SECRETARY OF TRANSPORTATION
RODNEY E. SLATER

1997 SPEECH LIST

*** SPEECH WAS RELEASED IN FINAL FORM**

01/29/97*	Secretary of Transportation Designate Before the United States Senate Committee on Commerce, Science and Transportation
01/29/97*	Opening Statement The Honorable Rodney E. Slater Secretary of Transportation Designate Committee on Commerce, Science and Transportation The United States Senate
02/21/97*	Swearing In Ceremony Washington, D.C.
02/22/97	U.S. Conference of Mayors Key West, Florida
02/24/97	Federal Maritime Administration Memorial Service Washington, D.C.
02/24/97	Address to DOT Employees Washington, D.C.
02/25/97*	50th Anniversary of Breaking of the Sound Barrier Washington, D.C.
02/26/97*	Statement Regarding the Vote in the House of Representatives on the Extension of Aviation Excise Taxes
02/26/97*	Statement of the Honorable Rodney E. Slater Before the United States Senate Committee on Environment and Public Works Subcommittee on Transportation and Infrastructure on the Reauthorization of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA)

02/27/97*	Statement of the Honorable Rodney E. Slater Before the House Committee on Transportation and Infrastructure Subcommittee on Surface Transportation on the Reauthorization of the Intermodal Surface Transportation Efficiency Act of 1981 (ISTEA
03/05/97*	The 15th Annual Travel and Tourism Industry Unity Dinner Washington, D.C.
03/06/97*	Statement of Rodney E. Slater Secretary of Transportation Before The House Appropriations Subcommittee on Transportation
03/07/97	National Conference of State Legislature Washington, D.C.
03/09/97*	Voting Rights March Jubilee Celebration Montgomery, Alabama
03/10/97*	National League of Cities Washington, D.C.
03/10/97*	The American Public Transit Association Annual Legislature Conference Washington, D.C.
03/11/97	NEXTEA Ceremony White House Washington, D.C.
03/12/97	The New England Council Washington, D.C.
03/12/97*	Briefing on the National Economic Crossroads Transportation Efficiency Act Roll-out Washington, D.C.
03/12/97*	The American Public Transit Association "Lifetime Achievement Award" For Rosa Parks Washington, D.C.

03/12/97*	Briefing on the National Economic Crossroads Transportation Efficiency Act Washington, D.C.
03/13/97*	The American Road Transportation Builders Association Washington, D.C.
03/14/97*	The National Economic Crossroads Transportation Efficiency Act Roll-Out Press Conference Chicago, Illinois
03/18/97	Talking Points Coast Guard Flag-SES Spring Conference Andrews Air Force Base
03/20/97*	District of Columbia Safety Seat Event Washington, D.C.
03/21/97*	District of Columbia Initiative with Secretary Bruce Babbitt Washington, D.C.
03/21/97	The Extraordinary Women of DOT Washington, D.C.
03/24/97	USO-Metro Annual Awards Dinner Washington, D.C.
03/27/97*	The National Highway Traffic Safety Administration Community Build Los Angeles, California
03/27/97	Meeting With FAA Employees Hawthorne, California
03/27/97*	The Greater Los Angeles African-American Chamber of Commerce Los Angeles, California
04/01/97*	Washington National Airport Tower Dedication Arlington, Virginia

04/02/97*	The Department of Transportation's 30th Anniversary Baltimore, Maryland
04/02/97*	The Department of Transportation's 30th Anniversary - Union Station Washington, D.C.
04/02/97*	Grant Announcement to Mass Transit Administration Baltimore, Maryland
04/04/97*	The Minnkota Power Annual Meeting Grand Forks, North Dakota
04/07/97*	The National Performance Review Re-Invention Executives Exchange Bethesda, Maryland
04/07/97*	Statement By Transportation Secretary Rodney E. Slater On The Death of Bob Ropelewski Washington, D.C.
04/09/97	Talking Points Prepared For Delivery Singapore Dinner/Toast To Phil Condit Washington, D.C.
04/14/97	Marine Technology Program Seattle, Washington **(REMARKS WERE NOT DELIVERED)**
04/15/97*	The National Conference of the Building and Construction Trades Department Washington, D.C.
04/16/97*	Increasing Seat Belt Use In The United States Washington, D.C.
04/16/97	Empowerment Zone Conference Breakout Session on Transportation Detroit, Michigan

04/17/97*	Network of Employees for Traffic Safety (NETS) National Drive Safely At Work Week Washington, D.C.
04/17/97*	Greet Department of Transportation Bicyclist Team Philadelphia, Pennsylvania
04/17/97*	Meeting With Delaware Transit And Walking Tour Wilmington, Delaware
04/17/97*	Penjerdel Council Transportation Philadelphia, Pennsylvania
04/18/97*	Grant Award Presentation New York, New York
04/18/97*	Frankford Elevated Reconstruction Project Philadelphia, Pennsylvania
04/20/97*	Groundbreaking Ceremony on Reconstruction of I-95 Bridgeport, Connecticut
04/21/97*	Port of New York/New Jersey Round Table Discussion Presentation to Malcom McLean Elizabeth, New Jersey
04/21/97	Statement Before the Senate Committee on Environment and Public Works Warwick, Rhode Island
04/22/97	Planting of Seedlings in Celebration of Earth Day Fairfax, Virginia
04/22/97*	The National Transportation Safety Board Symposium on the Role of Corporate Culture in Transportation Safety Arlington, Virginia
04/24/97	Strategic Planning Retreat Warrenton, Virginia
04/27/97*	The National Association for the Advancement of Colored People Detroit Chapter Detroit, Michigan

04/27/97	Eastern Michigan Commencement Address Sperling Introduction Ypsilanti, Michigan
04/29/97	The Arkansas State Chamber of Commerce Crystal City, Virginia (Talking Points)
04/29/97*	Announcement of "Smooth Operator" Campaign Alexandria, Virginia
04/29/97	DOT Welfare to Work Program Kick Off Washington, D.C.
04/30/97*	Announcement of New Seat Belt Law in the District of Columbia Washington, D.C.
04/30/97	U.S. Trade & Development Agency Luncheon in Honor of Poland Minister of Transportation Washington, D.C.
05/02/97	The 76th Anniversary of the New York Building Congress Introduction of Senator Moynihan
05/05/97*	U.S. Delegation Meeting With Mexico Working Group Opening Statement Mexico City, Mexico
05/12/97*	National Airport Tower Dedication Arlington, Virginia
05/12/97*	Mothers Against Drunk Driving National Youth Summit on Under Age Drinking Chevy Chase, Maryland
05/13/97*	American Association of Airport Executives Minneapolis, Minnesota
05/14/97*	Operation Lifesavers Press Conference Washington, D.C.

05/14/97	Air Line Pilots Association Executive Board Washington, D.C.
05/14/97	The Workshop on Urban Passenger Transport and Environmental Statistics Washington, D.C.
05/15/97*	Daisy Bates Scholarship Luncheon Little Rock, Arkansas
05/17/97*	University of Arkansas School of Law Commencement Fayetteville, Arkansas
05/18/97	Hall High School Commencement
05/18/97*	New Zealand Open Skies Agreement Washington, D.C.
05/19/97*	Operation ABC: Mobilizing America To Buckle Up Children Washington, D.C.
05/19/97	Department of Transportation 30th Anniversary Washington, D.C.
05/20/97	White House Welfare To Work Partnership Announcement Washington, D.C.
05/20/97*	U.S. Conference of Mayors National Forum on Drug Control Washington, D.C.
05/21/97*	United States Coast Guard Commencement New London, Connecticut
05/22/97*	The Propeller Club of Washington, D.C. Washington, D.C.

05/23/97*	Community and Transportation Officials Beckley, West Virginia
05/28/97	Fleming Fellows Leadership Institute State Legislators Washington, D.C.
05/29/97	White House DBE Event Washington, D.C.
05/30/97*	Garrett A. Morgan Program Cleveland, Ohio
05/31/97	The Anti-Defamation League Los Vegas, Nevada **Speech Was Canceled**
06/03/97*	African Ambassadors Gala Washington, D.C.
06/03/97	ITS Tape
06/03/97	DBE Tape
06/03/97	RSPA Pipeline Safety Tape
06/03/97*	White House Briefing Re: NEXTEA Technology Washington, D.C.
06/04/97	ITS America Washington, D.C.
06/09/97*	Lifesavers 15 Conference Orlando, Florida
06/08/97	Transportation Meeting Orlando, Florida
06/09/07	Kindcare Learning Care Center Orlando, Florida
06/11/97*	Scenic By-Ways Task Force Washington, D.C.

06/11/97	Statement of U.S. Secretary of Transportation Rodney E. Slater on President Clinton's Intention to Nominate Jane Garvey as FAA Administrator and George Donohue as FAA Deputy Administrator
06/12/97	Urban County Official Meeting Washington, D.C. **(REMARKS WERE NOT DELIVERED)**
06/12/97*	National Newspaper Publishers Association Norfolk, Virginia
06/12/97	Urban County Official Meeting Washington, D.C. **(REMARKS WERE NOT DELIVERED)**
06/16/97*	U.S. Merchant Marine Academy Commencement Kings Point, New York
06/16/97*	Small Railroads and Economic Development Minneapolis, Minnesota
06/17/97*	International Aviation Club Washington, D.C.
06/17/97*	Ceremony Honoring Alex Haley on the 20th Anniversary Of Roots Washington, D.C.
06/17/97	Senior Executive Service Washington, D.C.
06/17/97*	International Aviation Club Washington, D.C.
06/18/97*	New Zealand Open Skies Agreement Washington, D.C.
06/19/97*	State Infrastructure Banks Washington, D.C.
06/20/97*	Full Funding Grant Announcement Sacramento, California

06/20/97	Business Round-Table Meeting St. Louis, Missouri
06/21/97*	Grant Presentation For San Francisco Trolley Cars San Francisco, California
06/21/97*	U.S. Conference of Mayors San Francisco, California
06/21/97*	Malaysia Open Skies Agreement Signing San Francisco, California
06/26/97*	Pennsylvania Environmental Council Philadelphia, Pennsylvania
06/26/97	Philadelphia Welfare-To-Work Facts Philadelphia, Pennsylvania
06/26/97	Swearing In Ceremony for Kenneth Mead, Inspector General Washington, D.C.
06/27/97	USDA Farmers' Market Day Washington, D.C.
06/28/97*	National Association of Minority Contractors Miami, Florida
06/28/97	Walk The River Memphis, Tennessee
07/09/97*	Secretary's Task Force on Assistance to Families of Aviation Disasters Washington, D.C.
07/15/97*	The National Association of Counties Annual Meeting Washington, D.C.
07/15/97*	Washington Dulles Press Conference Dulles, Virginia

07/16/97*	NAACP 88th Convention Armed Services and Veterans Affairs Awards Banquet Pittsburgh, Pennsylvania
07/19/97*	Department of Transportation Workshop Reno, Nevada
07/25/97*	The Fourth African-African American Summit Harare, Zimbabwe
07/27/97*	National Airport Dedication Arlington, Virginia
07/29/97*	Haitian-American Chamber of Commerce Port-Au Prince Haiti
07/29/97*	Haitian Coast Guard Facility Press Conference Port-Au-Prince, Haiti

MAJOR ACCOMPLISHMENTS DURING SECRETARY SLATER'S ADMINISTRATION

Africa Initiatives: Secretary Slater launched the U.S.-Africa Transportation Partnership, including most notably the "Open Skies" and "Safe Skies" for Africa Initiative. The "Safe-Skies" Initiative will--with the support of AID, TDA, and World Bank funding--significantly improve the safety and security of airports in the nine "Safe-Skies" countries (Angola, Cape Verde, Cameroon, Cote d'Ivoire, Kenya, Mali, Namibia, Tanzania, and Zimbabwe) and generally support Africa's integration into the global aviation system. DOT also worked with other U.S. government agencies and Nigerian officials during 1999 to significantly improve security at the Lagos International Airport that resulted in the U.S. lifting the ban on flights from that airport in December 1999. As a reflection of the commitment to further cooperation with Nigeria in improving its transport systems, DOT has succeeded in obtaining AID funding of $3.58 million over the next 2 years. On the economic side, the United States has invited African nations to enter into "Open-Skies" bilateral-aviation agreements to support economic growth and encourage the development of air services between the United States and Africa. In 1997, three regional seminars were presented in Africa to describe the benefits of aviation liberalization. Since November 1999, six African states have concluded "Open-Skies" agreements (Tanzania, Burkina Faso, Namibia, Ghana, The Gambia, and Nigeria).

