

U. S. Department of Transportation

news:

Office of Assistant Secretary for Governmental and Public Affairs

Washington, D.C. 20590



FOR RELEASE TUESDAY
April 3, 1979

DOT 39-79
Contact: Carolyn DuBose
Tel: (202) 426-4321

SHANE APPOINTED TO DOT LEGAL POST

The U.S. Department of Transportation announced today the appointment of Jeffrey N. Shane as Assistant General Counsel for International Law in the Office of the General Counsel.

In his new position, Shane is responsible for the legal aspects of DOT's international activities relating to aviation and maritime matters, environmental issues, the Law of the Sea Conference, cooperation with United Nations agencies and other international organizations, and technical assistance programs.

A member of the United Nations Task Force on Human Environment from 1975 through 1977, Shane performed technical assistance missions in Thailand, Malaysia, the Philippines, Iran and Sri Lanka. In addition to preparing detailed reports and drafting legislation and regulations, he made recommendations for strengthening the environmental law structure in each of the countries he visited.

Immediately prior to joining DOT, he worked as a private attorney and consultant specializing in transportation and environmental affairs. As a consultant to the Agency for International Development (AID) he supervised the preparation of an AID report to Congress on environmental and natural resource management in developing countries.

Shane, 38, began his government career as an attorney with the Federal Power Commission in 1966 where he remained for two years. Twice before he has held positions with DOT. From April 1968 to September 1972, he was special assistant for environmental affairs in the Office of the General Counsel. In 1974, he held a temporary assignment as a senior staff attorney in the Office of the Secretary of Transportation.

A native of New York City, Shane was graduated from Princeton University with a B.A. in 1962 and from the Columbia University School of Law in 1965.

His honors include the Department of Transportation Award for Meritorious Achievement, which he received in 1970.

Shane, who has published numerous articles and reports on environmental law, is a member of the District of Columbia Bar, the American Bar Association, Federal Bar Association and the Law Association for Asia and the Western Pacific.

He is a resident of Washington, D.C.

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Office of Assistant Secretary for Governmental and Public Affairs

Washington, D.C. 20590



FOR RELEASE Noon E.S.T.
Tuesday, April 3, 1979

CONSUMER ADVISORY

DOT 41-79
Contact: Bill Bishop
Phone: (202) 426-4321

ADAMS PROPOSES PLAN TO GIVE HANDICAPPED ACCESS TO TRANSIT SYSTEMS

Secretary of Transportation Brock Adams today proposed a long-term program that would require that the nation's transportation system be made accessible to handicapped persons.

The program, which is being sent to the Department of Health, Education, and Welfare for review, sets forth requirements covering urban mass transportation, aviation, highways and intercity rail service.

Many improvements will be made within 18 months to three years. However, in cases where structural changes and vehicle replacements are unusually costly or present technological problems, they will be required within periods ranging from five to 30 years.

A major provision permits older rapid rail systems to make only key stations accessible to the handicapped. However, this would include an estimated 40 percent of all stations which handle more than 70 percent of boarding passengers. A waiver of this requirement will be permitted in cities where the handicapped community and local officials work out an alternative service system at least as good as key transit stations would provide.

"The key station approach was found to be the best solution," Adams said.

The DOT regulations were prepared to fulfill the Congressional mandate contained in Section 504 of the Rehabilitation Act of 1973, and are in response to Department of Health, Education, and Welfare guidelines for implementing that law. They are designed to ensure that handicapped persons have access to transportation systems which receive funds from DOT. The DOT rule also will make transportation more accessible to elderly persons and others with limited mobility.

Secretary Adams said the regulations are intended to "enable handicapped people to ride the bus downtown to work, take a plane to another city, use highway rest areas or take an intercity train without encountering barriers." At least 13 million handicapped persons will be affected by the regulations.

"The DOT regulation represents a workable, cost-effective approach and provides a degree of local discretion and participation in the decision making process that will assure adequate transportation for the handicapped," Adams said.

"The variety of public comments have helped the Department to improve the regulation significantly," Adams said.

The Department's notice of proposed rulemaking issued in June 1978 generated extensive public comment. Some 650 persons and groups made written comments, including 220 persons who testified at five public hearings.

The Department of HEW will review the regulation. If it is found consistent with HEW guidelines, it will be published in the Federal Register and become effective 30 days thereafter.

In addition to requiring accessibility the regulation forbids discrimination in employment against handicapped persons by recipients of federal funds and provides a mechanism for handling complaints.

Recipients of DOT funds are required to make new transportation facilities accessible to handicapped persons through the use of such things as ramps, lifts, elevators or special equipment.

Under the regulations, the department will impose the following requirements:

Buses - Effective with the regulation, all new transit buses purchased with Urban Mass Transportation Administration funds must have lifts that can accommodate wheelchairs. The first lift-equipped buses ordered under this rule are expected to be in service within 18 months. Some of the nation's largest bus systems already have ordered some accessible buses.

