.S. arterial and collector highway mileage, for example, now suffer poor to mediocre pavement conditions and more than 118,000 of our bridges are structurally deficient.

President Clinton himself made the cause of rebuilding our infrastructure a central theme in his campaign for office -- and it remains at the heart of our strategy for reviving the United States' economy. Probably no president since Franklin Roosevelt has been more aware of the key link between a strong

infrastructure and the health and competitiveness of the U.S. economy. President Clinton also knows that U.S. citizens will pay for the years of neglect one way or the other -- either by finding ways to finance the revitalization of our infrastructure, or by paying the far greater costs of traffic jams, pollution, wasted fuel, slower deliveries and a "gridlocked" economy.

But this administration's commitment to "rebuild America" comes at a time when the federal government's capacity to finance infrastructure by traditional means runs head-on into extremely severe budgetary constraints. Total public infrastructure spending in the U.S. by all levels of government now tops $140 billion a year -- more than two-thirds of that in transportation. Yet estimates of the shortfall

between that spending and "unfunded" transportation needs currently range between $40 billion and $80 billion a year.

No matter how skeptical we may be about the real size of the infrastructure financing "gap," it's clear that such traditional financial sources as federal government grants and tax-exempt municipal bonds are falling far short of adequately maintaining our existing highways and other transport systems. We're falling even further behind in comparison to the dramatic 21st century infrastructure advances now underway in Japan, which is spending $3.2 trillion on infrastructure in this decade alone.

Clearly, if we wish to close this infrastructure "funding gap" and meet the global challenge, there

simply is no alternative to finding ways to involve private entrepreneurs -- and private capital -- in a wide variety of "creatively-financed" public/private infrastructure partnerships. Fortunately, the policy framework that will enable us to do just that is already in place -- in the form of the Intermodal Surface Transportation Efficiency Act (ISTEA), which was passed in late 1991 and is only now beginning to bear fruit.

"Ice-Tea," as it's know from its acronym, is the most sweeping federal transportation initiative in decades. Not only does it authorize significant federal funding -- $155 billion through 1997 -- it also promises to stimulate a wave of new infrastructure finance innovations. For example, ISTEA relaxes

restrictions on the use of toll financing for roads and highways that receive federal aid; it provides for leveraging federal funds with private investments and it opens the way for cost-sharing in the context of public/private partnerships.

ISTEA also places more decision-making power at the state and local level, allowing flexibility in project choice and finance to officials intimately familiar with regional needs. The idea behind such decentralization reflects General George Patton's advice to "Never tell a person how to do something. Tell them what you need done and they will surprise you with their ingenuity." Our goal at DOT is to permit states the maximum flexibility possible to meet both transportation and environmental goals.

This landmark legislation, by the way, reflects a bi-partisan consensus. Though ISTEA was passed during President Bush's administration, it was substantially shaped by Democrats in Congress and the Clinton administration regards it as the basic framework for innovation in the years to come. One difference is that we intend to more fully fund ISTEA's highway and transit programs. Our view is that there should be a coming together of public and private sector investment in infrastructure; that their roles are complementary, not antagonistic. As visiting fellow Lowell Christy of the Economic Strategy Institute puts it, "the economic segregation of public and private sectors is a formula for defeat in a global economy."

The first stages of implementing ISTEA's provisions come at a time when there is an increasing willingness at all levels of government in the U.S. to involve private entrepreneurs and private finance in infrastructure projects. Our states, too, face budgetary constraints and are reaching out to the private sector -- particularly for the construction and operation of toll-financed highways. In just the past three years, state after state -- Arizona, California, Florida, Missouri, Pennsylvania, Texas, Virginia, Washington State and the commonwealth of Puerto Rico have all passed laws authorizing the construction of tolled highways in public-private partnerships. Over 1,400 miles of such highways are now under construction and other states are considering similar legislation.

Just as importantly, ISTEA mandated a series of studies that are likely to have profound effect on how we finance these and other infrastructure projects in the future. For example, section 1081 of ISTEA called for the creation of a Commission to Promote Investment in America's Infrastructure, a bi-partisan group of financial, industrial, government and labor experts which submitted its report to President Clinton and Congress this February.

The Commission's three major recommendations were the establishment of a federally-chartered national infrastructure corporation similar to Fannie Mae; the creation of new infrastructure securities to tap into the more than $4 trillion pool of U.S. pension fund capital; and modifications in tax policy to make municipal

bonds --and perhaps a new "public benefit bond" for infrastructure finance -- more attractive to private investors. I should add that the Commission's work built on more than a decade of similar infrastructure finance studies -- all of which reached broadly similar conclusions.

These recommendations are now under review by the Clinton Administration's National Economic Council and it's far too soon to say which, if any, will be adopted. The suggestions, though, are consistent with our goal of leveraging public capital spending by engaging private capital as a partner. My own Department's high-speed rail initiative, for example, aims to encourage states, localities and private investors to match our $1 billion-plus in federal

investments with $1-2 billion of their own. So if we can't yet predict which new infrastructure finance mechanisms will emerge from the NEC, I believe we can say that the direction of change is clear: the private sector is coming aboard.

There are two other studies mandated by ISTEA that are now underway in co-operation with the Canadian and Mexican governments. Both look toward the increased transport and infrastructure needs our three nations will face as the North American Free Trade Agreement comes into being. The Section 6015 study looks directly at the potential infrastructure needs on Canada-U.S. and U.S. - Mexico trade corridors, while Section 1089's study focuses on whether the U.S. should establish a special highway

fund for our border region in the Southwest. Both studies are due by September this year and will provide us with the blueprint to make NAFTA work.

Let me say now clearly that the Clinton Administration is deeply committed to NAFTA. We view it as an enormous opportunity for all three North American economies to increase their growth rates, expand trade, and raise environmental standards and wages. Contrary to NAFTA's critics, trade is a positive-sum game, and as my colleague Secretary of Labor Reich put it, "there is no natural limit to the number of jobs which can be created" by NAFTA.

We believe that no single initiative holds greater promise of creating American jobs than NAFTA.

President Salinas' courageous opening of Mexico has

already generated enormous benefits for both nations. U.S.-Mexican trade has more than doubled since 1988 -- from $34 billion to $79 billion -- and we aim to build on those gains with the passage of NAFTA through our Congress.

To do so, we will have to meet the challenge of improving both physical and "administrative" infrastructure along our border. Cross-border truck shipments through my birthplace Laredo have shot up from 266,000 in 1987 to 671,000 last year. And with U.S. Mexico trade likely to quadruple by the year 2010, this increased traffic will require strategic investment all along our border in highways, bridges, freight loading zones, railyards and other nodal points. We are working closely with our Mexican and also our

Canadian colleagues on these issues and we will be ready to meet these challenges. I should add that DOT also places equal emphasis on working to solve border crossing delays caused by excessive paperwork, inspection staffing and other administrative bottlenecks.