Open Skies: The "Open-Skies" initiative is the cornerstone of the Department's international air service liberalization strategy. An "Open-Skies" agreement permits unrestricted international air service by airlines of the parties, between any city in each home country and any city in the partner country, and along those routes, to third-country points. This type of agreement maximizes potential competition and facilitates new services through cooperative arrangements among the participating countries' airlines. As of August 2000, DOT negotiators have concluded **31 such agreements in all areas of the world** just since February 1997, trippling the number when Secretary Slater took office.

Other Important International Aviation Agreements: Where "Open-Skies" agreements could not be achieved, the Department still has pressed forward to secure the greatest liberalization possible to benefit the travelers, shippers, communities and air carriers of both the United States and of our aviation partners.

The landmark aviation agreement with **Japan** reached in January 1998 opened a variety of new service opportunities. The agreement made possible the inauguration of several new U.S.-Japan services while also resolving a long-standing dispute regarding the rights of U.S. carriers to operate beyond Japan to other Asian points.

France agreed in April 1998 to an open transatlantic aviation agreement which includes all the elements of the U.S. "Open-Skies" agreement absent only unrestricted fifth-freedom (third-country) rights.

In January 1999, a new deal with **Mexico** greatly improved U.S. carriers' access to the Mexican market through new code-sharing rights and by introducing vastly simplified regulatory procedures for charters. Our licensing staff quickly implemented these new improvements for the benefit of the industry.

We also resolved important issues with **Russia** in January 1999, expanding scheduled route authority and frequencies; confirming previous over-flight rights with additional flexibility; and providing new over-flight routes to Southeast Asia.

With **China** in April 1999 we obtained more routes, more flights, the right to designate another airline in the market, and code-sharing opportunities. Our licensing staff expedited authority for the new flight frequencies and code-sharing opportunities that were available immediately under the agreement.

DOT achieved other significant bilateral aviation agreements: Those with **Brazil** in October 1997; **Australia** (open cargo in December 1999); and **Colombia** in January 2000.

Airport Business Practices: Our report, "Airport Business Practices and their Impact on Airline Competition" is the most comprehensive analysis to date on how airport business practices can affect airline competition. Based on the findings of the report, greater access by new-entrant airlines has already occurred and AIR 21 includes a legislative requirement for airport competition plans tied to AIP and PFC funding at large- and medium hub airports.

Aviation In The 21st Century – Beyond "Open-Skies" Ministerial: In December 1999, Secretary Slater hosted a 3-day ministerial in Chicago to focus on the critical aviation issues facing the aviation industry in the 21st Century and to develop a common vision for aviation's second century and a new policy architecture to help us achieve that vision. More than 900 world transportation leaders and aviation industry experts from 93 nations attended the ministerial. The U.S. DOT is pressing for expanded access with several countries. Countries are meeting on a regional basis to consider further steps in aviation liberalization.

Coordinated International Transportation Policies and Programs: Ministerial meetings with African, Asia Pacific and Western Hemisphere Ministers of Transport, bilateral meetings with officials from more than 40 countries, Secretarial missions to Europe, Asia, Latin America and the Caribbean, and on-going Departmental involvement in Administration initiatives such as the Free Trade Area of the Americas, APEC, and the World Trade Organization negotiations have all contributed to safer, more efficient, and more liberalized transportation systems worldwide.

Code-Share Safety Audits: On February 29, 2000, the Department issued guidance for U.S. airline safety audits. Through this program, Americans will know that U.S. airlines are auditing their code-share service on foreign air carriers to check compliance with international safety standards.

Elimination of Slot Restrictions: After years of work, going back to the Department's 1995 study of the High Density Rule, AIR 21 eliminates at dates certain slot requirements for Chicago O'Hare and New York's Kennedy and LaGuardia.

Strengthened Transportation Interfaces At U.S. Borders: Strengthened transportation interfaces at our Northern and Southern borders to support the North American Free Trade Agreement (NAFTA). Of most note, Secretary Slater fought for and achieved inclusion of provisions in the Transportation Efficiency Act for the 21st Century that provide dedicated annual funding specifically for border corridor and gateway projects that improve the safe and efficient movement of people and goods at or across our shared borders with Mexico and Canada at a time of unprecedented trade growth in North America.

Global Deregulation Takes Off: In December 1999, the Department issued its first report assessing the initial results of immunized airline alliances authorized in the transatlantic market. The report found that multinational alliances were stimulating passenger demand, triggering pro-competitive changes in the industry's structure, and engendering substantially lower fares for consumers.

Domestic Competition: The Secretary made significant progress in improving domestic air service and competition. Slot exemptions for service to Chicago's O'Hare International Airport were issued to enable non-stop regional jet service to the national air transportation system from 14 small- and medium-sized communities such as: Charleston, WV; Chattanooga, TN; Duluth, MN; Fargo, ND; Baton Rouge, LA; and Fayetteville, AR. The Secretary also enhanced competition by (1) issuing slot exemptions at LaGuardia to new entrant, low-cost carriers on the previously monopoly non-stop routes between New York's LaGuardia Airport and Atlanta, GA; Denver, CO; and Detroit, MI, and (2) by granting JetBlue 75 slot exemptions at New York's JFK International Airport for service to points in upstate New York and to other underserved domestic markets. The Secretary implemented provisions of AIR 21 by granting slot exemptions for new service to Reagan National Airport--12 slot exemptions for cities inside the perimeter and 12 additional slot exemptions for cities beyond the perimeter.

Resurgence Of New-Entrant Activity: After years of very little new-entrant activity, new air carrier applications began to increase in 1998, and several new airlines have initiated service. New entrant airlines are an important component of domestic airline competition, and the recovery of new-entrant activity is attributable, in part, to various Departmental actions that are designed to stimulate competition in the airline industry.

Northwest Strike: Between late August and mid-September 1998, Secretary Slater worked directly with the White House Counsel to bring Northwest's very contentious labor and management representatives together to reach a settlement and bring to a close the lengthy strike by Northwest pilots.

Airline Financial Health: During the 1997 to 1999 period, the major U.S. airlines continued to prosper and earn profits at record levels, which is, in, part attributable to the Administration's on-going efforts to expand market opportunities and eliminate unnecessary regulatory barriers. During this 3-year period, the airlines flew 1,753 billion revenue passenger miles, generated operating revenues of $304 billion, and reported operating profits of $24.7 billion and net profits of $15.2 billion. The industry is as healthy now as it has ever been.

Eliminating Most Tariff Filings: Airlines will save an estimated $3.2 million annually as a result of action taken in July 1999 to eliminate most international fare-filing requirements for U.S. and foreign carriers. Success in achieving liberalized aviation agreements has effectively deregulated fares in many markets, making the filing of fare changes unnecessary. The final rule also eliminated tariff-filing requirements for most non-fare matters, known as "conditions-of-carriage" rules. In addition, the Department issued a new, streamlined version of its tariff regulations, eliminating 45 pages of rules.

Foreign Air Carrier Family Support Act Implementation: The Foreign Air Carrier Family Support Act of 1997 (PL 105-148) requires each foreign airline serving the United States to develop and submit, to the Department and to the National Transportation Safety Board, a plan to address the needs of families of passengers involved in aircraft accidents. The Department met the challenge of obtaining the required plans from all 226 foreign airlines authorized to conduct U.S. operations.

Consumer Information: In order to provide consumers and other parties information about the effects of competition on fares, the Department began disseminating its "*Domestic Airline Fares Consumer Reports*" in 1996. Each of these quarterly reports include "special-feature" studies about airline competition, such as the effects on price and traffic that result from the entry or exit of low-fare airlines." This report is now used by civic officials, airport managers, reporters and others to draw attention to communities and markets that are subjected to high prices.

Airline Internet Distribution Channels: In order to ensure that it keeps abreast of potentially important competitive developments, the Department has undertaken an informal iunvestigation of changes in airline distribution practices, particularly internet developments such as the creation of joint airline websites.

Data Modernization: So it can continue to identify and effectively deal with important aviation developments and issues, protect consumer interests, and eliminate obsolete data reporting and processing systems, the Department has undertaken the first comprehensive review of its aviation data systems. The objectives are to harmonize those systems with

regulatory and statutory needs, and to provide better access to those systems for aviation analysts and consumers.

International Policy Council: Established the Department's International Policy Council to better coordinate cross-cutting issues that impact on the Department's international policies and programs. An International Implementation Plan addressing the Department's strategic goals has been adopted, travel policies have been fine-tuned to better meet the Department's needs, and teams of international staff from throughout the Department's various modal administrations have worked together to successfully support Ministerial meetings and Secretarial missions.

Haiti Transportation Initiative: As a follow up to the President's Caribbean initiative, Secretary Slater's Haiti initiative resulted in improvements to Haiti's Port-au-Prince Airport and Haitian ports and waterways management.

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written remarks (also see: delivered remarks)

STATEMENT OF THE HONORABLE RODNEY E. SLATER
SECRETARY OF TRANSPORTATION-DESIGNATE
before the
United States Senate
Committee on Commerce, Science, and Transportation
January 29, 1997

Mr. Chairman, Senator Hollings, Members of the Committee:

I am pleased to join you today and to have this opportunity to share with you my vision of a United States Department of Transportation that not only meets the transportation needs of today and the 21st century, but that helps every American achieve his or her personal goals and that supports the freedoms we so rightly cherish.

Let me begin by saying that our transportation network is the envy of the world, and it makes us the most mobile society on earth. For this accomplishment, I pay tribute to the tireless men and women of the Department of Transportation and all of our partners who have built a solid foundation on which America can build the bridge to the 21st century.

If the Senate honors me with confirmation, my highest priorities would fall under three broad areas. First, I will continue to make safety and security the highest priority of the Department. Nothing is more important than working to ensure the American public has the safest transportation system possible. I will strive to raise our current high levels of safety to even greater heights, especially in the face of rapid growth in the use of our transportation network.

Second, I will work with Congress on a number of fronts to continue strategic investment in our transportation infrastructure, which is vital to not only our economy, but also our quality of life. These strategic investments include ISTEA reauthorization, the reauthorization of several other transportation programs, and enactment of FAA financial reform to complete the work of the Administration and Congress to provide the FAA with the tools and resources it needs. I will also work with our transportation partners to aggressively implement the legislation enacted to give the Department the tools to reform the FAA acquisition and personnel procedures, to reform our nation's maritime programs, and to enhance the safety of our network of oil and gas pipelines.

Third, I will continue to bring common sense government to the Department of Transportation in order to provide the people we serve with a Department that works better and costs less. I will encourage more innovative and flexible funding to leverage federal dollars for infrastructure investment, technology

use to improve the performance of our transportation system, and transportation policies that are sensitive to environmental concerns.