Transit agencies will be required to provide "program accessibility" within 10 years. This means that one-half of the buses during peak

hours must be accessible and accessible buses must be used first during off-peak hours.

Interim service -- If accessibility cannot be provided within three years, cities must provide interim service that is comparable to main-line mass transit service. The service must be developed in consultation with handicapped groups and could include such alternatives as buses, vans, taxis, and smaller buses. The recipient must spend two percent of the transit operating funds it receives from the DOT's Urban Mass Transportation Administration (UMTA) to provide interim service.

Rapid rail -- Transit operators of existing systems are required to make key stations accessible. Key stations would include transfer points within a rail system, major interchanges with other modes, end-of-line stations, those serving major employment, government, medical and university centers, and stations that would generate large numbers of trips by the handicapped. Stations lacking special access for the handicapped would be linked with accessible stations by a connector service using regular or special buses, or other special transit service.

The most essential key stations, about one-third of all key stations, would be made accessible to the handicapped within 12 years, and the remaining stations within 30 years. Before a waiver could be granted, the transit agency would have to hold public hearings and consult with the handicapped on the proposed alternative service. Once granted a waiver, the agency would be required to spend at least five percent of its UMTA operating funds for the handicapped.

Commuter rail -- The "key station" provision applies to commuter rail, but since this mode serves less populated areas, any station that is distant from any other accessible station would be a key station. It is expected that generally every third railroad station will have to be accessible. New vehicles ordered after January 1, 1983, must be accessible.

Light rail -- The "key station" provision applies only to fixed-facility light rail stations but not to street stops. Low-cost station improvements must be made within three years, but this is extended to 20 years for unusually costly improvements and replacement of facilities. New vehicles, ordered after January 1, 1983, must be accessible.

Accessible Vehicles on Trains -- One car per train must be made accessible. When achieving accessibility involves expensive modification or replacement of vehicles, the deadline for meeting the standard is five years for rapid rail cars and ten years for commuter rail.

Airports -- New airport terminals will be accessible and existing airports will have to be made accessible within three years. Airports which do not have telescoping ramps linking terminal buildings with aircraft doors are required to use lifts or other devices to assist handicapped passengers into planes.

Intercity rail -- At least one Amtrak station in each major metropolitan area and any station outside metropolitan areas and not within 50 miles of another accessible station must be made accessible within five years. The remaining stations must be made accessible within 10 years. Amtrak may request a waiver for a particular station, but before it can do so it must consult with the handicapped, as in the rapid rail waiver provision. New Amtrak stations must be accessible.

Highways -- Federally funded highway rest areas must be made accessible within three years. New rest areas must be accessible. New pedestrian crossings must include curb cuts. New pedestrian overpasses and underpasses will have gradients no steeper than 10 percent.

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U. S. Department of Transportation

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Office of Assistant Secretary for Governmental and Public Affairs



Washington, D.C. 20590

FOR RELEASE 10:30 A.M. EST
Tuesday, April 3, 1979

DOT 40-79

Contact: Howard Coan
Phone: (202) 426-4321

ADAMS SAYS AMTRAK
IS ENERGY WASTER

Secretary of Transportation Brock Adams told Congress today that the current Amtrak national passenger rail system is an energy waster.

Trains he has proposed to be discontinued are not needed to meet any future energy emergency, are generally energy inefficient and carry relatively few passengers, Adams said.

In fact, Amtrak currently carries less than 0.3 percent of the nation's intercity travelers, Adams noted in a statement prepared for a hearing of the House Commerce Subcommittee on Transportation and Commerce.

He said the proposed streamlined Amtrak system would save \$1.4 billion during the next five years and will continue service for 91 percent of the current riders.

"Virtually all of the trains that I have proposed to be discontinued," Adams said, "are long-distance trains that consume large amounts of fuel to pull the dining, lounge and low-density sleeping cars found on that kind of train." He added that in the short-distance rail corridors between major cities, where trains have the potential to be as energy efficient as autos, no significant service reductions are planned.

Under the current system, Amtrak is slightly less energy efficient than the auto and significantly less efficient than the intercity bus.

"My recommended system will improve those relationships somewhat," Adams said. But he said he did not foresee any time in the near future when intercity rail passenger service will be as energy efficient as intercity bus transportation.

Even if its patronage tripled during an energy emergency, which would strain available equipment to the limit, Amtrak would still transport fewer than one intercity traveler in a hundred, Adams noted. An improvement in the fuel economy of U.S. cars and trucks amounting to less than .02 miles per gallon would save all the petroleum Amtrak uses in a year.

Adams made similar statements on March 5 when he appeared before the Surface Transportation Subcommittee of the Senate Commerce, Science and Transportation Committee.

In a Jan. 31 report to Congress, Adams proposed a reduction of 12,000 miles, or 43 percent, in the existing 27,700-mile Amtrak system. The new route structure would continue to serve 22 of the nation's 25 largest cities and 40 states.

Continuation of the current system will require a federal subsidy of nearly \$6 billion for the five years from 1980 through 1984, while the proposed rail network can be operated with an estimated \$4.6 billion in government aid, Adams said today.

