



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Tuesday, January 4, 1994

DOT 01-94
Contact: Bill Mosley
Tel.: (202) 366-5571

DOT RELEASES MONTHLY
AIR TRAVEL CONSUMER REPORT

The Department of Transportation today released its monthly Air Travel Consumer Report, which provides information on airline flight delays, mishandled baggage and consumer complaints for the month of November.

The report also contains data on the rate of passengers denied boarding, or bumped, for the third quarter of 1993.

The nation's 10 largest airlines posted an 81.2 percent on-time arrival record in November, compared to October's 83.0 and November 1992's 82.7 percent marks. In compiling the data, delays caused by mechanical problems are not counted.

The carriers posted a mishandled baggage rate of 5.34 complaints per 1,000 passengers during the month, up from October's 4.75 rate but an improvement over November 1992's 5.60.

Consumers registered 499 complaints about airline service with the department in November, up from October's total of 451 and November 1992's 390.

U.S. airlines posted a bumping rate of 1.15 per 10,000 passengers between July-September 1993, compared to the 1.05 rate for the previous three months and 1.12 during the third quarter of 1992.

The department reminded consumers who want on-time performance data for specific flights to call their airline ticket offices or their travel agents. Such information is available on the computerized reservation systems used by these agents.

####



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Thursday, January 6, 1994

DOT 02-94
Contact: Richard Mintz
Tel.: (202) 366-4570

PEÑA, TYSON UNVEIL ADMINISTRATION AVIATION INITIATIVE

In the most comprehensive government aviation strategy proposed since deregulation in 1978, Transportation Secretary Federico Peña and Council of Economic Advisers Chair Dr. Laura D'Andrea Tyson today unveiled the Clinton Administration initiative to help revitalize the ailing aviation industry.

The initiative builds on the recommendations of the National Commission to Ensure a Strong Competitive Airline Industry and follows a year of significant Administration and DOT actions aimed at spurring the airline and airplane manufacturing sectors.

The Administration-backed initiative includes moving ahead with the corporatization of the Federal Aviation Administration (FAA), bankruptcy reform, and increased foreign investment in U.S. carriers contingent on reciprocal opportunities. It also will encourage new entrant carriers, heighten scrutiny of airline financial fitness and promote employee ownership. These initiatives are among 49 of 61 Airline Commission recommendations on which the Administration will act.

Taken together, these new initiatives represent the most comprehensive government aviation strategy since deregulation of the industry in 1978. It is an initiative built upon actions already taken and on commitments to future actions," said Peña. "This initiative is good for consumers, it's good for the industry and its employees, and it's good for communities. We will work with these groups and with the Congress to make sure the Administration's and Commission's work spurs action, not gathers dust."

- more -

The initiative will support five broad goals: revitalizing domestic aviation; promoting international aviation and competitiveness; encouraging airport investment and economic growth; enhancing safety, consumer benefits, and the environment; and improving the integration of aviation into the national transportation system. The plan includes specific administrative, regulatory and legislative actions in each category.

"A strong economy will be the best medicine for what ails the aviation industry. We believe that the recent budget reconciliation legislation, which reduces the deficit, along with other Administration initiatives, have put the economy on course for strong and sustainable growth," said Laura D'Andrea Tyson. "But a strong economy cannot alone cure the industry's ills. The Administration's Aviation Initiative identifies additional steps we are taking to revitalize domestic aviation, encourage aerospace manufacturing and the development of new aviation technologies, and promote trade and competitiveness in international aviation."

Peña and key members of Congress led the effort to create the Commission in response to mounting airline losses and slackening demand for airplanes. Tyson served as the White House's ex officio representative on the panel. Peña and Tyson co-chaired the inter-agency aviation working group which developed the Administration initiative.

"Helping to facilitate labor-management negotiations at Northwest and United, protecting new entrant carriers from anti-competitive behavior, mediating the LAX landing fee dispute, travelling to the Mid-East to promote U.S. aircraft sales, outlining a clear and direct strategy to guide our international aviation diplomacy -- these and other actions demonstrate that we have already made notable strides," Secretary Peña said. "These actions and the ones we are proposing today will help reach the medium-term goal of a return to profits and lasting financial strength, as well as the long-term goal of a prosperous and dynamic aviation industry that can grow at home and in markets worldwide -- providing travellers and shippers with the benefits of affordable, accessible, and safe air services."

"What is most different about this Administration's approach is that we are deeply engaged with aviation -- not only in words, but in deeds. We are reaching out to every element of the industry -- management, labor, cargo carriers and shippers, consumers, airport managers, and others," said FAA Administrator David Hinson who joined Peña and Tyson today in announcing the plan. "We are working cooperatively with them all. And we are working in the context of a comprehensive aviation policy. The strategy we are pursuing is greater than just the sum of its parts, and it will change and grow to meet new circumstances and challenges."

Some specific steps advocated in the initiative include:

- o complete, by April 1994, a plan to restructure FAA's Air Traffic Control services as a government corporation;
- o accelerate use of the Global Positioning System (GPS) satellite-based navigation system and complete an aeronautics research and development plan to support new technological advances;
- o evaluate possible modifications to the so-called High Density Rule (limiting flights at Chicago O'Hare, New York's LaGuardia and JFK, and Washington National) to better use airport capacity;
- o provide carriers access to additional capital by raising the limits on foreign investment in U.S. airlines -- but only if reciprocal opportunities are provided to U.S. carriers and investors abroad;
- o continue to enforce prohibitions against diversion of airport revenues for off-airport uses;
- o undertake a thorough review of all aviation regulations to lessen the burden on industry wherever possible, consistent with safety, environmental and consumer protections;
- o require airlines seeking DOT approval for international route and other major changes to outline plans to protect any displaced workers;
- o enact Airport Improvement Program reauthorizing legislation as quickly as possible.