On our own side of the border, DOT is also studying -- as mandated by ISTEA -- whether a new federal funding program should be created for border highway and infrastructure improvement. I have asked my staff to closely monitor this study. We are sensitive to the fact that border regions on the U.S. are often political step-children in the state capitals and may not receive adequate funding. But even if we conclude that it would not be appropriate for the

federal government to "micro-manage" state infrastructure spending, I can assure you that my Department will urge all state-level DOT's in the border region to draft plans that ensure that there is enough new infrastructure funding in border regions to help NAFTA work as we hope it will.

As a son of the border region myself, I'd like to express my personal view that the border is where the greatest opportunities for economic growth in the United States lie -- well into the next century. Just as Silicon Valley has been known as the high-tech economic incubator, border communities will be the birthplace of a job explosion in the 1990's that will help spur our whole nation's economy back to health. When Laredo and El Paso and Brownsville are strong,

Texas will be strong. If the borders of Arizona, New Mexico and California grow, they'll help pull up their whole states. The NAFTA and the cross-border trade it will spur will be powerful catalysts in this process.

I believe that both the United States and Mexico will have much to learn from each other as we resolve the technical and infrastructural aspects of the NAFTA together. But there will be far more to be gained by both nations than better bridges, faster customs processing, easier access for truckers and rail freight, and even economic growth itself.

Neither nation is about to give up its sovereignty under NAFTA, but we are going to forge a deeper linkage, one that reminds me of President Thomas Jefferson's arguments for infrastructure spending in

the United States in 1806. "By these operations, " he wrote to Congress, " new channels of communications will be opened between the States; the lines of separation will disappear, their interests will be identified, and their union cemented by new and indissoluble ties...."

It's my hope that the friendship and the ties between the United States and the Estados Unidos de Mexico may also grow indissoluble in the years to come.

Thank you all very much.

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U.S. Department of Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

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REMARKS PREPARED FOR DELIVERY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
UNITED STATES MERCHANT MARINE ACADEMY
COMMENCEMENT ADDRESS
KINGS POINT, NEW YORK
JUNE 14, 1993

To all of you who graduate today I have one word to begin with: congratulations. It's been a very long voyage since you came here as plebes and you've accomplished a great deal. You should be as proud of yourselves as your parents and friends and teachers are of you. This is a very special day for you and we're here to celebrate it and to celebrate you. It's also a very special year for this Academy and we're here today to remember and rededicate ourselves to the ideals that it embodies.

For my part, I'd like you to know that we too, are very proud that this Academy is part of the Department of Transportation and I'm delighted to welcome the men and women of the class of 1993 to the officer corps of our merchant marine.

Today, you officially inherit a great tradition on a very historic occasion. This year is the fiftieth anniversary of this distinguished institution. For half a century now the graduates of this academy have tended the lifelines of our nation's commerce in peace and in war. Like past graduates, you've chosen a profession that demands the highest professional and technical skills. It's a profession that also requires patriotism, courage and commitment to your country.

So when you're sworn in today, when you toss your caps in the air, I'd like you to remember all those cadets who've gone before you and all their work and sacrifice. They truly lived up to the Academy's motto of "deeds not words."

- more -

Fifty years ago, when this Academy was founded, the United States faced the gravest threat in our history. Powerful, ruthless tyrannies were on the march in Europe and Asia. Their leaders had nothing but contempt for our democracy. They believed that they were strong and that we Americans were weak. But they hadn't reckoned on young Americans like the seven thousand cadets of this academy who did their "sea years" during World War II -- braving icy waters, burning oil and deadly torpedoes.

Our enemies hadn't reckoned on running into Engineering Cadet Edwin O'Hara, whose name graces your gymnasium today, and who took over a Liberty Ship's gun when all its crew had been killed. Using the gunnery skills he learned here at Kings Point, Cadet O'Hara fired five rounds-- and sunk a Nazi commerce raider before he lost his own life.

Edwin O'Hara was eighteen years old.

He was just one of the 142 Kings Point cadets who gave their lives for our country -- while they were still undergraduates! -- and so earned this Academy the only battle standard among all our service academies.

You might ask, 'Where do we find such patriots?' Well, the answer is all around us.

I know we have some graduates of the Academy's first, World War II classes with us here today -- four of them right here on the dais with me. I'd like to ask them -- and any of their classmates in the audience -- to all stand for a moment.... Please stand, all of you.

Ladies and gentlemen, these are the boys who went to sea and these are the men who kept us free. Because their victory at sea made all of our other victories possible, we say thank you.

Let's remember, too, the service given by this academy's cadets down through the years in carrying food and fuel and gear to our troops in Korea and Vietnam and the Persian Gulf, and most recently in sailing off to feed the starving people of Somalia in Operation Restore Hope. These are all proud memories.

There's one more special graduate I'd like to honor -- a man who came to Kings Point as a plebe in 1946 and who has given three decades and seven years service to the United States and especially to this academy: Admiral Paul Krinsky. Admiral Krinsky has shaped much of what you've learned here and much of the

spirit of Kings Point itself. (He's the fellow who made sure you'd all have to sweat as hard for your exams as you do at sea.)

As he passes the Academy's helm to his successor this year, I hope the Admiral knows that he has earned affection and respect from thousands of students and the gratitude of our nation.

But even as we honor our history and celebrate your achievements, we must look to the challenges of the Merchant Marine Academy in the next 50 years. First, we can foresee intense competition in the world economy; second, we look forward to what we hope will be a continued growth of trade between the United States and our partners and new markets; third, we face the need to innovate technologically as we develop more sophisticated intermodal transportation systems, and fourth, we must act to protect our fragile marine environment.

I know that the education you've received here at Kings Point -- and the experience you've all had at sea -- have given you the professional skills to meet all of these challenges. Whether you choose to go to sea as merchant officers, sign up with our armed services or serve as executives in transportation firms or port authorities, the leadership you've learned here at Kings Point promises you and our nation a bright future.

I want you to know that President Clinton and the entire Administration is committed to expanding trade opportunities all over the world, including our North American Free Trade Agreement with Canada and Mexico and similar accords with other nations in the future. We believe that trade is an important way for a strong nation to expand its economy. But we are also committed to ensuring a level playing field -- that is, the same access for American goods and services in foreign markets that our partners enjoy in American markets.

We believe that expanding trade will open opportunities for many Kings Point graduates -- not only at sea -- but in the "seamless" intermodal systems we are supporting to move goods from ship, to dock, to truck, and to rail to point of sale. The new programs already underway at the Academy in port and engineering management will equip more and more of your graduates with the skills to meet these growing needs.