Under the 1978 Amtrak Improvement Act, the plan will go into effect on Oct. 1 unless either house of Congress disapproves within 90 session days from the Jan. 31 report.

At today's hearing, Adams also said that essential services will not be reduced. Most of the people along routes to be discontinued, particularly in towns and small cities, have adequate alternate bus or air service to the points served by Amtrak. In many cases, buses and trains run on parallel routes, making almost identical stops, he pointed out.

The Secretary also rejected the argument that the recommended system is unfair, providing less service to some areas of the country than it does to others.

The recommendations were developed, Adams pointed out, under population and market criteria set by Congress and the analysis was done strictly "by the numbers." He added that President Carter's home state of Georgia will lose virtually all rail passenger service. And four of the six trains serving the Secretary's home state of Washington are recommended for elimination.

"Both the President and I have accepted that outcome because we know it was arrived at impartially and according to the rules," Adams said.

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U.S. Department of Transportation news:



Office of Assistant Secretary for Governmental and Public Affairs

Washington, D.C. 20590

FOR RELEASE SATURDAY

April 7, 1979

ADAMS URGES EMPLOYEES
TO TAKE RESPONSIBILITY
IN ANTI-FRAUD PROGRAM

DOT 43-79
Contact: Bill Bishop
Phone: 202/426-4321

Secretary of Transportation Brock Adams today announced the establishment of a telephone "hot line" in the Department of Transportation to enable DOT employees to report anonymously to the newly-established Office of Inspector General any evidence of fraud, abuse or mismanagement.

In a memo to all DOT employees, the Secretary said, "The President has placed the highest priority on the elimination and prevention of fraud, abuse and mismanagement of departmental resources. The new inspector general legislation strengthens our resolve to meet these objectives."

Adams said that in connection with the establishment of the Office of Inspector General self-assessment of areas of potential fraud, abuse and mismanagement had been initiated.

The Secretary cited as examples of possible susceptible areas:

- * Grant and assistance programs
- * Procurement and concession activities
- * Use of government property
- * Disbursement and collection of money
- * Certification of machinery and equipment
- * Automatic data processing controls
- * Travel activities
- * Employee overtime claims.

"It is the responsibility of each and every employee of this department to take measures within his or her work place to eliminate the potential for fraud, abuse and mismanagement," Secretary Adams said.

He instructed that any information or allegation of illegal activity be reported directly to the Office of the

Inspector General.

"I am asking each of you," Secretary Adams said, "to assist me in promoting economy, efficiency and effectiveness in the administration of departmental programs and operations by embarking upon a fraud, abuse and mismanagement prevention program.

"I strongly urge you to cooperate fully with the Office of Inspector General. Your active involvement is essential to the success of this important initiative."

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FOR RELEASE TUESDAY
April 10, 1979

DOT 45-79
Contact: William W. Bishop
Phone: (202) 426-4321

ADAMS COMMENDS DELTA, UNITED FOR NOISE REDUCTION EFFORTS

Secretary of Transportation Brock Adams today commended two major airlines for taking initiatives to quiet their fleets and meet Federal Aviation Administration noise standards.

Delta Airlines will become the first U.S. airline to retrofit twin-engine aircraft; United Air Lines will be the first to install new, high-technology engines on older four-engine aircraft.

"The public will benefit from these quieter airplanes," Adams said, "and I congratulate the forward-looking leaders of both carriers."

Delta Airlines announced April 3 that it had ordered engine and nacelle noise-reduction kits for its fleet of 44 DC-9's.

United Air Lines has announced it has ordered new, quiet technology engines for 30 of its DC-8's. These new power plants are not only significantly quieter, but also use 22 percent less fuel on a trans-continental trip.

Adams said he "is pleased that two airlines have each found a practical way to help reduce aircraft noise. With these initiatives, both Delta and United will bring their fleets significantly closer to compliance with FAA noise rules."

"I anticipate similar announcements from other U.S. airlines in the near future," the Secretary said.

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U. S. Department of Transportation

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Office of Assistant Secretary for Governmental and Public Affairs

Washington, D.C. 20590

FOR RELEASE 10:00 A.M. EST
Thursday, April 12, 1979

DOT 47-79
Contact: William W. Bishop
Phone: (202) 426-4321

ADAMS URGES CONGRESS TO DEREGULATE RAILROADS

Pressing for prompt deregulation of the nation's railroads, Secretary of Transportation Brock Adams told a Congressional Subcommittee today that many of these carriers are no longer serving the needs of shippers.

"As railroad rates have gone up, railroad service has gone down," Adams said. He pointed out that increasing numbers of rail cars and locomotives are idling in repair shops, and an ever-growing proportion of the rail system has deteriorated to the point that it can be operated only at severely reduced speeds.

These and other financial problems of the railroads can be remedied by relaxing government regulation and allowing the carriers to compete freely in the transportation market, Adams said.