U.S. Department of
Transportation

News:

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

FOR RELEASE TUESDAY
January 11, 1994

DOT 03-94
Contact: Jennifer Watson
Tel.: (202) 366-4570
Steven Akey
Tel.: (202) 366-0660

PEÑA ANNOUNCES POST-NAFTA SUMMIT WITH CANADIAN, MEXICAN COUNTERPARTS

In the wake of implementation of the North American Free Trade Agreement on Jan. 1, Secretary of Transportation Federico Peña today announced he will convene a North American Transportation summit in early March with his Canadian and Mexican counterparts.

Designed to foster closer cooperation to handle increased trade among Canada, Mexico and the United States, the summit will mark the first time the heads of the three nations' transportation agencies have met together.

"NAFTA is and will continue to create economic growth and jobs here in the United States," Peña said. "The great surge in trade that is linking our nations offers challenges as well as gains, especially for those of us who work in transportation."

"More than ever before, Americans and Mexicans and Canadians will need to work together to ensure that investments in our national transportation systems fit seamlessly with the continental trade system we are forging. Our transportation planning and decisions must reflect the common goal of moving goods quickly and efficiently," he added.

Peña also announced the formation of a new federal interagency border efficiency task force and the results of two DOT studies on North American border crossings and trade routes.

- more -

The summit will be held in Washington, D.C. and will bring together Peña, Mexico's Secretary of Communications and Transportation, Emilio Gamboa, and Canada's Minister of Transportation, Douglas Young, as well as members of their respective staffs. It will feature a series of talks on both NAFTA's provisions in the transportation area itself and on ways to better coordinate the three nations' transportation efforts to meet growing trade flow through improved planning; operational improvements and technological advances. The leaders will also discuss options for financing infrastructure improvements.

Peña said the interagency Border Infrastructure and Facilitation Task Force, created under the auspices of the National Economic Council, will have representatives from the Departments of Transportation, Treasury, Justice, Agriculture, State and Commerce as well as representatives of the General Services Administration, Office of Management and Budget, Environmental Protection Agency, Office of the U.S. Trade Representative, Council of Economic Advisers and Domestic Policy Council.

Task force members will hold their first meeting by the end of this month. The group is charged with recommending specific ways to improve the efficiency of U.S. border crossings and to better plan for future border infrastructure investments.

Rodney Slater, the Federal Highway Administrator, outlined the results of the two studies called for by Congress in the Intermodal Surface Transportation Efficiency Act. The report to Congress is an assessment of physical and institutional systems and the advisability of discretionary funding programs for border crossings and transportation corridors to facilitate North American trade.

"In the short term, our current crossings and corridors, with programmed improvements already in the pipeline, can handle border traffic increases if we increase cooperation and planning and make these facilities even more efficient," Slater said. "But in the long term, we must make strategic investments in our border facilities and transportation corridors, using existing and innovative funding sources."

The two studies, Sections 6015, *Border Crossings*, and 1089, *Feasibility of International Border Highway Infrastructure Discretionary Program*, were conducted in 1992-1993.

The Section 6015 study focuses on: ways to improve transportation systems to support trade in North America at border crossings and along corridors for each transportation mode; multimodal and intermodal transportation issues; and economic

development and transportation improvements needed to support economic growth. The report also includes the Section 1089 study of the advisability of a discretionary funding program for border crossing infrastructure using data and information developed in the Section 6015 study. The study does not recommend establishment of a new funding category at this time.

#

[Editor's note: A fact sheet on the Section 6015 and Section 1089 studies is attached.]



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Wednesday, January 12, 1994

DOT 04-94
Contact: Bill Mosley
Tel.: (202) 366-5571

PEÑA SAYS INNOVATIVE TECHNOLOGY NEEDED FOR U.S. TRANSPORTATION

The development and use of innovative technology will be critical to providing the transportation America needs for the rest of the decade and into the next century, Secretary of Transportation Federico Peña said today.

The Secretary, addressing the Transportation Research Board's annual meeting, said the Transportation Department will become a partner with industry and other government agencies to provide a more direct link between new technologies and the needs of the nation's transportation system.

"Technological innovation enables us to have a steadily improving transportation system -- better in terms of efficiency, speed, seamless integration, environmental characteristics, safety and energy conservation," the secretary said. "It also permits us to create new industries and enhance our international competitiveness.

"There is no question in my mind that government has a legitimate role in bridging the gap between research and development and technology applications," he added.

Secretary Peña said that the government's Interagency Coordinating Committee on Transportation Research and Development, which he heads, has identified almost \$3 billion in transportation related research across the government. Major items include NASA's aeronautical research and the Department of Energy's research on alternative fuels and electric vehicles. DOT's own research and development budget has risen from \$559 million in fiscal year 1992 to \$688 million in 1994, he said.

-more-

Another federal initiative important to transportation is the Technology Reinvestment Project (TRP), which provides grants for the development of technologies applicable to both defense and civilian uses, the Secretary said. Last year, the department held a series of seminars on such dual-use technologies. Among the projects receiving grants are demonstrations of advanced composite materials in bridge construction and radar that can provide simultaneous weather and air traffic information.