This academy will also be in the vanguard of our efforts to increase maritime safety and to protect the environment of our watery planet. Kings Point is already contributing by giving you a firm foundation in the handling of hazardous materials at sea and practical experience in tanker safety. The Academy's Continuing

Education Department is training hundreds of officers from our fleet and from around the world in these skills.

Perhaps the safest prediction I can make to you today is that our concern for the marine environment can only grow in the years ahead and the role of Kings Point in this arena will grow with it.

There's another challenge we must face. I know that it's on all your minds today: the future of America's merchant marine itself.

We all know that competition among global fleets is severe and that the trends we've seen are troubling.

Just over twenty years ago, in 1970, there were 18 major American liner companies and 905 ships flew the U.S. flag. Today, there are just five companies and 364 U.S. -flag ships. Worse still, the trend is clearly down.

Most of us here realize that this decline is only partly due to fair competition and what Adam Smith called the "invisible hand" of the free market. We also know that Governments all over the world are actively subsidizing their ship-building and merchant marine fleets far more than the United States has done.

At the same time, we all realize that our nation faces severe budgetary constraints -- and that we must choose our priorities for investment very carefully.

I believe that we as a nation must realize that we are at a crossroads. It is up to us -- soon -- to decide whether we wish to support our American merchant marine, or whether we are willing to risk seeing the bulk of the remaining U.S. fleet "re-flag" under foreign ensigns.

Unless we choose to make the commitment needed to sustain our fleet, all available evidence suggests to me that foreign-flagged fleets will soon take over virtually the entire world market.

As we contemplate that possibility, there are at least two questions we need to ask ourselves:

The first is whether it would be wise to depend solely on foreign flagged carriers to convey our exports in a world where the possibility of trade tensions, disputes and even sanctions is very real.

The second question is whether we can rely on foreign-flagged vessels to play the role of America's "fourth arm of defense" in some future crisis in which -- unlike Desert Storm -- we may not enjoy near-unanimous support from the rest of the world.

I believe that as we reflect on the hazards of either of these contingencies, we will see growing support for maritime reform. And I want to assure you that while this year's budget constraints have delayed our policy decisions on this issue -- it is still under review at the highest levels of the Clinton Administration, the Transportation Department and the Department of Defense.

Those of you who know that I was born in South Texas and have served as mayor of Denver, Colorado -- about as far from the sea as you can get -- may find it strange that a landlubber like myself should be charged with waging the battle for maritime reform.

But aside from the economic and strategic stakes involved, I strongly believe that there is something at stake here as powerful as our urge to fly or land on the moon.

If the day ever comes when a boy or girl from Kansas or North Dakota can't smell the sea -- a thousand miles across the plains -- and dream of sailing on a ship that flies our flag, then I believe that we'll have lost something precious, something deep in our hearts, something that glows in our literature from Moby Dick to The Caine Mutiny.

In our imaginations, we Americans are all mariners -- even if few of us ever get to join cadets like you at sea. We envy you.

I am very happy to have had the honor of being here to celebrate with you, and to share the traditions and the future of this great Academy. Let me wish you all fair winds, following seas -- and again, congratulations.

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Revised Final Draft 11:00 AM – June 15, 1993

Remarks Prepared for Delivery
Secretary of Transportation, Federico Peña
GLOBE Rally -- DOT Plaza
June 15, 1993

Thank you very much for that kind introduction and welcome to Congressman Barney Frank and Congresswoman Eleanor Holmes Norton.

We at the DOT share some basic values and goals. As part of President Clinton's economic program, we aim to create jobs and get this economy moving again. All of our initiatives are geared to achieving that.

We are also working to build the global competitive strength of our economy through a healthy transportation industry in which government works in partnership with private enterprise.

We seek creative ideas from our employees on ways to "re-invent" government's role in transportation and to spur both public and private innovation.

We share the non-partisan goals of safety, efficiency and environmental quality -- and an overall aim of improving the lives of the American people through safe and convenient transportation systems.

And as an organization, we are deeply committed to the goal that President Clinton has stated of building an Administration that, "looks like the American people."

As Secretary of Transportation, my goal is to make this Department a world class organization that will serve the American people. To do that, I believe that we need to have a work force that draws on the talent and dedication of all of our people.

When I served as mayor of Denver, I tried my level best to be the Mayor <u>of all</u> the city's people.

I knew that achieving the excellence we sought in our city work force depended on excluding no one who was qualified and able to serve.

I made it clear to my senior administrators that there was no room for discrimination and that only a diverse work force could best serve the people of Denver. I bring that same philosophy to DOT.

Let's be crystal clear about one thing: toleration and diversity are not about "special privileges" for any group. They are about equal treatment for all. We must all work toward an end to discrimination, an end to the harassment or the holding down of any of our employees' careers solely because of their status. We have too much work to do for the American people to waste anyone's talent because of prejudice.

This whole administration is about bringing people together, not dividing them. We at DOT share those values. And we have celebrated our diversity before, honoring the contributions of African-Americans, Asian Americans and others.

Let me say to this group today that we all know that gays and lesbians have served with dedication and excellence as civil servants for many decades. And because you've come here today, I believe that fear will dwindle and toleration will grow.

That is something we can all be proud of.

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FIRST DRAFT - JUNE 15 at 3 p.m.

VIDEO TAPED REMARKS PREPARED FOR
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
AMERICAN SOCIETY OF CIVIL ENGINEERS URBAN TRANSPORTATION DIVISION
JUNE 21, 1993
DENVER, COLORADO

I wish I could be there in Denver with you, and I certainly thank you for allowing me to participate in your meeting in this way.

Today I want to share with you my vision for the future of transportation, because you more than any other group in America play a critical role in making that vision a reality.

Urban transportation engineers are our most important partners in trying to create a national transportation system that carries our economy into the 21st Century. Like you on the front line of action, we in the Clinton Administration want a system that provides our people safe, accessible, and affordable transportation.

The tremendous explosion in new technology and President's commitment to urban transportation offer us a unique opportunity. As urban engineers, you have within your grasp the power to design and manage transportation systems that are not only environmentally friendly but move our people and commerce with incredible efficiency.

Engineers are the creative genius of transportation. Urban engineers will design the intelligent highways that guide traffic,

improve safety and direct an aging population to greater mobility. These highways will relieve congestion with a new generation of toll collection technology. Urban engineers will manage high speed rail when it becomes a common mode of transportation, and meet the real challenge of designing intermodal terminals where passengers and cargo can switch smoothly from one form of transportation to another.

The scope of your power is limited only by imagination. Engineers at Northwestern University in Chicago designed an automatic pothole patcher that could revolutionize the way we repair our roads. I am told that the pothole patcher uses laser beams and on-board computers to capture an image of the pothole, then clean it with a giant vacuum cleaner and spray a dry rock and asphalt mix at 100 mph.