"The loss of rail traffic doesn't just mean a loss of rail revenues," Adams said. "It means that we have a less efficient, costly and less productive transportation system."

Secretary Adams made these comments in testimony prepared for the Surface Transportation Subcommittee of the Senate Commerce Committee, where he urged prompt enactment of the Railroad Deregulation Act of 1979.

That proposed legislation, sent to Congress March 23 by President Carter, would curb the Interstate Commerce Commission's power to regulate railroad freight rates, make railroad mergers subject to the antitrust laws applicable to other industries, and set new guidelines for the abandonment of unprofitable lines.

The railroad industry's rate of return on investment was less than one percent in 1978. DOT estimates the railroads' earning by 1985 will fall short by \$16 billion of meeting the amount of money needed for equipment, track and debt repayment.

"Efficiency, competitiveness, productivity, innovation and technological change have all been missing from many rail operations for too long," Secretary Adams said. "We must return to the natural regulation of competition, and get rid of the artificial and unproductive restraints of the regulatory system."

Federal Railroad Administrator John M. Sullivan and DOT General Counsel Linda Heller Kamm also testified before the subcommittee.

The goal of the Administration's railroad deregulation legislation is to improve rail service for the American consumer and to achieve that goal the proposal would give the railroads the opportunity to become better competitors in the transportation market place, Sullivan said.

"As better competitors," he said, "the railroads will regain some of the traffic lost to other modes and thereby increase their profitability, their attractiveness for private investment and their financial independence.

"At the same time, they will provide less costly and more fuel-efficient service to the benefit of shippers, consumers and taxpayers," the Administrator said.

Indiscriminate raising of rail freight rates won't increase railroad revenues and would be counter-productive, Sullivan said.

But, he said, where rates on competitive traffic are below a carrier's costs rates must be increased. "Even losing that traffic will make a contribution to rail profits," Sullivan said.

Administrator Sullivan recommended emulation of Canada, where in a deregulated environment the Canadian railroads have developed a marketing and pricing strategy that has increased rail revenues and rail market shares, while improving service and decreasing costs.

The Administration's legislation would permit a comparable result, Sullivan said, by encouraging railroads to provide a variety of rate and service packages.

He pointed out that not all shippers require the identical service or require the same speed or the same time of pickup or delivery.

"Those who want premium service are willing to pay for it," Sullivan said. "Those who want the lowest cost service are often willing to wait for it."

"New and profitable traffic can be attracted by the railroads if their rates and services are attractive. We have already seen this work in Canada," Sullivan said.

DOT General Counsel Kamm gave a detailed analysis of how the provisions of the Railroad Deregulation Act would affect ratemaking, the structure of the railroad industry and its operations.

Kamm testified that the proposed legislation "gives the railroads the chance to help themselves. It gives shippers, consumers and taxpayers the opportunity for a balanced, cost-efficient and fuel-efficient transportation system that can move our nation's goods quickly, economically and fairly."

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Washington, D.C. 20590



FOR RELEASE THURSDAY
April 12, 1979

DOT 46-79
Contact: J. Clingerman
(202) 426-4321

AMTRAK'S FLORIDIAN COSTS TAXPAYERS

The U.S. Government could buy every Birmingham passenger who rides the Floridian to Chicago or Miami a first class airline ticket for the money it costs to subsidize that train, Secretary of Transportation Brock Adams said today.

The Floridian, an Amtrak passenger train that runs between Chicago and points in Florida, costs taxpayers more than \$20 million in subsidy or \$163.47 per passenger served in 1978. Riders paid less than \$5 million of the \$25.2 million it cost Amtrak to operate the train in the last fiscal year.

"For this subsidy, taxpayers could have bought each Birmingham passenger going to Chicago on the Floridian a first class airline ticket and still saved \$72 per passenger," Adams said.

Adams has recommended to Congress that the Floridian be discontinued after October 1 as part of a program to reduce Amtrak subsidies and stop wasting energy in under-used trains.

In response to a Congressional directive, the Transportation Secretary submitted in January a proposal to streamline the Amtrak system. Congressional committees are expected to act soon on the plan.

Adams estimates that if Congress allows the restructure to take effect, the tax savings would be almost \$1.4 billion over five years and that Amtrak's energy consumption will be reduced by six percent. Ninety-one percent of current Amtrak passengers would continue to be served by the slimmed down

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Washington, D.C. 20590



FOR RELEASE FRIDAY
April 20, 1979

DOT 48-79
Contact: Bill Johnson
Phone: (202) 426-0662

DOT SPONSORS MINORITY UNIVERSITY WORKSHOP

The U.S. Department of Transportation will hold a three-day workshop next month in Jacksonville, Florida, for representatives of more than 100 minority colleges and universities.

The May 9-11 workshop will be held at the Jacksonville Beach Howard Johnson and Holiday Inn hotels. Its purpose is to encourage minority institutions to participate in DOT programs and opportunities. An attendance of 300 is expected.