One example of the department's innovative approach to improving the nation's transportation system is the Intelligent Vehicle and Highway System program, which employs a variety of technologies to ease traffic congestion and enhance safety, the Secretary said. DOT is working closely with IVHS America, environmental groups and state and local governments on the program.

The department also is working to accelerate civilian use of the Global Positioning System (GPS), a satellite-based navigation system developed by the military. Secretary Peña said GPS will make available affordable precision navigation to aircraft pilots, motorists, transit systems and ships.

The Secretary also cited two DOT agencies, the Federal Transit Administration and Federal Railroad Administration, for their work on alternative-fuel and lightweight buses and magnetic levitation (or maglev) research.

The promotion of transportation technology is a key element in the development of an integrated National Transportation System -- "a system that achieves a balance among and within interconnected individual modes of transportation," he said.

####

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

Official Business
Penalty for Private Use \$300



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
January 27, 1994

DOT 10-94
Contact: Bill Mosley
202/366-5571

U.S. Transportation Secretary Peña Cries Foul At False Ticket Promoters

U.S. Transportation Secretary Federico Peña is proposing to expand consumer protection in the sale of certain air tour packages by insisting that operators provide any promised tickets to special events or face special penalties.

The recent problems faced by the University of Wisconsin Badger fans at the 1994 Rose Bowl triggered today's announcement that the Department is seeking comments on a proposed expansion of the rules on Super Bowl tours to cover other special events, such as NCAA Final Four and college bowl games.

"Although a vast majority of air tour operators follow the rules, we will not tolerate 'personal fouls' committed against sports fans," said Secretary Peña. "The rule we are proposing will prevent the problems suffered by Wisconsin Badger fans from being repeated in the future."

A large number of Wisconsin Badger fans who purchased air tour packages to the 1994 Rose Bowl were left without game tickets or had to pay an additional amount to receive their tickets. With the support of the Wisconsin congressional delegation, the department is working to prevent unfortunate incidents of this type from happening again.

The Super Bowl rule requires an air tour operator actually to have game tickets in hand or a written contract for the tickets before it can advertise a travel package as including tickets. Under the Super Bowl rule, persons who do not receive their promised game tickets must be refunded the entire tour price. The proposed rulemaking requirements would apply to air tours involving special events, including the Rose Bowl.

-more-

DOT offers tips for consumers seeking to purchase an air package tour to a special event:

- o Read carefully the tour brochure and any other solicitation materials.
- o Consider paying by credit card, where possible, which provides some degree of protection under fair credit practice laws.

#

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

Official Business
Penalty for Private Use \$300



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Friday, January 28, 1994

DOT 12-94
Contact: Roger P. Williams
Tel.: (202) 366-1967

DOT INSPECTOR GENERAL ANNOUNCES CONVICTION IN FALSE CERTIFICATION CASE

Inspector General A. Mary Schiavo of the U.S. Department of Transportation today announced that a Syracuse, N.Y. man has received a 14-month sentence for falsely certifying helicopter parts as being airworthy.

Robert Morse, president of Morse Aero, Inc., was sentenced in the United States District Court for the Northern District of New York on Dec. 23, 1993. The owner and operator of an aircraft repair shop near Utica, N.Y., he splice welded tips to two different helicopter blades, falsely certified them as being airworthy and falsely certified the time-in-service of those and other helicopter parts causing a "reckless risk of bodily injury," according to the prosecutor, Assistant U.S. Attorney Michael Olmstead.

Morse's conviction is the latest of 39 individuals and corporations convicted as a result of the Inspector General's nationwide effort to combat the problem of substandard, counterfeit and bogus parts in the aviation industry. Twenty-seven persons have been sentenced to 26 years imprisonment and \$23.5 million in fines, restitutions and other court ordered payments.

#



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
February 2, 1994

Contact: Jennifer Watson
202-366-4570

PEÑA STATEMENT ON AIRPORT REVENUE DIVERSION REPORT

I have long shared Congressman Carr's concerns about illegal diversion of airport revenues, and have committed this Department to enforcing laws against it. I have made this policy clear repeatedly, including in our resolution of the LAX dispute, and in the aviation strategy I announced last month, in which I reaffirmed that the Department will continue to enforce prohibitions against diversion and will scrutinize projects to ensure that they meet criteria. Further, the DOT Inspector General has been conducting an audit on airport revenue diversion, and will be concluding that work shortly. I look forward to receiving that report, and will continue to work with the Congress to ensure that laws against diversion are enforced.



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Thursday, February 3, 1994

DOT 15-94
Contact: Jennifer Watson
Tel.: (202) 366-4570
Roslyn Kaiser
Tel.: (202) 366-5571

DOT ISSUES FINAL ALCOHOL AND DRUG TESTING RULES

Flanked by safety advocates, Secretary of Transportation Federico Peña today announced final rules requiring alcohol testing programs and extension of drug testing programs for more than 7.4 million employees who perform safety-sensitive functions in transportation industries.

Secretary Peña said the new rules, mandated by Congress, will save lives and prevent injuries, a goal he called a top priority. He said the regulations are based on three principles -- safety, common sense and flexible performance-based standards.

In addition to the alcohol regulations, the department amended its current drug testing procedures and proposed to lower the random rate for drug testing to 25 percent for those industries where the positive rate for random testing has been less than 1.0 percent for two consecutive years. The present random drug testing rate is 50 percent.