President Clinton's leadership has resulted in record-level transportation infrastructure investment over the last four years, because our President understands that, as you cut the deficit, you must also invest in America's future. We all know that a safe and efficient transportation system represents not only a strategic investment in our strong and growing economy, but also a strategic investment in our people, because transportation is their access to opportunity. I pledge to continue to work together with Congress and our partners all across this great nation to ensure a visionary and vigilant Department that meets the transportation challenges of the 21st century. The American people deserve no less.

When President Clinton nominated me to succeed Secretary Federico Peña, I was proud and humbled that I would have this new opportunity, subject to Senate confirmation, to serve the American people. I have seen, first at the State level, then at the Federal Highway Administration, and now as I consider the entire Department of Transportation, that no field offers a greater opportunity than transportation to shape, as the President said during his Second Inaugural Address, "the forces of the Information Age and the global society, to unleash the limitless potential of all our people, and yes, to form a more perfect union."

These past four years, I have had the privilege of serving under a President and a Secretary who understand the central importance of transportation and who accomplished much in a relatively short time. I share with the President and with Secretary Peña a basic vision about the role of government and about the role of the Department of Transportation that can be summed up any number of ways, but the President said it best early in his first term: Putting People First.

<u>What Transportation Means to America</u>

I can tell you, quite simply, that I have a very expansive vision of what transportation means to our society and to our people. I look to history for my guide in seeing how transportation has pulled us together as a Nation, how transportation has sustained our dreams, and how transportation has given us the freedom to enjoy the right, promised by the Declaration of Independence, to "Life, Liberty, and the pursuit of Happiness."

In the 20th century, perhaps no President had a clearer vision, and more historic results from his vision, than President Dwight D. Eisenhower. In a 1955 message to Congress, he provided an eloquent explanation of why the Interstate System was so important. In doing so he echoed the sentiments of Presidents throughout history:

> Our unity as a nation is sustained by free communication of thought and by easy transportation of people and goods. The ceaseless flow of information throughout the Republic is matched by individual and commercial movement over a vast system of interconnected highways crisscrossing the country and joining at our national borders with friendly neighbors to the north and south.

In my view, our transportation network is one of the most important tools necessary to create opportunities for Americans, or to use George Washington's phrase, to "open a wide door."

To those who think I make too much of transportation, who think that after all it is really just concrete, asphalt, and steel, I refer you to a stretch of road that runs from Selma to Montgomery, Alabama. It's part of U.S. 80, and it carries the same daily traffic--the cars, the trucks, the motorcycles, the RV's, the buses--as any other part of the route or any other stretch of road in America.

But this stretch of highway is different from all the other stretches of U.S. 80 because it made a difference in the lives of every American. On March 25, 1965, Dr. Martin Luther King, Jr., led a band of marchers across the Edmund Pettus Bridge in Selma to Montgomery, to protest voting restrictions that disenfranchised most African Americans. Four days later in Montgomery, standing on the Capital grounds, he told his assembled supporters that they had marched for "the realization of the American dream." On August 6, 1965, President Lyndon Johnson signed the legislation that empowered African-Americans and all Americans to cast their ballot for the American dream of which Dr. King spoke.

Last September, the Selma-to-Montgomery section of U.S. 80 was designated an All-American Road under our National Scenic Byways Program, not because it is beautiful, for many would argue that it is not; not because it is scenic, for others would argue that it is not--but because this road, these lanes, symbolize the most beautiful idea of all: the American Dream.

So let me assure you that I think the Federal Government has a strong role to play in transportation by providing a balance among the diverse interests of the States, leadership in advancing technology for a new century, and guidance in ensuring that vital national interests are met.

If confirmed, I look forward to working to achieve the new role the President has outlined: that of a government that empowers each American to fulfill his or her own personal destiny.

<u>Accomplishments: Department of Transportation</u>

I would like to talk to you today about what we have accomplished in the past four years and what I hope to accomplish in the next 4 years.

Let me say I am so glad that Secretary Peña will be remaining in Washington and that the American people will continue to have the benefit of his skills, his vision, and his wisdom. He forged a team within the Department of Transportation that is committed to creating the intermodal transportation system this country will need in the 21st century to support economic growth, to enhance our competitiveness in international marketplaces, and to expand the mobility of the American people.

Recently, in saying farewell to the Department's employees, he described some of the Department's accomplishments he is proudest of, and I will share just a few of them with you. He spoke of:

- Hundreds of thousands of private sector jobs created by strategic infrastructure investment.

- New aviation safety and security regulations that make the skies safer for our families.

- A reinvigorated, stronger transit program.

- A revitalized American shipbuilding industry.

- Our innovative liveable communities program.

- Our success at drug interdiction.

- Our pivotal role in dealing humanely and professionally with the massive Cuban and Haitian migration.

- The work we've done to increase the safety of the cars that Americans drive and our efforts to help them drive safety.

- The progress we have made in intelligent transportation systems, high speed rail, and new technologies such as global positioning satellites.

- Our success in increasing railroad safety, in helping make rail-highway crossing safety a focus of national attention, and building a stronger Amtrak as a vital element of our transportation network.

- Our efforts to reach out to minorities and to women to ensure equal opportunity for our partners around the country.

- The building of a new, more diverse leadership within the Department.

- The way we have answered the Vice President's call to reinvent the Department of Transportation and to streamline our operations so we can better serve our customers.

- And the commitment, which I strongly share, to the environment--to cleaning up and preventing oil spills, protecting National Parks, partnering on clean car technology, and designating National Scenic Byways.

In short, Secretary Peña leaves behind a strong legacy of accomplishment on which to build America's transportation future. The existing links between the Departments of Energy and Transportation will become even stronger as we work together, based on the bonds of trust that have grown between us.

Accomplishments: Federal Highway Administration

I want to take a moment, too, to tell you how proud I am of what the Federal Highway Administration has accomplished this past four years. I know Secretary Peña would agree with me that in listing our achievements, we are really complimenting the people who are at the heart of what we do, namely our committed employees.

The Federal Highway Administration is a relatively small organization (fewer every day through attrition--about 3,500 men and women--) with a $20 billion-a-year mission. We accomplish that mission through cooperation with our traditional partners, the State transportation departments and metropolitan planning organizations, and with newer partners who are focused on the environment, bikeways, pedestrian walkways, and other related aspects that add to the beauty and livability of communities across the Nation.

Today, few things touch us in so many ways as the Interstate System. Almost everything we own traveled on the Interstate System at some point before arriving at our home. Our daily routines--going to work, to school, to the store, to church--and the special moments in our families' lives--the birth of a baby, a daughter's wedding, family vacations--often take us onto this vision in concrete, asphalt, and steel.

I now would like to take a moment to highlight some of the achievements I am proudest of over the past four years.

One of the biggest challenges we faced was making the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) work. ISTEA juggled relationships and shifted power between levels of government. It included many new and complex requirements. It brought new and old partners together in sometimes uneasy alliances. It set ambitious goals that altered our transportation priorities.

ISTEA, in short, rocked the boat. And that's exactly what Congress had in mind. As a result, making ISTEA work required partnering, brokering, and a form of "tender loving care" to facilitate the coming together of interests. I am proud that the Federal Highway Administration has the personnel, the resources, and the flexibility to help State and local officials build new relationships for exercising their new responsibility. The sincere attempts by all parties to work within the ISTEA framework strengthened old partnerships, created new ones, and brought us all together in a way that has energized this country's whole transportation community.

I also would highlight the most extensive outreach effort ever undertaken in the Agency's 104-year history. During my tenure, I led this effort by visiting most of the States and Puerto Rico, as well as working directly with the District of Columbia, meeting with thousands of people who use, construct, maintain, and manage our transportation system. For me, the road tours were perhaps my most important means of outreach. I set out on the first one in April 1994, from Buffalo, New York, to Laredo, Texas, with a goal of looking, listening, and learning--then acting on what I saw.

In recent weeks, there has been much talk about initiatives to help the District of Columbia. I am proud of the role the Federal Highway Administration has played, cooperating with Congress and the President, in helping the District improve its transportation network.

I also am proud of several other accomplishments:

- Working with Congress, we provided record levels of infrastructure investment to help carry out the President's commitment to "Rebuild America." Investment increased 21 percent, from an annual average of $21.1 billion in fiscal years 1990-1993 to an average of $25.5 billion in fiscal years 1994-1997.

- We cooperated with Congress and our State and local partners to identify routes for the National Highway System, which was designated on November 28, 1995, when the President signed the National Highway System Designation Act of 1995. We also have submitted a report to Congress, called *Pulling Together*, identifying intermodal connections, including rail, transit, seaport, and airport facilities, to be added to the National Highway System.

- We created innovative financing techniques that leverage Federal dollars and stimulate greater investment in infrastructure. As a result, more than $5 billion worth of projects have moved to construction faster than would otherwise have been possible.

- We promoted innovative contracting techniques, such as design-build, that are helping to transform the contracting process to enhance quality--which is another way of saying service to our customers, the American motorist.

- We worked with the States and the private sector to develop intelligent transportation systems that will help America meet the growing demands of its transportation network at a time when efficiency, rather than expansion, is the key criterion.

- We recommitted the agency to the National Quality Initiative, a historic initiative of longstanding partners who want to promote excellence in all aspects of highway research, design, planning, and construction.

- We launched a variety of life-saving safety initiatives, including "Sharing the Road--No Zone," the Red Light Running Prevention Campaign, the Capital Beltway Safety Task Force, the Railroad-Highway Grade Crossing Safety Action Plan, the National Work Zone Safety Program, and the Safety Action Plan.

- We designated the first six All-American Roads and the first 11 National Scenic Byways under the National Scenic Byways Program created by ISTEA.

- We have worked with our partners to ensure that highway transportation projects and programs enhance the communities and the environment through which they pass. Our initiatives include a revised Environmental Policy Statement in 1994, cooperation with the Environmental Protection Agency to ensure that transportation continues to contribute to increasing quality of our air, and initiatives to create one-stop shopping for the environmental reviews that are so important to the development of any project. We also enhanced environmental sensitivity within the Agency by conducting Environmental Leadership Seminars for our top field staff.

- Internationally, we have worked to facilitate trade with Canada and Mexico, for example by taking the lead in harmonizing land

transportation standards, while helping other Nations, including South Africa, improve their transportation network to support economic growth and freedom. Following my 1993 trip to Russia, we have supported democratization of the former Soviet Union by initiating ongoing technical assistance and technology transfer, including private sector involvement.

- We launched a series of actions to improve motor carrier safety in cooperation with our motor carrier partners, including the first ever National Truck and Bus Safety Summit (1995), imposition of drug and alcohol testing of commercial drivers, and completion of the most thorough study ever of driver fatigue and drowsiness. We have seen considerable progress where it counts the most--a decline in fatal crashes involving large trucks, down from 2.7 per 100 million vehicle-miles in 1993 to 2.5 in 1995.

- We participated actively in the Vice President's National Performance Review, which helped us remove or modify numerous regulations while we streamlined our operations to match them better not only to ISTEA's goals but to the needs of each State.

I'd like to mention just two other items that go directly to the heart of what the Federal Highway Administration is all about. One of my first experiences after taking office in 1993 was the Great Midwestern Floods. It was an eye opener in two respects, the first being the sheer amount of devastation the flooding caused. But secondly, and more importantly, I learned how committed the people of the Federal Highway Administration are to public service, to getting involved, and to being part of the communities in which they live. Our field staff pitched in and did everything possible to help reopen the highway lifelines disrupted by the floods .