Objectives of the workshop include:

- Identify program areas where contract, grants, training, summer and career employment opportunities are available.
- Disseminate information, technical assistance and advice which will enable the institutions to more readily assess these programs and opportunities.
- Identify unintended barriers that may have resulted in reduced participation in and benefits from DOT programs.
- Identify institutional problems faced by the participants at minority institutions affecting their capability to compete for DOT programs.
- Recommend courses of action to improve participation along with suggested goals and timetables.

Transportation Secretary Brock Adams said the effort to encourage more participation by minority universities has the support of President Carter.

"The President has issued a directive to heads of executive departments and agencies encouraging increased minority college participation in all federal programs. He has my total commitment in this effort," the Secretary said.

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FOR RELEASE FRIDAY
April 20, 1979

DOT 49-79
Contact: Jerry Clingerman
Phone: (202) 426-4321

DAYLIGHT SAVING TIME BEGINS ON APRIL 29

Most of the United States returns to daylight saving time on Sunday
April 29.

Officially, at 2 a.m. on that date, clocks should be moved forward one
hour to begin six months of daylight saving time, according to the U.S.
Department of Transportation.

Under the Uniform Time Act, which DOT administers, daylight saving time
is observed in the U.S. and its territories from the last Sunday in April
until the last Sunday in October, which this year is October 28.

That is except for Arizona, Hawaii, Puerto Rico, the Virgin Islands,
American Samoa or that portion of Indiana within the Eastern Time Zone.
These areas don't observe daylight saving time during any period
of the year.

Persons seeking further information should contact Jack Lusk at
(202) 426-4723.

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U. S. Department of Transportation

news:

Office of Assistant Secretary for Governmental and Public Affairs



Washington, D.C. 20590

FOR RELEASE 4 P.M. MONDAY
April 23, 1979

DOT 50-79

Contact: Jerry Clingerman
Phone : (202) 426-4321

MORE VIGILANCE NEEDED AGAINST AIR PIRACY, SECRETARY ADAMS SAYS

Secretary of Transportation Brock Adams today called upon the international aviation community to adopt and carry out stringent, consistent standards for aviation security.

In remarks before the International Civil Aviation Security Conference, held in Reston, Va., Adams noted that air hijackings and terrorists incidents at airports around the world in 1977 and 1978 averaged more than two per month.

This trend has continued this year, he said and will continue until terrorists and hijackers are convinced that "any attempt to break the perimeter of security around air transportation will be frustrated and any effort to hijack a plane will be defeated."

He urged the audience of airport security officials representing more than 50 foreign governments and 40 foreign airlines to adopt effective screening procedures and refuse to permit flights to or accept flights from any country that will not extradite or prosecute hijackers.

Adams noted that of the 42 foreign air carrier hijackings which occurred in 1977 and 1978, at least 28 resulted from weaknesses in the passenger screening procedures.

"By comparison, no U.S. hijacking since 1973 has involved real firearms or explosives passing undetected through the passenger screening system," Adams said.

During this five-year period more than two billion persons and three billion pieces of carry-on baggage have gone through the screening systems at the 700 U.S. and foreign airports served by U.S. carriers. More than 18,000 firearms were detected, resulting in about 6,000 arrests.

"It is our conclusion that 75 possible hijackings or similar crimes may have been prevented by these security measures," the Secretary said.

"We have demonstrated that it is possible to screen 800,000 passengers a day with essentially perfect results. Twenty-six U.S. aircraft have been interfered with during flight over the last five years, but none of those instances involved weapons successfully smuggled through the boarding process," he said.

Worldwide airport security must increase its vigilance, the Secretary said, for several reasons, including:

- Deregulation of the air industry in the U.S. has spurred more air travel. With increased traffic there are more travelers to be protected and processed.
- The treaty between Egypt and Israel has heightened the present level of threat of air piracy by groups not sympathetic with the terms of the treaty.
- After nearly five years of relatively few hijackings, the number of incidents increased to 30 in 1977 and 25 in 1978.

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U.S. Department of Transportation news:



Office of Assistant Secretary for Governmental and Public Affairs

Washington, D.C. 20590

FOR RELEASE 9:30 A.M. TUESDAY
April 24, 1979

DOT 51-79
Contact: John Leyden
Tel.: 202/426-8521

ADAMS PROPOSES AVIATION LEGISLATION FOR THE 1980'S

Secretary of Transportation Brock Adams today sent to Congress proposed legislation to provide \$6.6 billion for development and improvement of the nation's airport and airway system for the five years beginning Oct. 1, 1980.

The proposed Airport and Airway Improvement Act of 1979 reflects a strong emphasis on aviation safety to meet steady growth in air transportation in the 1980s. Provisions of the bill are aimed at supporting increased competition and the objectives of the Airline Deregulation Act of 1978.

The proposal provides funding authorizations for fiscal years 1981-85 for airport development and planning grants, acquisition and upgrading of airway facilities and equipment, and research, engineering and development to improve the airport/airway system.

The legislation would continue for 10 years the Airport and Airway Trust Fund and related aviation user taxes to finance these improvements.