Secretary Peña said, "We have built into these tough new rules clear, common sense incentives for both individual employees and transportation industries to take responsibility for achieving our common goal: dramatically reducing alcohol and drug-related safety risks. Those who do well will be rewarded with greater trust.

"We believe that these rules meet our safety goals and have appropriately balanced cost and the privacy rights of employees who are tested," he continued. "Today we are making a commitment to the American people. We will do everything we can to ensure that when your child boards a school bus the driver has not been drinking -- and that when you board a plane, or a bus or the subway -- those responsible for your safety will have strong incentives to be sober and fit for duty."

-more-

The alcohol misuse prevention requirements are generally the same for all transportation industries, with certain provisions tailored to accommodate specific needs of the different modes of transportation. Since alcohol is generally a legal substance, testing is related to the performance of safety-sensitive functions.

These employee functions are described in the rules issued by each of the DOT modal administrations: Federal Aviation Administration (FAA); Federal Highway Administration (FHWA); Federal Railroad Administration (FRA); Federal Transit Administration (FTA); and Research and Special Programs Administration (RSPA).

TYPES OF ALCOHOL TESTING. Random, with an initial testing rate of 25 percent, which can be lowered to 10 percent if data for two consecutive years show the random violation rate (tests above 0.04 and refusals to take the test) is less than 0.5 percent. The testing rate can increase to 50 percent if the violation rate is 1 percent or higher in any year. Other types of testing include pre-employment, post-accident, reasonable suspicion, return-to duty and follow-up. Random and pre-employment testing do not apply to RSPA-regulated industries.

PROHIBITED CONDUCT. An employee may not perform safety-sensitive functions while using alcohol or within four hours after using alcohol (eight hours for flight crews), or with an indicated alcohol concentration of 0.04 or greater. Refusal to submit to a required test is prohibited, as is the use of alcohol for eight hours following an accident or until tested (for employees who are required to be tested).

CONSEQUENCES. Employees who engage in prohibited conduct, including having a test result of .04 or greater, must be immediately removed from safety-sensitive functions and cannot return to such functions until evaluated by a substance abuse professional. If necessary, they must undergo rehabilitation. Such employees are also subject to return-to-duty and follow-up testing. Employees whose test result is .02 or greater but less than .04 must be removed from safety-sensitive functions for at least eight hours or until they pass another test (24 hour removal required for holders of commercial driver licenses).

UNIFORM TESTING PROCEDURES. Testing must be conducted by employers under DOT procedures to ensure accuracy, reliability and confidentiality. All testing is to be administered by breath-alcohol technicians, who must be trained in DOT procedures and in operation of evidential breath-testing devices. These devices must be on the Conforming Products List of the National Highway Traffic Safety Administration (NHTSA).

REPORTING. On Dec. 23, 1993, the department issued uniform reporting procedures (Management Information Systems - MIS) for its existing drug testing programs. Initial MIS reports must be submitted by March 15, 1995, for calendar year 1994 data. Similar MIS requirements are included in the alcohol rules. The data will be used for monitoring and enforcement, as well as to provide a basis for any adjustments to alcohol and drug random test rates.

Today's rulemaking actions include a final drug rule for the FTA, similar to the department's other drug testing rules issued in November 1988. In addition, FHWA is extending drug regulations to approximately three million intrastate drivers who hold commercial drivers' licenses, including school bus, government vehicle and motor coach drivers.

Also included in the 15 documents issued today are notices of proposed rulemaking (NPRMs) that:

- 1) Would allow blood alcohol tests for post-accident and reasonable suspicion tests when breath-testing devices are not readily available;
- 2) Propose to apply the alcohol and drug testing requirements to foreign aviation and motor carrier operations in the U.S. pending the outcome of bilateral or multilateral negotiations.

In addition, NHTSA proposes model specifications for other alcohol screening devices.

The rules generally require implementation starting Jan. 1, 1995, for large companies (with generally 50 or more safety-sensitive employees) and generally Jan. 1, 1996, for smaller companies.

Following a 1991 New York City subway crash where the operator had a .21 blood alcohol level, Congress passed the Omnibus Transportation Employee Testing Act of 1991 that directed the department to implement alcohol testing regulations to complement the department's existing drug testing requirements.

The rules will be published in the Federal Register. Copies of the rules may be obtained from the DOT Office of Drug Enforcement and Program Compliance (202) 366-3784 or by writing to Department of Transportation, Room 9404, 400 7th St. S.W., Washington, D.C. 20590.

#



U.S. Department of
Transportation
Office of the Secretary
of Transportation

Transportation Facts

Office of Public Affairs

Feb 3, 1994

Contact: Roslyn Kaiser
Tel.: (202) 366-5571
Dr. Donna Smith
(202) 366-3784

SUBJECT: FINAL REGULATIONS ON ALCOHOL AND
DRUG TESTING PROGRAMS, PROCEDURES

The department's rules on alcohol and drugs require alcohol misuse and drug use prevention and testing programs for more than 7.4 million employees with safety-sensitive responsibilities in commercial transportation industries regulated by the department's Federal Aviation Administration (FAA), Federal Highway Administration (FHWA), Federal Railroad Administration (FRA), Federal Transit Administration (FTA), Coast Guard (USCG)* and the Research and Special Programs Administration (RSPA).