I've seen this same spirit time and again, notably in the aftermath of the Northridge Earthquake that rocked the Los Angeles area in 1994 and destroyed several key Interstate links. The people of the Los Angeles area, whose daily routines were scrambled by the earthquake, benefited from close cooperation among the Federal Highway Administration, the Federal Transit Administration, and the California Department of Transportation, through provisions made for temporary service that were needed until highway links were reopened, in record time, paid for 100 percent with Federal funds.

In these instances, and in so many others, I have heard from Governors and top State transportation officials that our response to disasters is not just timely and efficient but compassionate--reflecting the highest ideals of government service and Federal-State partnership. I want to give credit to

those who've earned it: the people who are the Federal Highway Administration.

The final item is the response to the Oklahoma City bombing, in which we lost 11 members of the Federal Highway Administration family. It's a day none of us will ever forget. But when the survivors were told they could take time off to recover from the emotional shock, they agreed unanimously that what they wanted to do was get back to work as soon as possible. Our administrative staff worked miracles to find new office space and to equip it so our Division Office in Oklahoma was able to reopen within days after the tragedy. This commitment, not just to our mission, but to those who had fallen, was, again, a tribute to the people who are the Federal Highway Administration.

In short, I have been proud to lead a federal agency that has shaped its vision to the times and accomplished each of its missions with distinction. This is an agency well prepared to meet--and master--the uncertainties, challenges, and opportunities of the 21st century.

We have accomplished much, but much remains to be done.

<u>Looking to the Department's Future</u>

In looking to the future, we in the Department of Transportation must set high goals, must call on all our resources and all our reserves to build exponentially on the foundation created thus far.

In doing so, I can look to a former Secretary with whom I will share a unique distinction. If confirmed, I will be only the second Federal Highway Administrator to serve as Secretary of Transportation. The first was John A. Volpe, who served as the first Federal Highway Administrator from October 1956 to February 1957. In 1969, he was appointed by President Nixon to be the second Secretary of Transportation and served in that post until 1972. For his actions, for his leadership, and for his vision, Secretary Volpe is regarded by historians as one of the greatest Secretaries the Department of Transportation has had in its service.

One of Secretary Volpe's sayings bears repeating as we look to the future:

> I submit that as we live in times of change, we must be the architects of that change or we will most certainly be its victims.

As the President has said, when times change, so government must change. And so, as I look to the next four years, I believe we in the Department of Transportation must set high goals and must be architects of change, but we

must also build a new balance in our relations with State and local governments. To do that I will be taking my lead from the President. Also--

- I will be calling on the Department's employees to share their vision of how we can intensify our efforts to accomplish more, much more, to benefit the American people.

- I will be calling on State and local officials to help us build a new balance.

- I will be calling on private organizations to help us.

- And I will be calling on Congress to work with us.

Together, with the help of all these groups and individuals, we will intensify our efforts to the highest degree to build the safest, most efficient transportation network possible.

Certainly, in focusing our efforts, a priority for all of us must be legislation that will provide the framework for our 21st century transportation system.

The major transportation initiative to be undertaken by this Congress will be the reauthorization of ISTEA. When ISTEA was enacted in 1991, it was widely recognized as the most important surface transportation legislation since the Federal-Aid Highway Act of 1956. And justly so, for Congress wanted to build, through ISTEA, the post-Interstate program. ISTEA set ambitious goals, beginning with:

> It is the policy of the United States to develop a National Intermodal Transportation System that is economically efficient and environmentally sound, provides the foundation for the nation to compete in the global economy, and will move people and goods in an energy efficient manner.

To accomplish this and its other goals, ISTEA was not a "highway bill" or a "transit bill." Instead, it revitalized our partnership with the States and local governments, giving them unprecedented flexibility to invest Federal funds in projects that best meet their communities' needs. It encouraged increased participation by the public in the decisionmaking so that more Americans have a say in setting those priorities.

For the past year, Congress and the Department have been engaged in reaching out to groups and individuals across the country to gather ideas for reauthorization of ISTEA. What has emerged is a consensus that ISTEA works. Our goal must be, therefore, to build on ISTEA, not abandon it.

In reauthorization, we have the opportunity this year to advance the vision of ISTEA, to strengthen the partnerships that it created, and to put the traveling public first when making investment decisions. We must have a transportation system that is designed around the trips we need to make, not the traditional modes of transportation. We need to think not only of our modal systems, but how they link together.

There are those who call for the Federal Government to abandon its role in surface transportation. As you can tell from what I have said thus far, I reject this idea. As ISTEA has demonstrated, the Federal Government can play, indeed must play, an important role in helping each State in a diverse union create the national network essential to maintain what Thomas Jefferson referred to as a "union of sentiment."

Such calls are often based on disputes over formula distribution of funds, mandates that a State believes are inappropriate, and a view--which I certainly reject--that the Federal Highway Administration is intrusive in State affairs and duplicative of State efforts. These concerns are, legitimately, up for debate. But at a time when Europe, our chief competitor in many markets, is pulling together, we should not be pulling apart, program by program, into a loose confederation of States that lacks the ability to deliver to the American people the benefits that we can only realize--as a Nation.

No State lives in isolation--its citizens never traveling outside its borders, its businesses never working with businesses or customers elsewhere. No State ever turns away a tourist from elsewhere. Thus, the challenges before us are national in scope; and the solutions require national involvement. Traffic congestion and bottlenecks in major trade centers, such as Chicago and Los Angeles, not only impose delays on local commuters and regional freight, they also interfere with speedy cargo movements--movements that are essential to maintain our global competitiveness.

Safety is another example of the key role the Federal Government plays. Nothing is more important than safety, for any sudden loss of life or serious injury in a traffic incident is a tragedy that could have been avoided. The cost of such terrible events cannot be measured in dollars alone.

During the 1990's, traffic fatalities are at the lowest levels in 30 years--although the number has increased in the past year or two. I am talking about actual numbers, not fatality rates. In fact, if the fatality rate today were what it was in 1980, we would be losing 65,000 men, women, and childred each year, not 41,798 as in 1995. Hundreds of thousands of people are alive today because of safety advances. We attained these reduced levels despite a tripling or more of vehicle miles of travel over that same period.

This safety record did not occur because of the efforts of each State operating on its own. The States played an important role, but it would be incorrect to assume they could have done it on their own. It happened because of Federal automotive safety standards that the States could not have imposed; because of improved highway design standards developed by the States but adopted by the Federal Highway Administration for use on projects around the country; and because of the initiatives of private safety groups that kept pressure on the Federal, State, and local governments to address highway safety issues and that educated the public about them.

The Federal Government didn't do it all--and can't. We need the partnership of State and local officials, the cooperation of the auto and trucking industries, and the efforts of public spirited citizens to continue bringing down the toll of tragedy. But the Federal Government can continue to play a vital, catalytic role that we should not weaken--but build on.

We must do more, we will do more to keep safety in the forefront. I trust that reauthorization of ISTEA will give us an opportunity to take new strides forward. But in safety, as in many other areas of surface transportation, complete withdrawal by the Federal Government would be a huge step backward.

The Department will be submitting the President's reauthorization proposals to Congress next month. I will defer discussion of specific elements of reauthorization until that time. But our goal is to work with Congress to build on the success of ISTEA. I am pleased that over the years, surface transportation legislation, for all the controversies surrounding it, has been seen as bipartisan. I am pleased, too, that both authorization committees reflect this bipartisan spirit. So let me assure you that I plan to cooperate fully with Congress as it builds the surface transportation legislation that will take America into a new millennium.

There is much more to the Department of Transportation than renewing the surface transportation assistance and safety programs represented by ISTEA. I look forward to working on the many challenges facing the aviation and maritime environments. I know we must develop a more stable funding stream for the Federal Aviation Administration to keep pace with aviation growth and to follow the path to longer term financial reform that was laid out by this committee last year. It will be important to develop an open dialogue among all those in aviation--government, airlines, general aviation, labor, airports and others--to define clearly our needs and priorities. We must complete a rigorous assessment of what it costs to manage and regulate the aviation system, and how to pay for this system in as fair a way as possible. Finding an adequate, dedicated, stable source of revenue to meet the growth of aviation is one of our greatest challenges. I look forward to working with

you, Mr. Chairman, and the members of this committee in meeting the challenge.

The United States also must continue to play a vital role in pursuing more open, competitive aviation markets worldwide, with all the benefits they can bring in terms of increased business, tourism, and economic development. I can assure you that I will use the leverage provided by access to the vast United States market to urge our aviation partners to adopt more open markets-- and to ensure expanded access to their markets for United States carriers.

Federal support for transit, like all transportation, is not an end in itself. Ten million people count on transit every day to get to jobs, schools, stores, and health care facilities. Another 25 million use transit less frequently, but on a regular basis. Transit facilitates the well-being of over 200 million Americans living in urbanized areas, and serves 30 million rural Americans who are unable to drive.

The new demands of welfare reform require that workers can get to their jobs. This is one of transit's principal roles--providing basic mobility. It is also an opportunity, one we must make available to the 37 million Americans below the poverty line who often cannot afford an automobile.

We have also initiated a new program to assist states and local agencies to define the impacts of mobility, to identify problem areas such as transportation service disconnects, and to develop strategies and solutions. Through the Research and Special Programs Administration, the Department is providing leadership in new technologies and options for meeting the transportation needs of the elderly, as well as transportation tailored to promote rural economic development and mobility in economic empowerment zones.

Always, in all we do, safety must be our highest priority, and we have an unprecedented opportunity to increase safety belt and child safety seat use substantially. Nearly all major safety organizations agree on the need to upgrade and enforce safety belt use laws and to support these laws with intensified public education efforts. The tragic deaths of children resulting from air bag deployments have added increased urgency to these needs. It is now time to change behavior--to get all children and adults properly buckled up, whenever possible with children in the back seat.

Last year, over 17,000 traffic fatalities, and many more injuries, involved alcohol. These crashes, injuries and fatalities are not accidents--they are predictable and preventable. We now have a unique opportunity to reduce this toll. A broad partnership has already been formed--called Partners in Progress--and it has agreed on national goals to reduce dramatically alcohol

related traffic fatalities. I will work with the partnership to implement their strategies, and my personal mission will be to accelerate the pace of reduction.

The Federal Government also has a responsibility to play an effective role in bringing parties together to resolve problems. For example, in the past, railroad labor and management often took opposite sides on many issues--almost reflexively--and rarely talked to each other. The advent of the Railroad Safety Advisory Committee, which has brought all sides together, has proved a successful forum--and a model--for reviewing pending rules and regulations and building consensus.

As we move America to the next century, we must also recognize that America's interests do not end at our shorelines or our borders. Our interests--and our values--demand that we advance our economic, social, and environmental well-being well beyond our geographic boundaries.

In aviation, government must ensure a free market environment abroad as well as at home. We have already achieved the removal of decades-long restrictions in many European markets and we are moving forward with an initiative to reach open skies agreements with Asian economies.

The maritime programs have at their center the strengthening of our national and economic security. They accomplish this through genuine partnership with other government agencies and absolute reliance on the private sector to accomplish two goals: making our maritime transportation system the most modern, competitive, and efficient in the world and providing strategically critical sea-lift capacity to support our national security needs.

In drug enforcement, alien interdiction, environmental protection, navigation safety and national security missions, the United States Coast Guard plays a key role in advancing our nation's interests. The Coast Guard is widely recognized as one of the most competent and responsive organizations in our government. The Coast Guard responds rapidly and effectively to natural disasters, war, and marine environmental protection. Like any federal activity, it now faces tight budgetary constraints, and I am told it is doing extremely well in its streamlining efforts. We need to ensure it continues to get the resources to get the job done.