Engineers at Georgia Tech have designed an automated stop light system that adjusts itself to the traffic flow. And it will be engineers like you that help us put these technologies to work for people.

I want to explore ways we can work together and expand an already productive partnership between the Department of Transportation and the engineering community. But my vision has

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several facets.

First, I want to do everything within my power to assure that transportation programs and investments play a significant role in reinvigorating the American economy. Investment in infrastructure depends upon our ability in Washington and yours at the local level to put the dollars where they will make a powerful impact on the economic challenges facing our country. In my opinion that will be by investing in mass transit, high speed rail and the removal of bottlenecks in our highway and aviation system that damage our national productivity and competitiveness.

This is a vision we can accomplish by working together as partners. I know you share this vision because one of your topics at this meeting is "techniques for coping with the uncertainty in infrastructure planning and investment."

In the still young Clinton Administration, we've made progress on both fronts. The ISTEA planning regulations are in the final phase of development and will be in place very soon. Those regulations insist upon greater involvement of local governments in the surface transportation planning process. So I urge you to become involved in

the workings of your local Metropolitan Planning Organization and your state planning process. Make your impact felt through the planning process. Then if the system isn't working, I want to know about it. But you have to try it first.

Now, on your other topic for this meeting, the President has made it clear the high priority he places on infrastructure investment as a means of generating jobs and strengthening our economy. The stimulus package and the infrastructure investment parts of the budget are evidence of President Clinton's unyielding commitment. As we learned in the fight for the stimulus package, we may not get every dollar we seek or need, but you can be sure of this: you have a friend in the White House who won't stop trying. One key to success is that the funds we do get should be invested wisely. Whether it's mega bucks or a few dollars, it's critical to our success that the money is invested wisely and here is where you can play a significant role. Join us as partners in the budget process and on the local streets and metrorails and bridges that need your engineering expertise.

Second, my vision includes a clean, clear environment. We must strengthen the link between transportation investment and improving

the environment and reducing pollution. There are a number of ways to do it, and mass transit is only the most obvious.

A third part of my vision is new technology in transportation. You have demonstrated your commitment to that in many ways. One of your topics for discussion at this meeting is the "application of new technologies and methods for maximizing the useful life of existing transportation system infrastructure."

In addition, many of you have been very helpful to our Federal Highway Administration not only in the quality initiative but in developing the pavement management and bridge management systems that are a mandate of ISTEA. I greatly appreciate your input in these and other areas. Under ISTEA, our ability to measure and improve performance will be enhanced with new management systems for highway safety, traffic congestion, and public transportation facilities and equipment, in addition to pavements and bridges.

Let me commend to you another aspect of the technology explosion. One of President Clinton's top priorities is defense conversion, transferring the technology that gave us the mightest military in the world to peacetime uses -- many of them transportation-

oriented. We are, at this moment, deciding which industries will receive $500 million in technology transfer grants this year. Those products might include such things as an on-board naviation instrument that engineers at Texas Instruments are designing for intelligent vehicles. This inexpensive gadget provides night vision for drivers, using infrared cameras to read the road ahead. Or, a new generation of tollroad collection technology.

Fourth, you can play a critical role in the success of intermodalism and the designing, building and expanding of intermodal centers. We must ensure good connections to move goods and people more efficiently.

The final part of my vision is of a national transportation system that serves our broader human and social needs. I want transportation to relate to people and improve the quality of their lives. I'm sure everyone of you think of that as you buy a cleaner bus to comply with air quality standards or push a metrorail system through a crumbling and economically depressed area of your cities or make your public transportation more accessible to the handicapped.

Where will this vision lead us. Where will we be in the next

century? How can we stay on the cutting edge? What trends do we see for the future?

I challenge you to think about those questions at this meeting because a lot of the answers depend upon your commitment. I don't have all the answers. I see a transportation system that is dynamic, efficient and competitive, one that concretely improves Americans' daily lives as well as our prosperity. But this vision depends on your commitment to work in partnership with the Clinton Administration. I ask your support and promise you my own.

Thank you very much.

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2.99

TALKING POINTS
SECRETARY PEÑA
THE GREATER WASHINGTON
BOARD OF TRADE DINNER
JUNE 16, 1993

{Overview: DOT Goals}

*** The Transportation Department has a key role to play in the Clinton Administration's basic goal: getting the American economy moving again and producing new jobs.**

*** All of DOT's initiatives -- from reaching full funding for ISTEA to spurring the development of high-speed rail systems to promoting competition by new airline companies have in common the goal of economic stimulus and job creation.**

*** Beyond short-term job creation, the Clinton Administration firmly believes that an enhanced transportation system and re-vitalized infrastructure is the only firm base for long-term growth and competitiveness.**

*** Probably no Administration since Franklin Roosevelt has understood this better. That's why we've moved quickly to establish the Airline Commission to address the industry's financial crisis; that's why we've launched our high-speed rail initiative; that's why we sought a large component of new highway funds in the stimulus package.**

*** We won't always win, and we do face continued budget constraints; but the strategy of using Transportation investment to speed up economic recovery and strengthen U.S. global competitiveness will continue.**

*** We expect the private sector to both lead and play a partnership role. Our high-speed rail initiative, for example, looks to doubling or tripling the federal investment of $1 billion by involving state and local government and private investors as partners. Longer-term, our aim in this initiative is to help jump-start a self-sustaining industry.**

*** Similarly, we expect private enterprise and competition to structure aviation. Some of you may have noticed that we have acted vigorously to protect some new start-up airline from being squeezed out in their early days by predatory pricing. Longer-term, of course, we expect them to fend for themselves. We believe in competition.**

*** We're also seeking ways to reduce the burden of regulation. Some of you, for example, may know that we just acted to rescind a ruling that might have classified salad and cooking oil as "hazardous materials" like naptha. That was just plain silly.**

***But we're also looking for other ways to cut regulation -- consistent with DOT's absolute commitment to safety.**

{ Local Developments }

* Here in the greater Washington area, there is a great deal of investment either taking place or pending in infrastructure, transit, and airport expansion.

* National, Dulles and Baltimore International airports are all in the midst of sweeping expansions, renovations and capacity enhancement that will collectively amount almost to a whole new airport.

* The total capital outlays at the three airports will probably be over $2.5 billion between this year and 1996 -- not counting the mainly privately financed expansion of cargo handling facilities or other, related projects like the construction of an expanded I-66 toll-road from Dulles to Leesburg Virginia.

* At both national and BWI there will be greatly enhanced access to air terminals for light rail and Metro -- part of our on-going commitment to inter-modalism.

* One project we're funding jointly with the State of Maryland, by the way, is a $1 million study of the feasibility of building a magnetic levitation link-up between Baltimore and Washington.

* We will also be moving -- soon, I hope -- to address some of the Washington area's backed-up highway needs.