In addition to providing substantial increases in capital funding, the proposal would shift a considerable amount of the burden of paying for maintenance and operation of the air transportation system from the general taxpayer to aviation system users. Some \$8 billion would be transferred from the Trust Fund to pay for maintenance and operation costs over the five year period, thus reducing by that amount the drain on general tax revenues.

The airport and airway legislative proposal would:

- * Reduce congestion and delays at the nation's largest airports by stimulating the development of new and expanded reliever airports.

- * Substantially increase funds for the improvement of air traffic control towers, instrument landing systems, radars, and navigation aids to maintain and improve the safety, efficiency and capacity of the airway system.

- * Simplify and consolidate funding categories for airport development and planning and provide an overall increase in annual funding levels.

- * Reduce the impact of aircraft noise by permitting the use of airport grants to soundproof schools, hospitals and public health facilities near airports.

- * Permit states to participate in administering airport planning and development grants for general aviation and smaller air carrier airports.

- * In line with the Department of Transportation policy that users should pay a proportionate share of the cost of the airport/airway system, the proposal would increase the costs recovered from the general aviation sector by revising the tax on aviation fuel and imposing a new excise tax on the sale of new aircraft and avionics equipment.

- * Reduce the surplus that has accumulated in the Trust Fund.

- * Assure that airport owners and operators offer access to airport facilities on reasonably competitive terms to all persons engaged in air transportation.

"This country is experiencing dramatic growth in air transportation as a result of airline deregulation," Secretary Adams said.

"We expect this growth to continue in the 1980s, although the ways in which air transport services are provided will change significantly under deregulation," he said.

"In order to improve and maintain the airport system in a time of rapid growth and with maximum emphasis on safety, we are proposing increased authorizations for development and planning," he said.

Langhorne M. Bond, administrator of the DOT's Federal Aviation Administration, said, "Safety has been our first priority in drafting this bill. Consistent with deregulation, it places special emphasis on facilities needed at points that receive any type of scheduled commercial service.

"The legislation also provides additional funds for many smaller airports, and especially reliever airports to take some of the load from major airports in the largest cities.

"The bill contains the Department's response to serious aircraft noise problems as part of a comprehensive aviation program for the 1980s," Bond

said. "It was developed after careful and extensive consultation with industry, the general public and state and local officials."

In addition to the transfer of funds from the Trust Fund for maintenance and operation, the bill would provide \$1.14 billion in program authorizations for fiscal year 1981, a \$245 million increase over the proposed 1980 authorization.

The authorization would increase to \$1.23 billion in fiscal 1982, \$1.32 billion in fiscal 1983, \$1.41 billion in fiscal 1984 and \$1.50 billion in fiscal 1985. (See attached table on proposed funding levels.)

Following is a summary of the major provisions of the legislative proposal:

Airport Improvement Program

The airport grant program would be partially restructured to place greater emphasis on improved system planning and the development of new and expanded reliever airports in the largest metropolitan areas.

Funds for airport grants would be increased substantially -- from \$700 million in fiscal year 1981 to \$900 million in fiscal 1985. The proposed level for 1980 is \$570 million.

A new apportionment category would be created to provide added funds for about 40 of the busiest air traffic hubs, defined as "primary hubs." The funds could be used for development projects at airports within the hub area, based on a "consolidated improvement plan" developed jointly by local airports. The new category is expected to result in greatly increased federal aid for added capacity at reliever airports.

For a primary hub to qualify for the new funding category, the sponsors of each commercial service airport and publicly-owned reliever airport would have to develop jointly a consolidated improvement plan and an annual expenditure program.

The advent of deregulation has made it necessary to revise some of the premises and definitions in the existing law. Under the proposal, an airport's eligibility for federal grants will no longer be based on whether it serves carriers certificated by the CAB, but primarily on the number of passengers handled or, in some cases, the size of aircraft using the airport.

Increased User Taxes

The existing seven cents per gallon tax on aviation fuel would be replaced by a 10 percent tax on the retail price of fuel for general aviation. This is expected to generate an increase in revenues as fuel prices rise.

A six percent excise tax would be imposed on the sale of new aircraft and avionics for noncommercial aviation. The tax changes are expected to raise general aviation's contribution from 14 percent to 25 percent of the costs borne by FAA for services to general aviation.

The proposed tax changes are based in large part on the findings of an in-depth study completed by FAA in 1978. While general aviation would pay increased charges, it will benefit from improved general aviation airports and other major improvements under the proposed bill.

Trust Fund

The Trust Fund is extended with a better balance between revenues and expenditures.

There will be a major increase in the amount of costs of maintaining and operating the airway system paid from the Trust Fund, rather than from general tax revenue. The sizeable surplus that has developed in the fund would be gradually reduced. The surplus has resulted largely from statutory limitations on how much of the maintenance and operations costs could be paid from the trust fund.

Optional State Participation

States may elect to manage the planning and development program for small commercial and general aviation airports. In order to participate, a state would be required to have an agency capable of administering airport funds, have a current state airport system plan, and submit a consolidated improvement plan and annual expenditure program.