A new government for a new century will still need to remain anchored in the traditions and values that made our country great. These values are evident at the Department of Transportation. However, we must not let these same traditions inhibit our ability to adapt. We must commit to a better and more efficient government.

For the St. Lawrence Seaway Development Corporation, the Administration is seeking legislative authority to reconstitute it as a performance based organization (PBO) consistent with the Vice President's reinvention initiative. The Corporation reflects two of the most important characteristics of a PBO- - a focus on customer service and performance based outcomes. As a PBO, the Corporation will be able to adopt additional private sector practices.

We must commit to better and more efficient management of our assets--which are, in fact, the Nation's assets. Our government, and the Department of Transportation, will be proportionately smaller in the next century. And this smaller government will still have to give the American people the tools they need to solve the problems confronting our great Nation.

I look to the 21st century, and I see State and local transportation agencies advancing toward state-of-the-art/state-of-the-practice in all areas, including planning, design, finance, use of new materials, systems management, and construction practices.

I see the Federal Government as a coordinator, working with State and local transportation agencies and with the public to enhance transportation.

I see increasing privatization of transportation systems and more private investment in public transportation facilities.

I see growing acceptance of the need to manage existing transportation systems in an efficient manner.

I see the Modal Administrations within the Department of Transportation helping each mode of transportation do the work it does best--and ensuring that these modes link up into a whole that is greater than the sum of its parts.

I see increased intermodal shipments pulling modes more closely together out of mutual. interest, not government intervention.

I see the National Highway System tying the Nation's transportation system into a seamless web of efficiency and safety that supports productivity increases and enhances competitiveness in international marketplaces.

I see safety consciousness continuing to reduce the number of fatalities and injuries from transportation incidents.

I see transportation in the 21st century serving the same role as the Civil Rights Movement of the 1950's--empowering minorities, women, and immigrants to achieve the freedom that is only possible with full mobility.

I see roads without potholes, bridges that can bear the traffic crossing them, highways without congestion.

And I see an America poised to make the 21st century another American century.

Can we achieve this vision? In response I remind you of something Dr. Martin Luther King, Jr., said on that day in Montgomery when he addressed the 1965 Voting Rights Marchers. He said:

The road ahead is not altogether a smooth one. There are no broad highways to lead us easily and inevitably to quick solutions.

For the Department of Transportation, there are no broad highways to easy, quick solutions. But I hope that I can help us reach not just for the easy and the quick, but for the solutions that will make a difference in the long run, for the solutions that appear, but are not really, just beyond our reach.

I was honored that the President has given me this opportunity to serve the American people. I submit that my experience, my analytical abilities, and my managerial skills have prepared me to serve as Secretary of Transportation and as part of the President's team. I appreciate the broad support my nomination has received throughout the transportation community. With Senate confirmation, I look forward to working with the transportation community to build a bridge to the 21st century that will be, as the President said on January 20, "wide enough and strong enough for every American to cross over to a blessed land of new promise."

OPENING STATEMENT (Spoken)
THE HONORABLE RODNEY E. SLATER
COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION

THE UNITED STATES SENATE
JANUARY 29, 1997

For Release Upon Delivery

Opening Statement
The Honorable Rodney E. Slater
Federal Highway Administration Administrator
Secretary of Transportation Designate
Committee on Commerce, Science and Transportation
The United States Senate
January 29, 1997

Mr. Chairman, Senator Hollings, members of the Committee – I am doubly honored today.

First, by the very generous introductions I've heard from my home state Senators. Secondly, by the opportunity to come before this Committee to share the vision -- and the values -- that will guide me, if the Senate confirms my nomination to serve as the next United States Secretary of Transportation.

I have submitted a written statement that outlines this vision in detail. With your permission, Mr. Chairman, I ask that this statement be entered into the record.

My first aim today is to first keep my remarks brief; second to focus on what would be my main priorities, if confirmed; and third, and most important, to respond to – and learn from -- your questions, as I did in my confirmation hearing as Federal Highway Administrator.

Let me begin by saying that when President Clinton nominated me, I was genuinely proud that I would have this opportunity, subject to your confirmation, to lead a Department that truly can, as the President said in his second inaugural address, "unleash the limitless potential of all our people, and, yes, form a more perfect union."

I was proud to learn that the President considered me worthy of leading the men and women of the DOT, who have done so much to shape and safeguard and improve the lifelines of America.

I was also honored to be asked to succeed my friend, Federico Peña.

During his tenure as Secretary, our Department of Transportation has helped to create hundreds of thousands of new jobs through infrastructure investments that have raised the productivity of our nation's entire economy. We have truly fostered the intermodalism envisaged by ISTEA. And we have responded competently -- with care and dispatch -- to fellow Americans stricken by a series of natural disasters from earthquakes to floods.

These are just a few elements of Secretary Peña's legacy that I hope, with your confirmation, to carry forward.

I'd like to turn now, Mr. Chairman, to outline for you the key priorities that will guide me if the Senate sees fit to confirm my nomination.

First and foremost, the safety and security of all of our nation's transportation systems will be my highest priority -- a moral commitment as well as a policy imperative. Nothing is more important to me, to the American people, and, of course, to the members of this Committee.

If confirmed, I will do everything I can to see that the Department of Transportation continues to make the safety of the American people our number one goal -- the true "North Star" that guides our moral compass.

Together with our partners in the states, local officials, community groups and private industry, the Department of Transportation has made enormous strides over the years on safety.

I would submit to you, Mr. Chairman, that the steady progress we've made over the past two decades, in a none-partisan manner, has saved countless thousands of American lives -- lives that would have been lost, absent our safety efforts.

But as our population and economy grow, we are also experiencing rapid growth in vehicle miles travelled, in airline seats boarded, in rail tonnage shipped -- indeed in virtually all modes of travel and transport.

That means we must re-double our efforts -- increase our vigilance -- if we hope to accommodate Americans' rising demand for mobility without back-sliding on our hard-won safety gains. In safety, with lives in the balance, we all must do everything we can to ensure the highest possible levels of safety.

Mr. Chairman, I pledge to you, to the Senate, and to the American people that if my nomination is confirmed, saving lives and improving safety will be my highest goal -- bar none.

My second key priority, Mr. Chairman, will be to work with you and with all of the members of Congress to continue a series of vital investments and initiatives to improve America's transportation infrastructure.

These strategic investments include the reauthorization of ISTEA and the creation of a policy framework for the post-Interstate era, the reauthorization of several other key transportation programs, and continued reform at the Federal Aviation Administration.

I hope, for example, to work closely with Congress to secure enactment of FAA financial reform to complete the work of the Administration and Congress in providing the FAA with the tools and resources to meet -- and master -- the challenge of dramatically rising air travel demand -- while maintaining the world's most stringent safety standards.

I will use our new legislative authority as well to reform our nation's Maritime programs, to continue our efforts to revitalize a vibrant commercial ship-building industry, and to enhance the safety of America's network of oil and natural gas pipelines.

All of these investments in the efficiency and safety of our transportation systems do more than create good jobs in our transportation industries. They sustain the growth of our whole economy -- equipping Americans to move people and goods more efficiently than any other nation's citizens or business enterprises can. These investments are what enables America to meet the challenge of tough global competition.

More than that, if we mange these investments well, in the international spirit of ISTEA, we can ensure that all of our modes of transportation come together to create a more and more seamless, truly national network that is, like the United States itself -- something more than the sum of its parts.

Mr. Chairman, transportation spending isn't an end in itself; it is an investment that spurs the growth of our economy and creates jobs. Indeed, as we move forward to meet the transportation needs of the 21st century, we must look ahead to prepare our existing workforce and our young people for the growing number of high-paying transportation jobs that will be created as the result of our progress. I hope to strengthen the linkages with the Departments of Education and Labor, as well as the private sector, to ensure that the right training programs are in place to ensure a steady stream of quality workers in the years ahead.

Mr. Chairman, I believe that transportation investments do more than anything else that we do in Washington to knit together America's diverse states in regions and peoples in to a "more perfect union."

That's why, if I am confirmed as Secretary, investment in and improvement of our transportation infrastructure will come second only to safety itself on my list of priorities.

I look forward to working toward that goal in partnership with the Senate and the House, with state and local officials, and private industry. I believe that in the years that follow reauthorization of ISTEA, we can, together, match and even surpass the historic achievements of the Interstate Era.

My third priority, if confirmed, will be to continue the progress we have made in bringing common sense government to a Department of Transportation that works better and costs less.

Let me point to a good example of common sense government in the Department -- the U.S. Coast Guard -- whose men and women are on the front lines of safety every day using technology to work smarter. Over the last four years, the Coast Guard's streamlining plan has saved more than $300 million dollars and eliminated almost 4,000 positions.

I will encourage more of the innovative and flexible financing and contracting techniques that we have already pioneered.

Precisely because we have already begun to adopt such disciplines -- and to build such partnerships -- President Clinton, with your support in Congress, has been able to sustain record-level investment in transportation infrastructure over the past four years.

We must carry on that work: making sure that every federal dollar we invest is used as strategically and as commonsensically as possible.

Because while we must -- and we will -- continue the path of restoring real discipline to the national budget, we also need to continue making the transportation investments that are the seeds of an even brighter future for America.

Those are my priorities Mr. Chairman, but not my whole agenda.

I've elaborated my broader vision in my prepared statement -- and I look forward to discussing it with all of you in response to your questions.

Let me conclude by thanking this committee for the courtesy and consideration that you have extended to me. Mr. Chairman, members of the Committee, I am privileged to be here before you, and honored by the job for which you are considering me.

I am ready to do that job. So, let's get started. Mr. Chairman, I welcome your questions.

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These strategic investments include the reauthorization of ISTEA and the creation of a policy framework for the post-Interstate era, the reauthorization of several other key transportation programs, and continued reform at the Federal Aviation Administration.

I hope, for example, to work closely with Congress to secure enactment of FAA financial reform to complete the work of the Administration and Congress in providing the FAA with the tools and resources to meet -- and master -- the challenge of dramatically rising air travel demand -- while maintaining the world's most stringent safety standards.

I will use our new legislative authority as well to reform our nation's Maritime programs, to continue our efforts to revitalize a vibrant commercial ship-building industry, and to enhance the safety of America's network of oil and natural gas pipelines.

All of these investments in the efficiency and safety of our transportation systems do more than create good jobs in our transportation industries. They sustain the growth of our whole economy -- equipping Americans to move people and goods more efficiently than any other nation's citizens or business enterprises can. These investments are what enables America to meet the challenge of tough global competition.

More than that, if we mange these investments well, in the international spirit of ISTEA, we can ensure that all of our modes of transportation come together to create a more and more seamless, truly national network that is, like the United States itself -- something more than the sum of its parts.

Mr. Chairman, transportation spending isn't an end in itself; it is an investment that spurs the growth of our economy and creates jobs. Indeed, as we move forward to meet the transportation needs of the 21st century, we must look ahead to prepare our existing workforce and our young people for the growing number of high-paying transportation jobs that will be created as the result of our progress. I hope to strengthen the linkages with the Departments of Education and Labor, as well as the private sector, to ensure that the right training programs are in place to ensure a steady stream of quality workers in the years ahead.

Mr. Chairman, I believe that transportation investments do more than anything else that we do in Washington to knit together America's diverse states in regions and peoples in to a "more perfect union."

That's why, if I am confirmed as Secretary, investment in and improvement of our transportation infrastructure will come second only to safety itself on my list of priorities.