The FAA, FHWA, FRA and FTA rules are required by the Omnibus Transportation Employee Testing Act of 1991 (the Testing Act). All the modes except FTA also have other statutory authority as the basis for their rules. These alcohol and drug rules expand and supplement the department's existing drug rules issued in November 1988. Here is a breakdown of categories and estimated number of employees covered by the rules:

DOT/INDUSTRY

SAFETY-SENSITIVE EMPLOYEES

FHWA/Commercial vehicle drivers	6,600,000	Holders of commercial driver licenses
FAA/Aviation	340,000	Flight crews, attendants, instructors, air traffic controllers, aircraft dispatchers, maintenance personnel, screening and ground security coordinators
FRA/Railroads	80,000	Hours of Service Act employees, engine, train and signal services, dispatchers, operators
FTA/Mass Transit	200,000	Vehicle operators, controllers and maintenance workers
RSPA/Pipelines	120,000	Operations, maintenance and emergency response personnel
*USCG/Maritime	120,000	Crewmembers operating commercial vessels
TOTAL 7,460,000		

*USCG has limited, existing rules that require drug testing and post-accident alcohol testing.

-more-

ALCOHOL REGULATIONS. The alcohol rules for DOT operating administrations are generally similar, although they may differ on specific provisions. The Common Preamble covers the general requirements for the rules.

Prohibited Conduct. Under the rules, performance of safety-sensitive functions is prohibited under these conditions:

- o While using alcohol.
- o While having an alcohol concentration of 0.04 or greater as indicated by an alcohol breath test.
- o Within four hours (eight hours for certain employees) after using alcohol.

Refusal to submit to a breath test is prohibited as is use of alcohol within eight hours after an accident or until tested (for those employees required to be tested).

Tests Required.

- o Pre-employment tests prior to first performing safety-sensitive functions (except RSPA).
- o Post-accident tests, for employees whose performance could have contributed to an accident. Accident thresholds and conditions vary by mode.
- o Random tests (except RSPA) conducted at an adjustable, performance-based rate. The initial rate of 25 percent (based on the total number of employees required to be tested) during, or just before or just after performance of safety-sensitive functions. The 25 percent rate will increase to 50 percent if the industry violation rate in any year is 1 percent or higher. It may decrease to 10 percent if the industry violation rate is less than 0.5 percent for two consecutive years.
- o Reasonable suspicion tests, based on observations made by a supervisor (trained to detect symptoms of alcohol misuse), during or just before or after performance of safety-sensitive functions.
- o Return-to-duty and follow-up tests, after evaluation or any necessary rehabilitation (minimum of six follow-up tests in first 12 months).

Consequences. Employees who violate the prohibitions would be relieved immediately from safety-related duties and could not resume these duties until they are evaluated and, if necessary, undergo rehabilitation. These employees would also be subject to return-to-duty and follow-up testing.

Because even a small amount of alcohol in an employee's system is inconsistent with safety, employees who test 0.02 or greater but less than 0.04 would not be in violation of the prohibitions but they would be removed from safety-sensitive duties for a minimum of eight hours (24 hours for commercial vehicle drivers), or until a retest shows that the alcohol concentration is less than 0.02.

PROCEDURES, Part 40, final rules, alcohol and drugs

Alcohol tests. These tests are to be conducted with evidential breath testing devices approved by the National Highway Traffic Safety Administration. For confirmation tests, additional required features provide a permanent record of the test results and the identity of the person being tested. An alcohol concentration of 0.02 or greater on a screen test would require a confirmation test.

Drug tests. In accordance with the Testing Act, FAA, FRA, FTA and FHWA require that individual urine samples for drug tests be split into a primary specimen and a secondary specimen that can be used for further testing if needed.

PROCEDURES, Part 40, NPRM, blood tests. The department proposes that, when approved breath-testing devices are not readily available for post-accident and reasonable suspicion tests, a blood test would be required for the screen/confirmation test.

MODEL SPECIFICATIONS FOR ALCOHOL SCREENING TEST DEVICES.

Another proposal details precision and accuracy requirements for disposable or portable devices that could be used for measuring alcohol in saliva, breath or other body fluids. When NHTSA approves a device with these specifications, it can be used for DOT-mandated screening tests (after DOT procedures for their use have been established).

OTHER ACTIONS.

FTA. The final drug rule is similar to the department's other drug testing rules issued in November 1988. The Omnibus Transportation Employees Testing Act specifically provided FTA with the statutory authority to implement this legislation.

FHWA. The final alcohol and drug rule covers approximately 6.6 million interstate and intrastate drivers who hold commercial driver motor vehicle licenses -- including school bus, government vehicle and motor coach drivers. This is an extension of the existing drug rules, which cover only interstate operations. The change was mandated by the Testing Act. In post-accident testing, FHWA will permit the use of police alcohol breath or blood tests in lieu of a motor carrier test where police will make results available.

Foreign operations in the United States. FAA and FHWA have issued proposed rules that would subject foreign airlines and motor carriers to the alcohol misuse and drug use rules when their employees are operating in the U.S., starting in 1996. In the intervening time, the department will try to negotiate bilateral or multilateral agreements to address this complex issue.

Uniform record keeping. Final rules on management information systems (MIS) for drug testing were issued Dec. 23, 1993. They require employers to keep records and submit reports annually by March 15 of each year, starting in 1995 for calendar year 1994. FAA, FRA and RSPA require all large companies to submit annual reports and a sample of small companies to do so. FHWA is considering a similar approach. FTA and USCG require reports from all employers.

This data will be used to evaluate the effectiveness of the programs, for enforcement, and, if the NPRM is adopted as a final rule, to make determinations on random rate adjustments. The alcohol rules published today include similar MIS requirements for alcohol testing.