In participating states, airport sponsors would have a choice of joining the state program or continuing to deal directly with the federal government on individual projects.

Access to Airports

In support of the Airline Deregulation Act of 1978, the legislation would require that airports which receive federal funds be available for use by air carriers on fair and reasonable terms and without unjust discrimination.

Any air carrier refused access to an airport could file a complaint with the secretary of transportation. If the complainant could not obtain access through voluntary means, the secretary would have standby authority in certain cases to order remedial action, such as the modification of lease agreements between airports and carriers.

The provision is designed to insure that the requirements for open market entry and essential air service for small communities in the deregulation law are not frustrated by the inability of new entrants to obtain access to airports.

Noise Impact Reduction

The use of airport grants for noise compatibility and abatement purposes would be expanded significantly. Airport owners and nearby communities will be encouraged to conduct noise compatibility planning. Grants could be used to soundproof schools, hospitals and public health facilities and to purchase noise monitoring equipment.

Facilities and Equipment

Funds for the facilities and equipment program, which finances the capital costs of the airway system, will be almost doubled over the next five years.

The program would provide for important control and navigation facilities such as the discrete address beacon system and the beacon collision avoidance systems and for improving satellite airports to enable them to attract small aircraft and relieve congestion at major air carrier airports. Much of the funds would be used to modernize facilities to make them more reliable and less costly to operate.

Research, Engineering and Development

There will be a steady increase in funds for research, engineering and development, permitting the development of the advanced systems and technology needed to maintain a safe air traffic system.

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AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1979

PROPOSED PROGRAM LEVELS

(In \$ Millions)

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Total</u>
Airport Grants	\$ 700	\$ 750	\$ 800	\$ 850	\$ 900	\$4,000
Facilities & Equipment	350	385	420	455	490	2,100
Research, Engineering & Development	<u>90</u>	<u>95</u>	<u>100</u>	<u>105</u>	<u>110</u>	<u>500</u>
Total Program Authorizations	\$1,140	\$1,230	\$1,320	\$1,410	\$1,500	\$6,600
Maintenance & Operation*	<u>\$1,300*</u>	<u>\$1,450*</u>	<u>\$1,600*</u>	<u>\$1,750*</u>	<u>\$1,900*</u>	<u>\$8,000*</u>
Total from Trust Fund	\$2,440	\$2,680	\$2,920	\$3,160	\$3,400	\$14,600

*Transfer of funds from the Airport and Airway Trust Fund to the General Fund of the Treasury; has the effect of shifting a portion of the costs of maintaining and operating the airway system from the general taxpayer to the specific users of the system.

U.S. Department of Transportation news:



Office of Assistant Secretary for Governmental and Public Affairs

Washington, D.C. 20590

FOR RELEASE WEDNESDAY
April 25, 1979

DOT 52-79
Contact: Howard Coan
Phone: (202) 426-4321

DOT OPPOSES BID BY EASTERN TO TAKE CONTROL OF NATIONAL

The Department of Transportation today opposed Eastern Airlines' bid to take control of National Airlines because the proposed creation of the nation's second-largest domestic air carrier would significantly reduce competition.

In a brief filed with the Civil Aeronautics Board, DOT said the takeover would limit the development of competition to the detriment of consumers.

John G. Wofford, DOT Acting General Counsel, said that "the benefits which may result from acquisition will mainly flow to the affected firms and not to the public."

The consumer benefits cited by Eastern, such as improved patterns of air service in certain areas, are "at best speculative", Wofford said, and could be achieved through internal expansion.

Eastern, the nation's fourth-largest airline, and National, the 11th largest, are strong in the Northeast-Florida markets and their routes overlap in a number of Eastern and Southern cities.

DOT said the merger would have particularly significant competitive impact on two markets -- New York and Washington-Florida, and Florida-Houston and New Orleans. The combined carrier would have 90 to 100 percent of the traffic in these two regional markets, DOT said.

Of the 15.4 million air passengers who arrived or departed from Florida in the year ending Sept. 30, 1978, Eastern and National accounted for about 59 percent of the total.

DOT said the proposed merger would result in four major markets having monopoly service. These markets are New York-Orlando; New York - West Palm Beach; New York - Sarasota; and Washington - Orlando.

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FOR RELEASE FRIDAY

April 27, 1979

DOT 53-79

Contact: Howard Coan

Phone: (202) 426-4321

2 U.S. DEPARTMENTS SIGN AGREEMENT TO COORDINATE NAVIGATION PLANNING

The Departments of Transportation and Defense have signed an agreement to increase their coordination in planning for electronic navigation systems, which the federal government operates to guide civilian and military aircraft, ships and boats.

The departments also agreed to publish a single federal navigation plan, instead of relying on the separate plans they have issued previously.

The agreement will permit more efficient use of federal resources by avoiding unnecessary overlap or gaps between military and civilian systems.