I look forward to working toward that goal in partnership with the Senate and the House, with state and local officials, and private industry. I believe that in the years that follow reauthorization of ISTEA, we can, together, match and even surpass the historic achievements of the Interstate Era.

My third priority, if confirmed, will be to continue the progress we have made in bringing common sense government to a Department of Transportation that works better and costs less.

Let me point to a good example of common sense government in the Department -- the U.S. Coast Guard -- whose men and women are on the front lines of safety every day using technology to work smarter. Over the last four years, the Coast Guard's streamlining plan has saved more than $300 million dollars and eliminated almost 4,000 positions.

I will encourage more of the innovative and flexible financing and contracting techniques that we have already pioneered.

Precisely because we have already begun to adopt such disciplines -- and to build such partnerships -- President Clinton, with your support in Congress, has been able to sustain record-level investment in transportation infrastructure over the past four years.

We must carry on that work: making sure that every federal dollar we invest is used as strategically and as commonsensically as possible.

Because while we must -- and we will -- continue the path of restoring real discipline to the national budget, we also need to continue making the transportation investments that are the seeds of an even brighter future for America.

Those are my priorities Mr. Chairman, but not my whole agenda.

I've elaborated my broader vision in my prepared statement -- and I look forward to discussing it with all of you in response to your questions.

Let me conclude by thanking this committee for the courtesy and consideration that you have extended to me. Mr. Chairman, members of the Committee, I am privileged to be here before you, and honored by the job for which you are considering me.

I am ready to do that job. So, let's get started. Mr. Chairman, I welcome your questions.

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1109

STATEMENT OF THE
HONORABLE RODNEY E. SLATER
COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS

THE UNITED STATES SENATE
JANUARY 31, 1997

STATEMENT OF THE HONORABLE RODNEY E. SLATER
SECRETARY OF TRANSPORTATION-DESIGNATE
BEFORE THE
UNITED STATES SENATE
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
JANUARY 31, 1997

Mr. Chairman, Senator Baucus, Members of the Committee:

I thank you for inviting me here today to talk with you about the future of transportation in the Nation. This committee plays such a vital role in keeping our transportation network operating smoothly that it is an honor for me to have this opportunity to speak to you, not just as Federal Highway Administrator, as in the past, but as the President's nominee for Secretary of Transportation.

I well recall that day, May 19, 1993, when I came before you for confirmation to head what is now a 104-year old agency, the Federal Highway Administration, that has not only performed well each task the Congress has assigned to it, but that has evolved with the changing times. How fortunate I am that President Clinton's trust and the trust of this Committee and the Senate gave me the opportunity to be a part of such a tradition of excellence.

I was humbled on December 20, 1996, by the trust the President has again placed in me by putting my name forward for a new service to the American people. Today, sitting before you again, I thank you for your trust in me four years ago, without which I would not be here. I know, too, of the many people and organizations within the transportation community who have placed their trust in me as Federal Highway Administrator and now as the nominee to become the Secretary of Transportation. I can tell you that I am determined to continue paying back the investment of trust placed in me by this Committee and the Congress, by the transportation community, by the President, and let me just add, by my family.

I would like to talk with you about what we have accomplished together these past four years, and I would like to discuss my vision for preparing the Nation's intermodal transportation system for the challenges of the 21st century. I will start with a summary that I will elaborate on later in this statement

I view transportation as vitally important to the life of this Republic. President Clinton, in his Second Inaugural Address, illustrated just how central transportation has been in the history of making this Nation. He said:

> We began the 19th century with a choice: to spread our nation from coast to coast. We began the 20th century with a choice: to harness the

Industrial Revolution to our values of free enterprise, conservation, and human decency.

In each case, transportation played a key role, whether through pioneer settlers who populated this great continent, the linking of coast to coast by the transcontinental railroad, or the transportation revolutions of the 20th century that have supported not just the strongest economy in the world, not just the strongest military, and not just the strongest Nation, but the hope and dreams of every American for freedom and opportunity.

Transportation will remain central in accomplishing what President Clinton suggested must be our goal as we approach the 21st century, namely "to unleash the limitless potential of all our people, and yes, to form a more perfect union."

Our intermodal transportation network is far more than the sum of its parts because it affects every aspect of the lives of the American people in ways we see, as when we go to work, and ways we don't, as when we make a purchase at a store without wondering how the item got there. A transportation network that serves the greatest economy in the world also helps get a mother to the hospital for the birth of a fragile new life.

To this Committee, I can say that we have very important work ahead of us in a variety of areas, but perhaps nothing this committee does in 1997 will have more bearing on the American people than reauthorization of the Intermodal Surface Transportation Efficiency Act of 1991. So let me begin there.

First, I commend this Committee for its role in shaping the post-Interstate era through the passage of ISTEA. When President George Bush signed this bill into law on December 18, 1991--I know that some of the Members of this Committee were there on that cold, blustery day near Dallas-Fort Worth International Airport--it was widely hailed as a landmark turning point and as the most important surface transportation legislation since President Dwight D. Eisenhower launched the Interstate System by signing the Federal-Aid Highway Act of 1956. In the 6 years since passage of ISTEA, its promise has been fulfilled, and those who thought it was a landmark were proven correct.

ISTEA was not about business as usual. It was about rocking the boat. So it took courage for what was then a Democratic Congress and a Republican President to shake up the system, to start afresh, to turn from proven paths.

I was not in Washington to help create ISTEA, but one of the accomplishments I am proudest of in these past four years is leading an Agency with the skills, the understanding, and the reputation to work with

the State transportation departments, with the metropolitan planning organizations, and with the many interests involved to help build new relationships and establish the new balance that ISTEA called for. As the poet Robert Frost has said:

> Two roads diverged in a wood, and I--
> I took the one less traveled by,
> And that has made all the difference

By taking the path of ISTEA, the path that in 1991 was less traveled by, this Committee and its counterpart in the House of Representatives, have indeed made all the difference.

The core of ISTEA can be found in the bold goals it established, drafted by Senator Moynihan, beginning with this visionary statement:

> It is the policy of the United States to develop a National Intermodal Transportation System that is economically efficient and environmentally sound, provides the foundation for the nation to compete in the global economy, and will move people and goods in an energy efficient manner.

The past six years have demonstrated that this is not a vision of some distant future, but a vision we can attain, in fact are attaining, through the transportation planning process revitalized by ISTEA and by the market forces of competition that are making the transportation industry more productive and efficient.

But ISTEA is about much more than that. It is about choice, with State and local governments having unprecedented flexibility and responsibility in deciding on the mix of projects best suited to meet transportation needs. It is about protecting our environment not only through the choices we make, but the way we implement those choices so that our air, our water, our natural environment, and our communities are enhanced by the needed transportation service we provide. It is about all forms of surface transportation, with renewed emphasis on bicycling and walking, and about expanding the vision to include the national scenic byways and recreational trails that are so important to the soul of the American people. And ISTEA is also about harnessing technology to serve a new century, through intelligent transportation systems, high- speed rail, and magnetic levitation.

In 1997, we see the fruits of our collective labors. We approach reauthorization with a diverse transportation community virtually united in supporting the core concepts embodied in ISTEA. There is room for improvement, but when I see the strong support coming from a wide variety

of interests for improving, not discarding, ISTEA, I know we are on the right path.

And I know, too, that we have a unique opportunity, as we approach a new millennium, to, again in the words of the President, "unleash the limitless potential of all our people" and to serve the eternal cause of forming a more perfect union.

If confirmed by the Senate as Secretary of Transportation, I will be serving in a new role in 1997, but I want to assure you that I plan to take a very strong and active leading role in working with you, the President and this Administration to enact reauthorization of ISTEA, to ensure the new legislation builds on the foundation created by ISTEA, and to achieve passage promptly as Subcommittee Chairman Warner indicated in the goals he outlined last September. We all want to avoid the financial disruptions that occurred at critical points in the past while the State transportation departments awaited passage of vitally needed legislation, we must complete reauthorization by September 30, 1997, and I am confident that if we work together we can do so.

Although I was not in Washington while ISTEA was taking shape in the Halls of Congress, I was here for another important milestone, enactment of the National Highway System Designation Act of 1991. For me, this was one of the most important accomplishments of my tenure as Federal Highway Administrator. Perhaps like all good things, it did not come easy, and as you know, it included some provisions, particularly regarding safety, that I know Senator Chafee and other members of this Committee wish it did not. I strongly agree.

While the debate over the legislation was at times contentious, there was no debate over the National Highway System itself. There was a broad-based, bipartisan understanding within both Houses of Congress that the National Highway System is the key to creating the intermodal transportation system envision by ISTEA. The National Highway System will provide the links that bind all the transportation modes into a single, seamless network pulling together to support economic development.

In the course of this statement, I will discuss my vision of a United States Department of Transportation that not only meets the transportation needs of today and the 21st century, but that helps every American achieve his or her personal goals and that supports the freedoms we so rightly cherish. Let me, first, highlight the key priorities that will guide me, if the Senate sees fit to confirm my nomination.

First, I will continue to make safety and security the highest priority of the Department. Because I believe that nothing is more important, I will strive to

raise our current high levels of safety to even greater heights, especially in the face of rapid growth in the use of our transportation network.

Second, I will work with this Committee and with Congress to continue strategic investment in our transportation infrastructure, which is vital to not only our economy, but also our quality of life. These strategic investments include ISTEA reauthorization, the reauthorization of several other transportation programs, and enactment of FAA financial reform to complete the work of the Administration and Congress to provide the FAA with the tools and resources it needs. I will also work with Congress and our transportation partners to aggressively implement the legislation enacted to give the Department the tools to reform the FAA acquisition and personnel procedures, to reform our nation's maritime programs, and to enhance the safety of our network of oil and gas pipelines.

And third, I will continue to bring common sense government to the Department of Transportation in order to provide the people we serve with a Department that works better and costs less. I will build on what we have accomplished to encourage more innovative and flexible funding to leverage federal dollars for infrastructure investment, technology use to improve the performance of our transportation system, and transportation policies that are sensitive to environmental concerns.

<u>What Transportation Means to America</u>

These past four years, I have had the privilege of serving under a President and a Secretary, Federico Peña, who understand the central importance of transportation and who accomplished much in a relatively short time. I share with the President and with Secretary Peña a basic vision about the role of government and about the role of the Department of Transportation that can be summed up any number of ways, but the President said it best early in his first term: Putting People First.

As mentioned in my introduction, I have a very expansive vision of what transportation means to our society and to our people. I look to history for my guide in seeing how transportation has pulled us together as a Nation, how transportation has sustained our dreams, and how transportation has given us the freedom to enjoy the right, promised by the Declaration of Independence, to "Life, Liberty, and the pursuit of Happiness."

In the 20th century, perhaps no President had a clearer vision, and more historic results from his vision, than President Dwight D. Eisenhower. In a 1955 message to Congress, he provided an eloquent explanation of why the Interstate System was so important. In doing so he echoed the sentiments of Presidents throughout history:

> Our unity as a nation is sustained by free communication of thought and by easy transportation of people and goods. The ceaseless flow of information throughout the Republic is matched by individual and commercial movement over a vast system of interconnected highways crisscrossing the country and joining at our national borders with friendly neighbors to the north and south.

To those who think I make too much of transportation, who think that after all it is really just concrete, asphalt, and steel, I refer you to a stretch of road that runs from Selma to Montgomery, Alabama. It's part of U.S. 80, and it carries the same daily traffic--the cars, the trucks, the motorcycles, the RV's, the buses--as any other part of the route or any other stretch of road in America.