* Those of you who have spent hours stuck on the Woodrow Wilson bridge where the Beltway bottlenecks down from eight to six lanes will be pleased to know that we'll soon be completing the Environmental Impact Statement required before any expansion can begin.

* We have been working hard to solve the District's pothole problem in recent years and resurfaced about 100 miles of road each year.

* But there are serious delays on our major local highway projects. Some $229 million in funds obligated to the District in 1991 and 1992 was not spent because contracts were not let.

* This is a very significant sum that could stimulate the D.C. and suburban economy once the problems we've encountered in contracting are resolved.

* I want you all to know that I am also working closely EPA Administrator Carole Browner to ensure that we in the District can meet the clean air standards.

2.98

Remarks/Talking Points
D.C. Preservation League
Dinner
17 June 1993

Sir:

This is a very brief set of remarks -- no more than two minutes -- following tonight's gala.

Obviously, you can ad-lib at will on your own experiences with historic preservation in Denver.

Thank you very much for that introduction..... I think it's a sign of changing times that a Secretary of Transportation can serve as honorary Chairman of a Preservation gala.

It certainly wouldn't have been likely twenty-two years ago, when D.C. Preservation was founded and when -- all too often -- preservation and transportation seemed to be natural enemies.

Fortunately, thanks to groups like this, we've all come to appreciate the value of preserving our urban heritage, and the dozens of imperilled gems that crown our cities.

Just as we appreciated the beauty of the music we heard tonight from Liza Minelli and Charles Aznavour, let's remember the beauty <u>of what we saw</u> .... the wonderful interior of the Warner Theatre itself, which D.C. Preservation fought so hard to have named a national historic monument.

I was involved in a similiar effort myself, back in Denver, when we saved the Mayan Theatre -- a truly spectacular example of 1930's movie-houses -- from being destroyed. And I believe that in doing so, we passed something precious, something irreplaceable, down to our children.

Because the "built environment" -- the handiwork of artisans long dead -- can be every bit as precious and beautiful as the natural environment. Historic buildings, like redwoods are objects of beauty and even wonder. They are ours to cherish and preserve -- the very work you've done so well.

Thank You.

2.97

REMARKS AT PRESS AVAILABILITY
SECRETARY OF TRANSPORTATION FEDERICO PEÑA
BALTIMORE, MARYLAND
JUNE 18, 1993

Before I tell you a bit of what we've been talking about, I'd like to thank Senator Barbara Mikulski and Mayor Kurt Schmoke for organizing the dialogue today. We've had a very interesting interchange with representatives of industry here, and I think Senator Mikulski and Mayor Schmoke have shown once again the foresight and vision to seek ways not only to solve problems but to turn them into new opportunities. Thank you, Barbara and Kurt.

What we've been talking about here today are the challenges and prospects ahead of us in defense conversion and the development of a twenty-first century transportation system for America.

One important element of this, which we are announcing today is that the Department of Transportation will be among the agencies formally participating in the Defense Department's Technology Reinvestment Project (TRP).

TRP is a $471 million program linking the Departments of Defense, Energy, Commerce, and now Transportation with the National Science Foundation and NASA. The program will stimulate the transition to an integrated national industrial capacity that will simultaneously ensure the most advanced military systems and the most competitive civilian and commercial products.

We believe that the prospects for applications of defense and dual-use technologies in solving our nation's transportation challenges are immense. And we at DOT are delighted to be part of this effort.

More specifically, we've been discussing today another DOT program: the $1.3 billion initiative that the Clinton Administration has proposed to stimulate high-speed railroad development and research. Our focus has been on how industries in the defense sector can contribute.

This Administration believes that high-speed rail offers the promise not just of moving goods and people more rapidly, but of speeding up our economic recovery and nurturing the growth of a lasting industry in our nation.

We have proposed a two-part package to launch this effort.

The first is $1 billion in funding for the construction or upgrading of railway infrastructure outside the main Boston-Washington corridor so that it can handle higher speed-trains.

These funds will be available only in corridors where state and local authorities in alliance with the local private sector can produce plans to match or exceed them -- so that we can "leverage" the federal share into upwards of $21.5 billion in new investment.

The second component of our plan is $300 million in funding for research and demonstration of new high-speed rail technologies -- both for steel-wheeled trains and for a new, state-of-the-world's-art magnetic levitation train.

And as important as the $1.3 billion we seek for the federal share of this partnership in high speed rail is the public acceptance. Amtrak may soon carry 50 percent of all the passenger traffic between D.C. and N.Y. This traffic growth has helped to spur other

economic development along the Northeast corridor from Union Station in Washington to Wilmington, New Brunswick, and New York.

In addition, we are already working on "Mag-Lev" with the national laboratories at Brookhaven in New York and Argonne in Illinois, and there is considerable interest right here in Maryland.

Last December, we awarded a $500,000 grant to Maryland for a study on the feasibility of developing a Mag-Lev linkage between Baltimore and Washington, and the state of Maryland is matching our grant. We expect there to be many more such partnerships as our high-speed initiative unfolds.

They will not only stimulate the economy directly and create new jobs -- by employing thousands of construction workers, designers, and other technologists. But they will

also speed the delivery of goods and people and reduce pollution and inter-urban congestion.

Longer term, we believe that this effort will contribute even more -- by spawning what we hope will be a whole new industry of American high-tech, high-speed railroad manufacturers and servicers.

In this vast, potential market, our aerospace, defense, and specialized materials industries will all find new opportunities -- whether by developing new locomotives and railcars; creating safer, sophisticated grade-crossing gear, or designing high-tech systems to detect rail weaknesses or monitor the positions of thousands of freight cars across a nationwide grid by using satellite positioning systems.

We've seen a great deal of interest in this today from our friends at Grumman, Martin Marietta, Westinghouse,

Bechtel, and other defense firms. I'll let them tell you more.

But I'd like you all to understand our strategy: It is to simultaneously relieve the ever-growing stress on our highways and airports by "re-creating" a rail-based alternative to meet passenger and freight demand -- and at the same time, to ease the post-Cold War transition of our defense industries.

Insofar as we can engage defense suppliers in launching a new transportation infrastructure for America, we'll be solving two problems with one program, laying the basis for a lasting new industry and delivering on President Clinton's promise: "Not to let those who won the Cold War for America stay out in the cold as we build the peace."

Thank You.

2.95

TALKING POINTS FOR SECRETARY OF TRANSPORTATION FEDERICO PEÑA
MD-90 VISIT TO WASHINGTON NATIONAL AIRPORT
JUNE 22, 1993
WASHINGTON, D.C.

Thank you very much, Congressman Gephart. I'm pleased to join so many Members of Congress, President Gerry Johnston of McDonnell Douglas, Chairman Bob Hood of Douglas Aircraft, and all of you in launching the new MD-90 in Washington D.C.