The rules require implementation starting Jan. 1, 1995, for large companies (with generally 50 or more safety-sensitive employees) and generally Jan. 1, 1996, for smaller companies.

Federal employees. Alcohol testing of approximately 31,500 FAA safety-sensitive employees, including air traffic controllers and electronic technicians, is also required. This will be implemented through a departmental internal order to be issued in the future. (Drug testing of these employees is already required.)

The 15 Alcohol and Drug final rules and notices of proposed rulemaking (NPRMs) issued by the Department of Transportation will be published in the Federal Register. They are listed below in the order in which they will appear.

1. Common preamble for alcohol final rules
2. Part 40, alcohol and drug final rule, testing procedures
3. Part 40, alcohol blood testing, NPRM
4. NHTSA proposed model specifications
5. FAA alcohol final rule
6. FAA Drug NPRM
7. FAA foreign testing NPRM
8. RSPA alcohol final rule
9. FRA alcohol and drug final rule
10. FRA withdrawal of foreign testing NPRM
11. FHWA alcohol and drug final rule
12. FHWA foreign testing NPRM
13. FTA alcohol final rule
14. FTA drug final rule
15. Random testing NPRM

Copies of the rules may be obtained from the Office of Drug Enforcement and Program Compliance, (202) 366-3784, or by writing to DOT, Rm. 9404, 400 7th St. S.W., Washington, D.C. 20590.

#####



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Monday, February 7, 1994

DOT 16-94
Contact: Bill Mosley
Tel.: (202) 366-5571

CONSUMER COMPLAINTS, MISHANDLED BAGS DECLINED IN 1993

Consumers registered fewer complaints with the Department of Transportation about airline service in 1993 than the previous year and reported fewer cases of mishandled baggage, but the rate of flight delays increased slightly, according to the department's monthly Air Travel Consumer Report.

The department received 5,985 complaints from airline passengers in 1993, down from the 6,847 collected in 1992. In December, consumers filed 473 complaints, down from November's 499 but more than December 1992's total of 420.

The nation's carriers posted a mishandled baggage rate of 5.60 complaints per 1,000 passengers in 1993, compared to 1992's rate of 5.87. December 1993's rate was 6.54, up from November's 5.34 but a vast improvement over the 8.24 recorded in December 1992.

The 10 largest domestic airlines posted an 81.6 percent on-time arrival mark in 1993, down from 1992's rate of 82.3. December's on-time percentage was 78.6, not as good as November's 81.2 but well above the 73.9 rate posted in December 1992. In compiling the data, delays caused by mechanical problems are not counted.

Consumers may file their complaints by phone [(202) 366-2220] or by writing to the Office of Consumer Affairs, U.S. Department of Transportation, I-25, 400 7th St., S.W., Room 10405, Washington, D.C. 20590.

The department reminded consumers who want on-time performance data for specific flights to call their airline ticket offices or their travel agents. Such information is available on the computerized reservation systems used by these agents.

####



**U.S. Department of
Transportation**

News:

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

FOR IMMEDIATE RELEASE
Monday, February 7, 1994

DOT 17-94
Contact: Bill Mosley
Tel.: (202) 366-5571

DOT'S 1995 BUDGET BOOSTS FUNDS FOR HIGHWAYS, TRANSIT, TECHNOLOGY

The Department of Transportation's \$39.7 billion budget for fiscal year 1995 recognizes the importance of transportation to the nation's economy by increasing investment in transportation infrastructure, Transportation Secretary Federico Peña said today.

The budget also promotes safety, technology and advances President Clinton's promise to "re-invent government," Secretary Peña said.

The proposed budget is 2 percent higher than the enacted level for FY 1994 and includes more funds for highway and transit programs. It also requests a reduction of over 3,600 of DOT's full-time employees since 1993, the Secretary noted.

"This budget emphasizes fiscal discipline and represents tough choices. Most importantly, it reflects the Clinton administration's recognition that transportation investments are a key foundation to a strong and robust economy," said Secretary Peña. "This budget will advance DOT's strategic goals by promoting a transportation system that is intermodal, safe, efficient, and environmentally sound, and that serves people, communities and business."

-more-

Supporting Transportation Infrastructure Improvements

Nearly 71 percent of the budget supports infrastructure funding, up from 69 percent in 1990. It includes full funding of the core federal-aid highway program and the transit formula grant program at the levels authorized by the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). Funding for federal-aid highways totals \$20.2 billion, including \$18.3 billion for the core program. The transit formula grant program is funded at \$2.8 billion, a 20 percent increase over the 1994 enacted level. Operating assistance for urban areas totals \$600 million, a 25 percent decrease from 1994, but \$2.2 billion is dedicated to capital assistance, approximately 40 percent over the 1994 enacted level. Together, these funding proposals will provide state and local governments with \$3.6 billion more in funding for formula capital programs than in 1993.

Passenger rail programs are funded at slightly more than \$1 billion, including \$252 million for Amtrak capital assistance -- 29 percent more than 1994 -- which will allow the railroad to purchase new locomotives and passenger cars and overhaul older equipment. The budget also provides \$199 million for the Northeast Corridor Improvement Project and \$90 million for the reconstruction and expansion of New York's Penn Station, a key station in the Amtrak system. A total of \$32 million is allocated to the development of new technologies for high speed rail using existing infrastructure.

The budget maintains grants for the Airport Improvement Program at the current level of \$1.69 billion and provides a 7 percent increase, to \$2.2 billion, in the Federal Aviation Administration's Facilities and Equipment program.