According to the agreement, the two departments will attempt, whenever possible, to use common navigation systems, equipment and procedures. They also will conduct coordinated research, development, testing and operation of these systems.

In addition, other federal agencies involved in this area, known as radionavigation, will continue to be consulted on their future plans in developing the federal navigation plan.

The Defense Department has developed a number of military navigation systems which now have wide civilian use. They include Loran-C, a long-range marine navigation aid, and Omega, a worldwide navigational system which is used by ships and some airlines for oceanic navigation. The Defense Department is currently developing the NAVSTAR Global Positioning System, a concept using satellites to provide very accurate worldwide radionavigation service, which may have future civilian application.

Conversely, military aircraft and vessels operating in or near the continental United States are dependent on civilian navigation systems and must be familiar with them and equipped to use them.

The Transportation Department is responsible for development and operation of radionavigation systems under its mandate to ensure the safe and efficient movement of people and goods and to meet certain military requirements. Two DOT units, the Federal Aviation Administration and the Coast Guard, specifically provide and operate navigational aids for this purpose.

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FOR RELEASE MONDAY
April 30, 1979

DOT R-10-79
Contact: Jerry Clingerman
Phone: (202) 426-4321

PIONEER TRAIN COST
TAXPAYERS \$7 MILLION
IN FISCAL YEAR 1978

Taxpayers will save more than \$7 million a year if Congress allows the U.S. Department of Transportation's recommendation to discontinue service on Amtrak's Pioneer passenger train to take effect.

The Pioneer, which runs between Seattle and Salt Lake City, cost Amtrak \$6.988 million (without considering fixed overhead costs) to operate in fiscal year 1978. Passenger and other revenues were \$2.695 million, thus requiring a federal subsidy of \$4.293 million or \$30.23 per passenger in 1978 simply to keep the train operating. Counting overhead, the train cost \$7.542 million or \$53.11 per passenger in federal subsidy.

Amtrak has estimated that during the fiscal year that begins next October 1, the Pioneer would cost \$10,964,000 (without overhead) while it would earn just \$3.859 million. This would require a subsidy from the taxpayers of \$7.105 million. When overhead is included, the subsidy would rise to \$13.603 million.

Transportation Secretary Brock Adams noted that discontinuance of the train would not cause any of the cities now served by the train to lose public transportation.

"All of the cities now served by the Pioneer will continue to be served by bus transportation, and many by air transportation as well," Adams said.

Adams has recommended to Congress that the Pioneer be discontinued after October 1 as part of a program to reduce Amtrak subsidies and stop wasting energy in under-used trains. During fiscal year 1978, the Pioneer averaged only 61 passengers aboard, compared to the minimum level of 140 passengers required to allow an average Amtrak passenger train to just break even in energy efficiency with an average automobile on an intercity trip.

In response to a Congressional directive, the Transportation Secretary submitted in January a proposal to streamline the Amtrak system. Congressional committees are expected to act soon on the plan.

Adams estimates that if Congress allows the restructure to take effect, the tax savings would be almost \$1.4 billion over the five years and that Amtrak's energy consumption will be reduced by six percent. Ninety-one percent of current Amtrak passengers would continue to be served by the slimmed down system, Adams says.

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U. S. Department of Transportation

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FOR RELEASE MONDAY
April 30, 1979

DOT 55-79
Contact: Jerry Clingerman
Phone: (202) 426-4321

ADAMS APPOINTS GAYTON UMTA DEPUTY ADMINISTRATOR

Gary D. Gayton, a lawyer from Seattle, Wash., was sworn in today as Deputy Administrator of the Urban Mass Transportation Administration by Secretary of Transportation Brock Adams.

Gayton, who has been special assistant to Secretary Adams since July 1977, will serve as Acting Administrator until a successor is named for departing UMTA Administrator Richard Page. Page is leaving his post to become head of the Washington Metropolitan Transit Authority.

As Acting Administrator, Gayton will be in charge of the agency which has approximately 550 employees and a budget of \$3.517 billion.

Prior to coming to DOT in 1977, Gayton had served under Adams previously when he was an assistant U.S. attorney for the Western District of Washington state from 1962 through 1965. Adams headed that office then as the U.S. attorney for the District. Gayton was appointed by Robert F. Kennedy, then U.S. Attorney General.

In 1965, Gayton entered private practice as a founding partner in a Seattle law firm where he remained until joining the Department of Transportation.

Born in Seattle, Gayton was graduated from Garfield High School there and was student body president. At the University of Washington, where he was captain of the track team, he earned a B.A. degree in political science in 1955. He received a law degree from Gonzaga University in 1962 and a doctor of laws in 1967.

Gayton was active in numerous professional and civic organizations in Seattle. He is a member of the American Bar Association, the American Trial Lawyers Association and served as a member of the Washington Bar Association Administrative Committee which investigates complaints against attorneys.

He is a former member of the Joint Committee on Education, Washington State Legislature; former Seattle Park Board Commissioner; former member of the National Committee for the Support of Public Schools; former Lecturer at the University of Washington.

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