The arrival of a new U.S.-built jetliner is cause for celebration. It signals another triumph or U.S. airframe manufacturers. The whole world knows our aircraft manufacturers were not only the inventors of this technology, they perfected it and remain the finest in the world. Our air frame manufacturers produce the largest trade surplus of any American industry -- $31 billion last year alone. And our carriers and airframe manufacturers serve as shining success stories of international competitiveness.

And the MD-90 -- quietest and certainly one of the cleanest airplanes in its class -- is proof positive that America will not cede our technological leadership to anyone. (I am told that the MD-90 is six decibels below most stringent international noise limits. That is great news for those of us who live near National Airport. I also understand that the MD-90 engine emits just 55 percent of the allowable international limit for nitrous oxides, 20 percent of the carbon monoxide limit and five percent of the hydrocarbon limit. It's overall impact, of course, is less smog.)

Thanks to the producer of the MD-90 and the global mix of seven world class customers who have purchased it, America will always be on the cutting edge of technology, innovation and commercial genius. It's been that way since the Wright Brothers took a

chance on that windy beach in North Carolina a hundred years ago. It was so when McDonnell Douglas launched the DC-3. And it's true today more than ever.

Now it's no secret to anyone here today that the U.S. airline industry -- including aircraft manufacturers -- is facing tough challenges. Yet, today's event offers hope and promise for the future. The MD-90 shows that we are not allowing R&D to slide one bit during these tough times, we are not ceding one inch to any competitor. And we in the Clinton Administration, and in the Congress, and in the aviation and aerospace industry are willing to work together in partnership to remain number one.

The Administration is keenly aware of the importance to our aerospace industry of introducing a

new U.S.-built jetliner. Making sure that American industry has every legal advantage is part of a coherent policy that understands the needs of industry and consumers and the threat posed by subsidized overseas carriers. That is one reason the Administration and the Congress joined as partners to form the National Aviation Commission. I happen to know that commission is giving careful consideration to challenges facing aircraft manufacturers.

Whatever the Commission reports, you can count on this: You will always find the Clinton Administration and especially this Secretary of Transportation fighting for the good of our strong - creative - competitive - U.S. aviation industry. It's carriers, its manufacturers, its flight crews, its customers are the best in the world.

Thank you very much McDonnell Douglas. And ladies and gentlemen, thank you for allowing me to speak today.

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U.S. Department of Transportation

News:

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Washington, D.C. 20590

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SECRETARY OF TRANSPORTATION FEDERICO PEÑA
61ST ANNUAL CONVENTION U.S. CONFERENCE OF MAYORS
JUNE 22, 1993
NEW YORK, NEW YORK

I'd like to thank Mayor William Althaus of York, Pennsylvania, for that generous introduction -- and tell you all how glad I am to be back here among mayors -- because I am one. And in this administration, I'm not alone. I think you'll all agree that President Clinton demonstrated his commitment to the cities when he made the Mayor of Denver Secretary of Transportation and the Mayor of San Antonio, Secretary of HUD.

Since becoming Secretary, I have specifically appointed high-ranking staff with experience in city government -- including Judith Burrell from the U.S. Conference of Mayors -- because I need the kind of experience they bring as we work to reinvent government and make it work for America's cities.

With their help -- and yours -- we are evolving a whole new vision of the role of transportation in America's future -- and particularly in our cities. It's a vision that goes far beyond our bricks-and-mortar historical role of building highways, airports and transit systems -- though these jobs remain vital parts of the DOT's responsibility.

This new view of transportation sees it as an integral element of all of our other policy goals -- from stimulating the economy and creating jobs, to spawning technological innovation, to breaking through the isolation of the inner city, to reforming welfare -- even to creating a new national health system.

The DOT has a role to play in achieving all of these goals -- working closely with other Cabinet departments and state and city governments. We are, for example, part of the Clean Car Initiative that the Clinton Administration has launched to work with American automakers to create whole new types of

- more -

automobiles that can use alternative fuels, clean our air, especially in cities, revitalize the manufacturing sector and reduce America's dependence on foreign oil.

We'll also be deeply involved in areas like health care that may seem at first glance to be far from Transportation's traditional mandate. But when we face the horror of 39,000 people killed each year on our highway and hundreds of thousands of injuries, it's obvious that new safety efforts -- such as those that you at this conference have called for -- are critical to save lives, cut medical costs and lower insurance rates. And if we aim to provide health coverage for all Americans, we also need to provide ways for rural Americans to travel to medical facilities for preventive care -- rather than leaving them trapped and immobile.

Our new view sees transportation as central to re-vitalizing America's cities -- not only by stimulating commerce and increasing economic efficiency -- but by improving peoples' lives and their access to opportunities. How can we reform welfare, for example, unless we enable inner-city residents to commute to areas where they can find work? What value is a new "empowerment zone" if people can't easily reach it to get to work and the goods they produce can't easily be shipped out? How can we clean our environment if we have intractable bottlenecks where traffic backs up, engines idle, and a stream of fumes pollutes the air?

We at DOT have been talking with other cabinet members about these sorts of issues -- about how we can structure our efforts to re-inforce each other and achieve more than one goal at once. And if there is a single bottom line we all agree on, it's this: we must make sure that whatever we do, whatever money we invest, tangibly improves the lives of the American people.

In that spirit, I tell you today that the federal government's 12 years of neglect of urban America's transportation needs is over. Let us look to a bold new policy of "inclusion" in which city governments work closely with their states and the federal government to ensure that the transportation investments we make serve as integral parts of a housing strategy... of health care reform ... of economic development ... and all the many services so critical to people in America's cities.

When I think about these needs -- and how difficult it is to meet them -- I want to thank the mayors at this Conference for your support on the stimulus package and the President's other efforts to create jobs and get our economy moving. I know Mayor Althaus, who's a Republican, was a strong supporter of our stimulus package, and I believe with him that the issues at stake should have moved Congress beyond narrow partisanship.

Through the years, the U.S. Conference of Mayors has demonstrated the vision and the wisdom and the bipartisanship that America needs. The Clinton administration truly does stand with you in our concern for urban America. We sought in this year's budget 20 percent more in highway funds for this fiscal year and 21 percent more in transit authorizations. We're fighting your fight.

Whether a city's mayor is a Democrat or a Republican we're in this together -- and on the same side. And make no mistake about it -- we may lose some battles and skirmishes -- but if we stick together we WILL win.....

I know from experience that mayors carry a heavy responsibility. I've walked a mile in your shoes -- and I know that the job of mayor hasn't gotten any easier since I left office in Denver.