Maritime Assistance

Recognizing the importance of a viable U.S.-flag commercial fleet and shipyard industry, the budget includes two key initiatives to help the maritime industry. The Maritime Security Program, funded at \$1 billion for a 10-year period, will provide payments to U.S.-flag carriers who enter the program.

The budget also includes \$50 million to fund Title XI loan guarantees for ships bought by U.S.-flag operators and for shipyard modernization. Together with \$97 million available for this program in FY 1994, the budget proposal supports more than \$1.5 billion in loan guarantees over two years.

Promoting Technology

Research and development is funded at \$692 million in the budget, an increase of 14 percent over FY 1994, and will emphasize moving people and goods more efficiently and developing new technology. The development of Intelligent Vehicle-Highway Systems is funded at \$289 million, up from \$214 million in FY 1994. The FAA's research budget is set at \$267 million, a 5 percent increase, with continued support for the development of the Global Positioning System for civilian use. The transit research budget includes continued development of an Advanced Technology Transit Bus, a lightweight, low fuel emissions vehicle. The department estimates that about \$425 million of its research and development budget could support the administration's defense conversion efforts.

Promoting Safe and Secure Transportation

The budget maintains, and in some cases increases, funding for safety programs. The Motor Carrier Safety Assistance Program, which provides grants to states for truck safety-related activities, is funded at the ISTEA-authorized level of \$83 million, up from a \$65 million level for the past three years. The pipeline safety program would increase 10 percent to \$21.2 million, including growth in state grants to \$8 million. The railroad safety program increases more than 7 percent to \$47.7 million.

Reinventing Government

"DOT will do its share to implement the recommendations of the National Performance Review and to streamline government," Secretary Peña said. The budget calls for \$432 million in outlay savings by eliminating certain highway demonstration projects, reducing the Essential Air Service program, eliminating aviation education programs, increasing fees and other actions. The boating safety and local rail freight assistance programs are eliminated, two of over 100 programs to be cut government-wide. The budget also meets the President's target by requesting 3,634 fewer full-time equivalent civilian employees, nearly 5.2 percent below the FY 1993 enacted level, exceeding the targets set by the President's executive orders. Coast Guard military personnel reductions are also proposed in line with its streamlining plans. The FAA and the Coast Guard, the department's two largest operating administrations, both plan consolidation of certain facilities and equipment to promote more cost-effective operations.

####



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Monday, February 14, 1994

DOT 19-94
Contact: Roger P. Williams
Tel.: (202) 366-1967

DOT INSPECTOR GENERAL ANNOUNCES INDICTMENT OF THREE PENNSYLVANIA COMPANIES

Inspector General A. Mary Schiavo of the U.S. Department of Transportation today announced the indictment of James D. Morrissey Jr. and three companies under his control for making false statements and claims to the Transportation Department during the construction of Section 500 of Interstate 476 in Pennsylvania, commonly referred to as the Blue Route.

Morrissey, 53, of 1328 Old Ford Road, Huntingdon Valley, Pa., and three companies he controls, James D. Morrissey, Inc., Morrissey Construction Co., Inc., and JDM Materials Co., Inc., were charged in 1989 with eight counts of mail fraud, eight counts of submitting false claims and 73 counts of making false statements. The IG's office said the charges stem from a scheme to defraud the Pennsylvania Department of Transportation (PennDot) and the U.S. Transportation Department.

The indictment alleges that Morrissey ordered his employees and an employee of a testing company, Ambric Testing and Engineering Associates, to fraudulently tamper with test samples of concrete known as project cylinders. These project cylinders were to be tested under PennDot regulations and contract specifications to determine the actual strength of the concrete from which the samples were taken.

- more -

According to the indictment, PennDot specifications and the contract for construction of the Blue Route required the project cylinders to be "field cured," which meant that the cylinders had to be placed next to the roadway where the samples were taken from. The PennDot specifications further required that the project cylinders be exposed to the same conditions as the portion of roadway they represented.

According to the indictment, Morrissey ordered the cylinders to be placed in lime water curing tanks at his Norristown plant. Curing the concrete samples in this unapproved manner caused the subsequent strength test results to be falsely inflated.

The test results were important to the federal and state departments of transportation because both relied on the test scores to determine whether or not the concrete would be acceptable and the amount of payment that would be made.

If convicted, Morrissey faces a maximum of five-years in prison and a \$250,000 fine on each count. The three companies face maximum fines of \$500,000 on each count.

The prosecution is the result of an investigation by the Office of the Inspector General. Prosecution has been assigned to Assistant U.S. Attorneys Jack Wenix and John Joseph, Eastern District of Pennsylvania.

#

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

Official Business
Penalty for Private Use \$300



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Thursday, February 17, 1994

DOT 21-94
Contact: Bill Mosley
Tel.: (202) 366-5571

DOT, DOJ END REVIEW OF
DELTA'S COMPETITIVE PRACTICES

The Department of Transportation and the Department of Justice, after reviewing Delta Airlines' competitive practices involving ValuJet Airlines, have concluded that no further pursuit of the matter is warranted at this time.

In announcing this decision, Secretary of Transportation Federico Peña said, "This administration is committed to ensuring that the antitrust laws and administrative regulations promoting airline competition are vigorously enforced. This is necessary to assure that airline consumers benefit from competition between new entrant airlines and established carriers that is intense and at the same time legal. Our departments will continue to examine competitive practices in the industry."