But this stretch of highway is different, because it made a difference in the lives of every American. On March 21, 1965, Dr. Martin Luther King, Jr., led a band of marchers across the Edmund Pettus Bridge in Selma to Montgomery, to protest voting restrictions that disenfranchised most African Americans. Four days later in Montgomery, standing on the Capital grounds, he told his assembled supporters that they had marched for "the realization of the American dream." On August 6, 1965, President Lyndon Johnson signed the legislation that empowered African Americans and all Americans to cast their ballot for the American dream of which Dr. King spoke.

Last September, the Selma-to-Montgomery section of U.S. 80 was designated an All-American Road under our National Scenic Byways Program, not because it is beautiful, for many would argue that it is not; not because it is scenic, for others would argue that it is not--but because this road, these lanes, symbolize the most beautiful idea of all: the American Dream.

So let me assure you that I think the federal government has a strong role to play in transportation by providing a balance among the diverse interests of the States, leadership in advancing technology for a new century, and guidance in ensuring that vital national interests are met.

If confirmed, I look forward to working to achieve the new role the President has outlined: that of a government that empowers each American to fulfill his or her own personal destiny.

<u>Accomplishments: Department of Transportation</u>

I would like to talk to you today about what we have accomplished in the past four years and what I hope to accomplish in the next four years.

Let me say I look forward to Secretary Peña remaining in Washington, so that the American people will continue to have the benefit of his skills, his vision, and his wisdom. He forged a team at the Department of Transportation that is committed to creating the intermodal transportation system this country will need in the 21st century to support economic growth, to enhance our competitiveness in international marketplaces, and to expand the mobility of the American people.

Recently, in saying farewell to the Department's employees, he described some of the Department's accomplishments he is proudest of, and I will share just a few of them with you. He spoke of:

- Hundreds of thousands of private sector jobs created by strategic infrastructure investment.

- New aviation safety and security regulations that make the skies safer for our families.

- A reinvigorated, stronger transit program.

- A revitalized American shipbuilding industry.

- Innovative livable communities program.

- Success at drug interdiction.

- A pivotal role in dealing humanely and professionally with the massive Cuban and Haitian migration.

- The work we've done to increase the safety of the cars that Americans drive and our efforts to help them drive safely.

- The progress we have made in intelligent transportation systems, high speed rail, and new technologies such as the global positioning system.

- Success in increasing railroad safety, in helping make rail-highway crossing safety a focus of national attention, and building a stronger Amtrak as a vital element of our transportation network.

- Efforts to reach out to minorities and to women to ensure equal opportunity for our partners around the country.

- The building of a new, more diverse leadership within the Department.

The way DOT answered the Vice President's call to reinvent the Department of Transportation and to streamline operations so it can better serve its customers.

And the commitment, which I strongly share, to the environment--to cleaning up and preventing oil spills, protecting National Parks, partnering on clean-car technology, and designating National Scenic Byways.

In short, Secretary Peña leaves behind a strong legacy of accomplishment on which to build America's transportation future. The existing links between the Departments of Energy and Transportation will become even stronger as we work together, based on the bonds of trust that have grown between us.

Accomplishments: Federal Highway Administration

I want to take a moment, too, to tell you how proud I am of what the Federal Highway Administration has accomplished this past four years. I know Secretary Peña would agree with me that in listing our achievements, we are really complimenting the people who are at the heart of what we do, namely our committed employees.

The Federal Highway Administration is a relatively small organization (fewer every day through attrition--about 3,500 men and women) with a $20 billion-a-year mission. We accomplish that mission through cooperation with our traditional partners, the State transportation departments and metropolitan planning organizations, and with newer partners who are focused on the environment, bikeways, pedestrian walkways, and other related aspects that add to the beauty and livability of communities across the Nation.

Today, few things touch us in so many ways as the Interstate System. Almost everything we own traveled on the Interstate System at some point before arriving at our home. Our daily routines--going to work, to school, to the store, to church--and the special moments in our families' lives--the birth of a baby, a wedding, family vacations--often take us onto this vision in concrete, asphalt, and steel.

I now would like to take a moment to highlight some of the achievements I am proudest of over the past four years.

I have already mentioned the challenge we faced in making the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) work. ISTEA juggled relationships and shifted power among the levels of government. It included many new and complex requirements. It brought new and old partners

together in sometimes uneasy alliances. It set ambitious goals that altered our transportation priorities.

As a result, making ISTEA work required partnering, brokering, and a form of "tender loving care" to facilitate the coming together of interests. I am proud that the Federal Highway Administration has the personnel, the resources, and the flexibility to help State and local officials build new relationships for exercising their new responsibility. The sincere attempts by all parties to work within the ISTEA framework strengthened old partnerships, created new ones, and brought us all together in a way that has energized this country's whole transportation community.

I also would highlight the most extensive outreach effort ever undertaken in the agency's 104-year history. During my tenure, I led this effort by visiting most of the States and Puerto Rico, as well as working directly with the District of Columbia, meeting with thousands of people who use, construct, maintain, and manage our transportation system. For me, the road tours were perhaps my most important means of outreach. I set out on the first one in April 1994, from Buffalo, New York, to Laredo, Texas, with a goal of looking, listening, and learning--then acting on what I saw.

In recent weeks, there has been much talk about initiatives to help the District of Columbia. I am proud of the role the Federal Highway Administration has played, cooperating with Congress and the President, in helping the District improve its transportation network.

I also am proud of several other accomplishments:

Working with Congress, we provided record levels of infrastructure investment to help carry out the President's commitment to "Rebuild America." Investment increased 21 percent, from an annual average of $21.1 billion in fiscal years 1990-1993 to an average of $25.5 billion in fiscal years 1994-1997.

We cooperated with Congress and our State and local partners to identify routes for the National Highway System, which was designated on November 28, 1995, when the President signed the National Highway System Designation Act of 1995. We also have submitted a report to Congress, called *Pulling Together*, identifying intermodal connections, including rail, transit, seaport, and airport facilities, to be added to the National Highway System.

We created innovative financing techniques that leverage federal dollars and stimulate greater investment in infrastructure. As a result, more than $5 billion worth of projects have moved to construction faster than would otherwise have been possible.

We promoted innovative contracting techniques, such as design-build, that are helping to transform the contracting process to enhance quality--which is another way of saying service to our customers, the American motorist.

We worked with the States and the private sector to develop intelligent transportation systems that will help America meet the growing demands of its transportation network at a time when efficiency, rather than expansion, is the key criterion.

We recommitted the agency to the National Quality Initiative, an historic initiative of longstanding partners who want to promote excellence in all aspects of highway research, design, planning, and construction.

We launched a variety of life-saving initiatives, including "Sharing the Road--No Zone," the Red Light Running Prevention Campaign, the Capital Beltway Safety Task Force, the Railroad-Highway Grade Crossing Safety Action Plan, the National Work Zone Safety Program, and the Safety Action Plan.

We designated the first six All-American Roads and the first 11 National Scenic Byways under the National Scenic Byways Program created by ISTEA.

We have worked with our partners to ensure that highway transportation projects and programs enhance the communities and the environment through which they pass. Our initiatives include a revised Environmental Policy Statement in 1994, cooperation with the Environmental Protection Agency to ensure that transportation continues to contribute to increasing quality of our air, and initiatives to create one-stop shopping for the environmental reviews that are so important to the development of any project. We also enhanced environmental sensitivity within the agency by conducting Environmental Leadership Seminars for our top field staff.

Internationally, we have worked to facilitate trade with Canada and Mexico, for example by taking the lead in harmonizing land transportation standards, while helping other Nations, including South Africa, improve their transportation networks to support economic growth and freedom. Following my 1993 trip to Russia, we have supported democratization of the former Soviet Union by initiating ongoing technical assistance and technology transfer, including private sector involvement.

We launched a series of actions to improve motor carrier safety in cooperation with our motor carrier partners, including the first ever National Truck and Bus Safety Summit (1995), imposition of drug and alcohol testing of commercial drivers, and completion of the most thorough study ever of driver fatigue and drowsiness. We have seen considerable progress where it counts the most--a decline in fatal crashes involving large trucks, down from 2.7 per 100 million vehicle-miles in 1993 to 2.5 in 1995.

We participated actively in the Vice President's National Performance Review, which helped us remove or modify numerous regulations, while we streamlined our operations to match them better not only to ISTEA's goals but to the needs of each State.

I'd like to mention just two other items that go directly to the heart of what the Federal Highway Administration is all about. One of my first experiences after taking office in 1993 was the Great Midwestern Floods. It was an eye opener in two respects, the first being the sheer amount of devastation the flooding caused. But secondly, and more importantly, I learned how committed the people of the Federal Highway Administration are to public service, to getting involved, and to being part of the communities in which they live. Our field staff pitched in and did everything possible to help reopen the highway lifelines disrupted by the floods .

I've seen this same spirit time and again, notably in the aftermath of the Northridge Earthquake that rocked the Los Angeles area in 1994 and destroyed several key Interstate links. The people of the Los Angeles area, whose daily routines were scrambled by the earthquake, benefited from close cooperation among the Federal Highway Administration, the Federal Transit Administration, and the California Department of Transportation, through provisions made for temporary service that were needed until highway links were reopened, in record time, paid for 100 percent with federal funds.

In these instances, and in so many others, I have heard from Governors and top State transportation officials that our response to disasters is not just timely and efficient but compassionate--reflecting the highest ideals of government service and Federal-State partnership. I want to give credit to those who've earned it: the people who are the Federal Highway Administration.

The final item is the response to the Oklahoma City bombing, in which we lost 11 members of the Federal Highway Administration family. It's a day none of us will ever forget. But when the survivors were told they could take time off to recover from the emotional shock, they agreed unanimously that what they wanted to do was get back to work as soon as possible. Our administrative staff worked miracles to find new office space and to equip it

so our Division Office in Oklahoma was able to reopen within days after the tragedy. This commitment, not just to our mission, but to those who had fallen, was, again, a tribute to the people who are the Federal Highway Administration.

In short, I have been proud to lead a federal agency that has shaped its vision to the times and accomplished each of its missions with distinction. This is an agency well prepared to meet--and master--the uncertainties, challenges, and opportunities of the 21st century.

We have accomplished much, but much remains to be done.

Looking to the Department's Future

In looking to the future, we in the Department of Transportation must set high goals, must call on all our resources and all our reserves to build exponentially on the foundation created thus far.

In doing so, I can look to a former Secretary with whom I will share a unique distinction. If confirmed, I will be only the second Federal Highway Administrator to serve as Secretary of Transportation. The first was John A. Volpe, who served as the first Federal Highway Administrator from October 1956 to February 1957. In 1969, he was appointed by President Nixon to be the second Secretary of Transportation and served in that post until 1972. For his actions, for his leadership, and for his vision, Secretary Volpe is regarded by historians as one of the greatest Secretaries the Department of Transportation has had.

One of Secretary Volpe's sayings bears repeating as we look to the future:

> I submit that as we live in times of change, we must be the architects of that change or we will most certainly be its victims.

As the President has said, when times change, so government must change. And so, as I look to the next four years, I believe we in the Department of Transportation must set high goals and must be architects of change, but we must also build a new balance in our relations with State and local governments. To do that I will be taking my lead from the President:

- I will be calling on the Department's employees to share their vision of how we can intensify our efforts to accomplish more, much more, to benefit the American people.

- I will be calling on State and local officials to help us build a new balance.

I will be calling on private organizations to help us.

And I will be seeking to work with you, the Congress.

Together, with the help of all these groups and individuals, we will intensify our efforts to the highest degree to build the safest, most efficient transportation network possible.

Certainly, in focusing our efforts, a priority for all of us must be legislation that will provide the framework for our 21st century transportation system.