Yet, mayors all over the country are producing incredible results. Since becoming Secretary of Transportation I've traveled to dozens of cities and met with mayors from all across the country. I've seen firsthand the impressive improvements to public transportation that our host, Mayor Dinkins, has made right here in New York.

I've visited the Whitehall terminal, an intermodal facility linking ferry, buses and the subway and I can tell you that it's a great example of what our cities need. I visited with mayors in South Texas whose infrastructure needs have too long been neglected. I've seen Mayor Elihu Harris of Oakland working hard to rebuild the infrastructure destroyed by the earthquake. Or Mayor Jerry Abramson, who is trying to build a new airport in Louisville -- I know how hard that can be.

And I could go on -- and on -- because I know that each of you here know how to dream of a better future, then roll up your sleeves and struggle to make it happen every day. That's what mayors do. And in doing so, you discover and bring out the rich promise of our cities where others see only malaise and decline.

That's why I want to talk with you today about what our new vision of transportation holds for urban America. First, our commitment to bringing a revolution in transportation technology to bear on our country's needs; second, our commitment to meeting environmental targets by strategic transportation investment; and finally, our determination to fulfill the promise of ISTEA by truly involving city governments in transportation planning.

First, and perhaps most exciting is the great technological revolution we are actively encouraging and how much this wave of innovation can improve transportation and the quality of urban life. Beyond the development of a new

generation of safe, non-polluting cars, we want to build "intelligent" highways that guide vehicles to their destinations, traffic lights that monitor and adjust to the flow of vehicles; toll collection systems that don't create back-ups.

We will also integrate other sophisticated systems to transportation needs -- such as the Global Positioning System (GPS) that can help track buses and trains from satellites in space; infra-red night vision devices to enhance trucking safety on the road at night, and the application of advanced materials developed for defense to build a new generation of transit buses.

As we move through this decade of defense conversion -- transferring the technology that gave us the mightiest military in the world to peacetime uses -- The DOT will play a key role. We are part of a multi-agency body that will decide which industries will receive $500 million in technology reinvestment grants this year -- a genuine "peace dividend" with great prospects for transportation technology which will help for cities.

Our new high-speed rail initiative will benefit cities that want to offer a new alternative for commerce and commuting. Mayor Schmoke and I discussed the promise of high speed rail and magnetic levitation trains during my visit to Baltimore just last Friday. The Clinton Administration has proposed to the Congress a $1.3 billion initiative which, if enacted will help create a whole new industry of high speed rail services and manufacturing in our country.

The plan includes almost a billion dollars in support to states and cities to assist in implementing high speed rail ... And an additional $300 million will be available for funding high speed R&D, including the design of a world-class magnetic levitation train prototype.

Unfortunately, the Mag-Lev technology of Japan and Germany was first developed in the United States -- as was the tilt-train technology we're now considering buying from Spain and Sweden. In the future, we will not err again. We will develop such technological breakthroughs right here at home -- right in your cities. We have a great, perhaps unique, opportunity to revitalize our transportation industries -- manufacturers as well as services -- even as we re-employ those who won the Cold War.

Why can't we for example co-ordinate the purchase of subway cars and light rail cars from every city and transit authority in the U.S. so that we could ensure American manufacturers of a large, lasting, and predictable market -- and develop a U.S.- based, world-class industry.

And let me mention a more mundane -- but still marvelous technology being developed at Northwestern University -- an automated pothole repair truck. This system uses lasers and on-board computers to measure a pothole -- then blast fills it with a mix of dry rock and asphalt at 100 miles per hour. I sure could have used one in Denver!!! How many of you would like to have one of these machines?

Many of these technologies will help us meet the second challenge of transportation's future -- the very tough challenge of complying with Clean Air Act standards. I know how difficult it is to achieve the delicate balance between protecting the environment and creating and preserving jobs in your cities.

It's painful for me -- when I have to caution a state or city that their highway funds may be cut back unless they act to meet Clean Air Act targets. I'm working diligently with EPA Administrator Carol Browner to help you in anyway we can to meet these goals with the minimum disruption or sanctions.

As Mayor of Denver I had to meet these standards myself -- and it wasn't easy. But it's something that must be done, not only because it's the law but because all of us want to leave the world -- and our hometowns -- better and more beautiful for the next generation.

One of the tools we have for reducing pollution is to support mass transit and I can tell you that the Clinton Administration has been squarely pro-transit from day one. The President has fundamentally changed the federal mass transit policy of the past 12 years. Previous administrations had proposed cutting mass transit as much as 75 percent. The Clinton Administration, by contrast, views mass transit as a way of cleaning the air, reducing our oil imports and opening opportunities for our people. In fact, we sought 21 percent increase in transit funding in our budget request to Congress. And we will also support the use of alternative fuels and HOV lanes in cities. We need your help on all of this.

The third major element of my vision for urban America's transportation future is to make the promise of ISTEA a reality, not only in funding but in the way we invest and plan.

Successful investment in infrastructure depends upon our ability in Washington and yours in the cities to invest the dollars where they will make the most powerful impact on local and regional economies.
This includes a recognition of changing transportation patterns like the great growth of suburb to suburb travel and commuting.

This also includes wise use of the highway infrastructure already in place; it means focusing federal surface transportation resources on the bottlenecks in the system and most of all, it means a committment to intermodalism, the inter-linkage of transportation modes. You are critical to those links because almost all of our major intermodal terminals are in or near major metropolitan areas. Intermodalism, both passenger and cargo, is critical to the future of our cities.

That's why we applaud projects like the Miami intermodal facility or the Alameda corridor project in California that will relieve enormous back-ups between the ports of Long Beach and Los Angeles and the rest of the country. Completing projects like these has a ripple effect all through the economy -- not just locally. Americans are wasting two billion hours a year stuck in traffic jams -- time away from work, time away from home and family. And no one knows better than mayors which bottlenecks need the most attention.

That brings me to the biggest challenge we face in making the promise of ISTEA a reality -- that is the allocation of those funds through the planning process. We are pushing for an August publication date of the new planning regulations. I understand very keenly your concerns about whether inner cities are being dealt with fairly.

That's why today I'm calling today for a meeting on implementing ISTEA to be attended by representatives from the U.S. Conference of Mayors, the National Governors' Association, the National Association of Regional Councils and the National Association of Counties. The task we will address is to ensure that the spirit of ISTEA -- the involvement of local governments in transportation decisions that effect their fates -- is realized.

That said, I ask all of you to make a good faith effort to make these regulations work. After all, ISTEA gave us a 20-year victory by codifying the right of local communities to participate in transportation decisions previously made for them at the state and federal levels. This is a great victory for you -- for all of us -- who want to see transportation dollars spent wisely. ISTEA commits to law the local government's right to be involved in the surface transportation planning process.