I have already discussed reauthorization of ISTEA, which will be the major transportation initiative to be undertaken by this Congress. In reauthorization, we have the opportunity this year to advance the vision of ISTEA, to strengthen the partnerships that it created, and to put the traveling public first when making investment decisions. We must have a transportation system that is designed around the trips we need to make, not the traditional modes of transportation. We need to think not only of our modal systems, but how they link together.

There are those who call for the federal government to abandon its role in surface transportation. As you can tell from what I have said thus far, I reject this idea. As ISTEA has demonstrated, the federal government can play, indeed must play, an important role in helping each State in a diverse union create the national network essential to maintain what Thomas Jefferson referred to as a "union of sentiment."

Such calls are often based on disputes over formula distribution of funds, mandates that a State believes are inappropriate, and a view--which I certainly reject--that the Federal Highway Administration is intrusive in State affairs and duplicative of State efforts. These concerns are, legitimately, up for debate. But at a time when Europe, our chief competitor in many markets, is pulling together, we should not be pulling apart, program by program, into a loose confederation of States that lacks the ability to deliver to the American people the benefits that we can only realize as a Nation.

No State lives in isolation--its citizens never traveling outside its borders, its businesses never working with businesses or customers elsewhere. No State ever turns away a tourist from elsewhere. Thus, the challenges before us are national in scope; and the solutions require national involvement. Traffic congestion and bottlenecks in major trade centers, such as Chicago and Los Angeles, not only impose delays on local commuters and regional freight, they also interfere with speedy cargo movements--movements that are essential to maintain our global competitiveness.

Safety is another example of the key role the federal government plays. Nothing is more important than safety, for any sudden loss of life or serious injury in a traffic incident is a tragedy that could have been avoided. The cost of such terrible events cannot be measured in dollars alone.

During the 1990's, traffic fatalities are at the lowest levels in 30 years--although the number has increased in the past year or two. I am talking about actual numbers, not fatality rates. In fact, if the fatality rate today were what it was in 1980, we would be losing 65,000 men, women, and children each year, not 41,798, as in 1995. Hundreds of thousands of people are alive today because of safety advances. We attained these reduced levels despite a tripling or more of vehicle miles of travel over that same period.

This safety record did not occur because of the efforts of each State operating on its own. The States played an important role, but it would be incorrect to assume they could have done it on their own. It happened because of agency automotive safety standards that the States could not have imposed; because of improved highway design standards developed by the States but adopted by the Federal Highway Administration for use on projects around the country; and because of the initiatives of private safety groups that kept pressure on the federal, State, and local governments to address highway safety issues and that educated the public about them.

The federal government didn't do it all--and can't. We need the partnership of State and local officials, the cooperation of the auto and trucking industries, and the efforts of public spirited citizens to continue bringing down the toll of tragedy. But the federal government can continue to play a vital, catalytic role that we should not weaken--but build on.

We must do more, we will do more to keep safety in the forefront. I trust that reauthorization of ISTEA will give us an opportunity to take new strides forward. But in safety, as in many other areas of surface transportation, complete withdrawal by the federal government would be a huge step backward.

The Department will be submitting the President's reauthorization proposals to Congress next month. I will defer discussion of specific elements of reauthorization until that time. But our goal is to work with Congress to build on the success of ISTEA. I am pleased that over the years, surface transportation legislation, for all the controversies surrounding it, has been seen as bipartisan. I am pleased, too, that the authorizing committees reflect this bipartisan spirit. So let me assure you that I plan to reach out to Congress as it builds the surface transportation legislation that will take America into a new millennium.

There is much more to the Department of Transportation than renewing the surface transportation assistance and safety programs represented by ISTEA. I look forward to working on the many challenges facing the aviation and maritime environments. I know we must develop a more stable funding stream for the Federal Aviation Administration to keep pace with aviation growth and to follow the path to longer-term financial reform that was laid out by this committee last year. We must complete a rigorous assessment of what it costs to manage and regulate the aviation system, and how to pay for this system in as fair a way as possible. Finding an adequate, dedicated, stable source of revenue to meet the growth of aviation is one of our greatest challenges. I look forward to working with you, Mr. Chairman, and the members of this committee in meeting the challenge.

The United States also must continue to play a vital role in pursuing more open, competitive aviation markets worldwide, with all the benefits they can bring in terms of increased business, tourism, and economic development. I can assure you that I will use the leverage provided by access to the vast United States market to urge our aviation partners to adopt more open markets--and to ensure expanded access to their markets for United States carriers.

Federal support for transit, like all transportation, is not an end in itself. Ten million people count on transit every day to get to jobs, schools, stores, and health care facilities. Another 25 million use transit less frequently, but on a regular basis. Our urban transportation networks are dependent on a strong transit component, which benefits not only those who use it, but those who don't. But transit is not simply an urban priority. In rural areas, millions of Americans who cannot drive are dependent on transit services to help them meet their basic needs.

The new demands of welfare reform require that workers be able to get to their jobs. This is one of transit's principal roles--providing basic mobility. It is also an opportunity, one we must make available to the 37 million Americans below the poverty line who often cannot afford an automobile.

We have also initiated a new program to assist states and local agencies to define the impacts of mobility, to identify problem areas such as transportation service disconnects, and to develop strategies and solutions. Through the Research and Special Programs Administration, the Department is providing leadership in new technologies and options for meeting the transportation needs of the elderly, as well as transportation tailored to promote rural economic development and mobility in economic empowerment zones.

Always, in all we do, safety must be our highest priority, and we have an unprecedented opportunity to increase safety belt and child safety seat use

substantially. Nearly all major safety organizations agree on the need to upgrade and enforce safety belt use laws and to support these laws with intensified public education efforts. The tragic deaths of children resulting from air bag deployments have added increased urgency to these needs. It is now time to change behavior--to get all children and adults properly buckled up, whenever possible with children in the back seat.

Last year, over 17,000 traffic fatalities, and many more injuries, involved alcohol. These crashes, injuries and fatalities are not accidents--they are predictable and preventable. We now have a unique opportunity to reduce this toll. A broad partnership has already been formed--called Partners in Progress--and it has agreed on national goals to reduce dramatically alcohol related traffic fatalities. I will work with the partnership to implement their strategies, and my personal mission will be to accelerate the pace of reduction.

The federal government also has a responsibility to play an effective role in bringing parties together to resolve problems. For example, in the past, railroad labor and management often took opposite sides on many issues--almost reflexively--and rarely talked to each other. The advent of the Railroad Safety Advisory Committee, which has brought all sides together, has proved a successful forum--and a model--for reviewing pending rules and regulations and building consensus.

Over the past decade, we have seen a revitalization of freight rail in this country as market forces have promoted increases in productivity and efficiency. As we look to the 21st century, however, perhaps the most encouraging trend is that thanks to the container/piggyback revolution, we are seeing closer cooperation among traditional competitors--the truckers and the railroaders--than at anytime since World War I. In the 21st century, our intermodal transportation system will benefit by the efficiency that occurs when the mode that can do the job best, gets the job.

As we move America to the next century, we must also recognize that America's interests do not end at our shorelines or our borders. Our interests--and our values--demand that we advance our economic, social, and environmental well-being well beyond our geographic boundaries.

In aviation, government must ensure a free market environment abroad as well as at home. We have already achieved the removal of decades-long restrictions in many European markets and we are moving forward with an initiative to reach open skies agreements with Asian economies.

The maritime programs have at their center the strengthening of our national and economic security. They accomplish this through genuine partnership with other government agencies and absolute reliance on the private sector to accomplish two goals: making our maritime transportation

system the most modern, competitive, and efficient in the world and providing strategically critical sea-lift capacity to support our national security needs.

In drug enforcement, alien interdiction, environmental protection, navigation safety and national security missions, the United States Coast Guard plays a key role in advancing our nation's interests. The Coast Guard is widely recognized as one of the most competent and responsive organizations in our government. The Coast Guard responds rapidly and effectively to natural disasters, war, and the need for marine environmental protection. Like any federal activity, it now faces tight budgetary constraints, and I am told it is doing extremely well in its streamlining efforts. We need to ensure it continues to get the resources it needs to get the job done.

A new government for a new century will still need to remain anchored in the traditions and values that made our country great. These values are evident at the Department of Transportation. However, we must not let these same traditions inhibit our ability to adapt. We must commit to a better and more efficient government.

For the St. Lawrence Seaway Development Corporation, the Administration is seeking legislative authority to reconstitute it as a performance-based organization (PBO) consistent with the Vice President's reinvention initiative. The Corporation reflects two of the most important characteristics of a PBO--a focus on customer service and performance based outcomes. As a PBO, the Corporation will be able to adopt additional private sector practices.

We must commit to better and more efficient management of our assets--which are, in fact, the Nation's assets. Our government, and the Department of Transportation, will be proportionately smaller in the next century. And this smaller government will still have to give the American people the tools they need to solve the problems confronting our great Nation.

I look to the 21st century, and I see State and local transportation agencies advancing toward state-of-the-art/state-of-the-practice in all areas, including planning, design, finance, use of new materials, systems management, and construction practices.

I see the federal government as a coordinator, working with State and local transportation agencies and with the public to enhance transportation.

I see increasing privatization of transportation systems and more private investment in public transportation facilities.

I see growing acceptance of the need to manage existing transportation systems in an efficient manner.

I see the Modal Administrations within the Department of Transportation helping each mode of transportation do the work it does best--and ensuring that these modes link up into a whole that is greater than the sum of its parts.

I see increased intermodal shipments pulling modes more closely together out of mutual interest, not government intervention.

I see the National Highway System tying the Nation's transportation system into a seamless web of efficiency and safety that supports productivity increases and enhances competitiveness in international marketplaces.

I see safety consciousness continuing to reduce the number of fatalities and injuries from transportation incidents.

I see transportation in the 21st century serving the same role as the Civil Rights Movement of the 1950's--empowering minorities, women, and immigrants to achieve the freedom that is only possible with full mobility.

I see roads without potholes, bridges that can bear the traffic crossing them, highways without congestion.

And I see an America poised to make the 21st century another American century.

Can we achieve this vision? In response I remind you of something Dr. Martin Luther King, Jr., said on that day in Montgomery when he addressed the 1965 Voting Rights Marchers. He said:

> The road ahead is not altogether a smooth one. There are no broad highways to lead us easily and inevitably to quick solutions.

For the Department of Transportation, there are no broad highways to easy, quick solutions. But I hope that I can help us reach not just for the easy and the quick, but for the solutions that will make a difference in the long run, for the solutions that appear, but are not really, just beyond our reach.

Down through history, we have seen how a President and a Congress can find common ground to build the transportation network this Nation needs. The Interstate System offers us a model. The vision of the Interstate System began to take place under the Democratic Presidents Franklin D. Roosevelt and Harry S. Truman, but it was only achieved in 1956 when a Republican President, Dwight D. Eisenhower, and a Democratic Congress worked together to enact the needed legislation. In the Congress, the primary leaders were Senator Albert Gore, Sr., of Tennessee, the Vice President's father; Representative George H. Fallon, of Maryland; and Representative Hale

Boggs of Louisiana. They, along with Republican leaders such as Senator Prescott Bush of Connecticut, the father of the President who signed ISTEA, found common ground for the benefit of the American people.

President Clinton, in nominating me to succeed Secretary Peña, has given me a new opportunity, subject to Senate confirmation, to serve the American people and to help build the common ground on which we can build a bridge to the 21st century. I look forward to working with the transportation community to build a bridge to the 21st century that will be, as the President said on January 20, "wide enough and strong enough for every American to cross over to a blessed land of new promise."