Whether you are mayor of an inner city or a suburban city, we must discard the historic tensions and find creative ways to work together for the common good. After all, great transportation systems should serve the whole metropolis and respect no political boundaries. So I ask you to stay involved in the workings of your local Metropolitan Planning Organization and your state planning process. ISTEA gives you the opportunity to make a difference.

- more -

All of us -- at every level of government -- need to be more creative in looking at ways to improve and sustain our transportation systems. I recognize as much as anyone here all the crises that mayors have to face each day -- from inadequate housing and schooling to crime, gangs and drugs.

We in the urban political community really only earn our right to exist if we can bring unity and progress to our cities' diverse, sometimes divided communities. A cohesive economy, based on a vibrant transportation network, can be a real bonding element in our cities.

It's been true from their very beginnings, as the cradles of civilization, that cities have advanced in step with their transportation systems. Together we can lead the way to a transportation revolution in our own time, and realize the great potential of urban America.

That means we'll need to dream big dreams and then work hard to make them come true. But that's not only what mayors do, that's what Americans do all the time. I ask your support for this vision -- and I promise you mine.

Thank you very much.

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TALKING POINTS FOR SECRETARY OF TRANSPORTATION FEDERICO PEÑA
MD-90 VISIT TO WASHINGTON NATIONAL AIRPORT
JUNE 22, 1993
WASHINGTON, D.C.

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chance on that windy beach in North Carolina a hundred years ago. It was so when McDonnell Douglas launched the DC-3. And it's true today more than ever.

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new U.S.-built jetliner. Making sure that American industry has every legal advantage is part of a coherent policy that understands the needs of industry and consumers and the threat posed by subsidized overseas carriers. That is one reason the Administration and the Congress joined as partners to form the National Aviation Commission. I happen to know that commission is giving careful consideration to challenges facing aircraft manufacturers.

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Thank you very much McDonnell Douglas. And ladies and gentlemen, thank you for allowing me to speak today.

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FINAL DRAFT -- June 22, 1993 5:30 PM

TALKING POINTS
HIGH SPEED RAIL
BUSINESS ROUNDTABLE BREAKFAST
SECRETARY OF TRANSPORTATION
FEDERICO PEÑA
WASHINGTON D.C.
JUNE 23, 1993

*** One of our most exciting initiatives is the $1.3 bilion that the Clinton Administration has proposed investing in high-speed rail development and research.**

*** Our goal is to create jobs immediately, nurture the still-slow recovery and spur the growth of a whole new industry in America over the long-term.**

*** Our initiative has two parts: the first part is nearly $1 billion for building or up-grading existing rail-lines -- beyond the Washington-Boston corridor -- so that they can handle high-speed trains;**

*** We aim to leverage federal construction funds by insisting on equal or greater investments by states, cities and private businesses -- and we will favor projects that have the maximum possible co-funding from localities when we make grants.**

*** The second part of our proposal calls for $328 million for research into high-speed rail technology, including the design of a world-class Magnetic Levitation prototype.**

* As some of you may know, both Mag-Lev and the tilt-train technology used on traditional high-speed lines were developed in the U.S. and commercialized abroad. We don't want to make that mistake again.

* We believe that our high-speed rail program will directly generate thousands of jobs while contributing to the goals of reducing high-way and airport congestion and pollution.

* Longer-term, we believe that this initiative will generate a whole new industry of American high-speed rail manufacturers and servicers -- led by the private sector.

* This vast potential market can help employ the expertise and capital of our defense industries. It's a crucial part of our plans for this decade of transition from Cold War to global economic competition.....

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Remarks
Secretary of Transportation
Federico Peña
Ford World Headquarters, Detroit, Michigan
June 24, 1993

Thank you. I truly am delighted to be here and I'm looking forward to visiting with the managers and designers and workers who are doing so much to revitalize America's automobile business.

We all know that ten years ago it would have been hard to imagine the revival we see today. America's automobile makers were facing what looked like an unstoppable flood of imports. The doubters said that Detroit could never produce good, safe, efficient cars that would sell. The doomsayers -- and there were lots of them -- predicted bankruptcy and ruin.

Today we know how wrong they were. Today we can celebrate triumphs like the new General Motors Saturn, Chrysler's LH series, Ford's Taurus and Sable and many, many others.

Today, American car makers are taking back market share from their foreign rivals. Today Americans know that our companies and our workers can compete with the best in the world. And today, the Big 3 and the men and women of the United Auto Workers can be proud of bringing back an old American tradition: Winning.

You know President Clinton won a nickname during last year's campaign: "The Comeback Kid". But I think we have to say that what's been happening in Detroit -- and in American auto plants across the country is the greatest comeback in industrial history.

And there's more to celebrate than auto sales and market share. For one thing, the industry is now selling safety -- and Americans are buying. Thanks to improved safety features like airbags -- and to increased use of seat belts -- traffic fatalities dropped to a thirty-year low last year. Of course, we still have a long way to go -- but we're heading in the right direction.

And we have seen great progress toward low emission and even no emission vehicles. The air in our cities is far cleaner than it was a decade ago -- and we can and will do even better.

I'd like to congratulate Chrysler for winning approval for its electric van from the state of California this week. And I hope you all know that the whole U.S. auto industry is working in partnership with government on a Clean Car Initiative that will bring many more such breakthroughs in the years ahead.

As we look down the road, I believe that our automakers are going to keep on proving the skeptics wrong, keep turning out the best cars in the world and keep reminding us that there are three words we can all celebrate again -- Made in America.

script for television taping
secretary of transportation federico peña
national secretaries week

Hello, I'm Federico Peña.

The U.S. Department of Transportation is richly blessed with the best secretaries in the workforce. I've been impressed with your dedication and tremendous knowledge of transportation.

The skills and talent required of a secretary today are as many and varied as the complexity of our society itself. More than typists and telephone answerers, you are expected to be facilitators, communicators, managers and specialists in a half dozen fields of endeavor. You must be office managers, equipment specialists, and public relations experts. At many times during a week, you are called upon to be the memory bank, the researcher, the

accountant, the logistics and supply expert, and the travel agent. Most of all, you at the Department of Transportation are expected to be "In Touch with Our Future," the theme of 1993 National Secretaries Week and Secretary's Day.

What better individuals to take the leadership role in the task of reinventing government and making it work for people? You are in a position to know the answers to these questions:

Does this work? Does it provide quality service? Does it encourage innovation and reward hard work?

You know the answers and it is our job to listen to you. Therefore, during National Secretaries' Week, April 19-23 and especially on Secretaries' Day, April 21, I ask all DOT managers to honor you as the multi-talented individuals who really make the government

run. Whatever the tribute to you, I ask managers to go one step further. Listen to what you have to say about making the government work better. Your ideas are worthwhile and probably in many cases easily do-able.

Together we can reinvent government and make DOT a more efficient organization. That puts us truly "In Touch with the Future."

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