ValuJet Airlines, a new low-cost operator serving eight cities out of Atlanta and planning to add three more, had requested that DOT examine certain pricing practices of Delta that ValuJet considered predatory. From the beginning of ValuJet's service in late October, Delta had matched ValuJet's fare structure, which was generally a one-way fare of \$39 to \$59 for 21-day advance purchase tickets, \$69 to \$89 for seven-day advance purchases and \$79 to \$109 walkup fares, depending on the market.

As a result of Delta's actions, ValuJet claimed it experienced a marked reduction in its bookings. ValuJet believed that Delta was pricing its service below its cost for the express purpose of driving ValuJet out of business.

-more-

Secretary Peña said, "This administration will move promptly if it appears that an airline is charging unreasonably low fares in the short term in order to drive a competitor from its markets and thereby recoup its losses and more by charging monopolistic prices in the future. Such tactics are not in the long-term interests of airline passengers." He emphasized, however, that the government would take care not to chill aggressive but lawful competition by incumbent carriers against new entrants.

The Secretary noted that last year, in response to complaints by start-up carrier Reno Air of anticompetitive practices by Northwest Airlines, the department acted to ensure that the new carrier would have a chance to operate without harm from unfair competition.

####

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

Official Business
Penalty for Private Use \$300



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Thursday, February 17, 1994

DOT 22-94
Contact: Bill Mosley
Tel.: (202) 366-5571

BAN ON U.S.-VIETNAM TRANSPORTATION LIFTED

In response to President Clinton's ending of the U.S. trade embargo against Vietnam, the Department of Transportation, in conjunction with the Department of Commerce, today lifted a ban against U.S. ships and aircraft transporting goods or traveling to that country.

The two departments had previously prohibited any U.S.-documented ship or U.S.-registered aircraft from engaging in those activities. On Feb. 3, the President signed a memorandum directing the secretaries of State, Commerce and Treasury to lift the trade embargo.

Today's action is effective retroactive to Feb. 3, the time of the President's announcement.

####



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Thursday, March 3, 1994

DOT 23-94
Contact: David Sanders
Phone: 202/366-0091
or
Contact: Dennis Deuschl
Phone: 202/366-0110

SEAWAY DELEGATION TO EXPLORE NEW TRADE OPPORTUNITIES IN SOUTH AFRICA

Administrator Stanford E. Parris of the Saint Lawrence Seaway Development Corporation will lead a 14-member, U.S.-Canadian delegation of maritime, trade and investment executives next week to South Africa to promote increased trade through the St. Lawrence Seaway between that nation and the Great Lakes region of North America.

The trade mission, the Seaway Corporation's first to South Africa, will run from March 11-19 and include stops in the cities of Durban and Johannesburg. The visit is a follow-up to the first U.S. trade and investment mission led by U.S. Secretary of Commerce Ronald Brown in November 1993.

Administrator Parris explained that he is impressed with the South African economy and is interested in increasing the Seaway's presence in this rich market. The country is the gateway to all of Southern Africa, making it vital to establish a solid relationship with traders and shippers there, Parris said.

Since the United States lifted most economic sanctions against South Africa in 1991, the amount of cargoes shipped between North America and South Africa via the Seaway has been increasing. In 1992, shipments rose to 288,588 metric tons, more than twice the tonnage in 1990. In 1983 -- two years before the first sanctions -- a total of 435,083 tons of cargo were shipped.

"Steel, materials to make steel, agricultural products, wood pulp, chemicals, ores and concentrates, and foodstuffs have made up the bulk of the shipments. With intensive marketing efforts and as more sanctions are lifted, shipments could more than double the 1992 level in just a few years," Parris said.

Since 1985, the Seaway Corporation has organized 12 other trade missions in 44 cities and 29 countries.



U.S. Department of
Transportation

News:

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

FOR RELEASE FRIDAY
March 4, 1994

DOT 24-94
Contact: Ed O'Hara
Tel. (202) 366-5571

CITING GROWTH FORECAST, PEÑA AND HINSON
PUSH FOR CORPORATION TO RUN AIR TRAFFIC CONTROL

Citing forecasts of a nearly 60 percent increase in air passenger traffic in the next 12 years, Secretary of Transportation Federico Peña and FAA Administrator David R. Hinson continued their push for a government corporation to manage the nation's air traffic control system.

Peña and Hinson both spoke at the FAA's Commercial Aviation Forecast Conference in Washington. In releasing its 12-year aviation forecast, FAA predicted that by 2005, the number of air passengers will grow to 742.2 million, a 57 percent increase compared with 473.8 million in 1993.

The Secretary said the FAA's Air Traffic Control System is currently limited by a "dense tangle of rules and constraints ...for procuring new equipment, for financing itself and for hiring, training and deploying skilled personnel."

Hinson said a businesslike government corporation would free the air traffic control system from burdensome procurement, personnel and financing regulations. A government corporation "would allow us to upgrade equipment much faster, to hire people when we need to and put them where we need them," he said.

Restructuring the air traffic control system as a government corporation was a key recommendation of the National Performance Review led by Vice President Gore and of the National Airline Commission. It is also a top priority under Peña's five-point aviation strategy.

The Secretary said, "It is a tribute to the sheer dedication of FAA employees that they have managed so far to sustain their excellent safety record -- despite the outdated equipment and rigid rules they are forced to work with." He said FAA officials

(more)

are forced to operate under well-intentioned government rules that "make normal, businesslike, common sense operation nearly impossible."

Hinson said, "Burdened by federal laws and regulations, it can take up to five years to award a contract for a new piece of equipment and by the time it's fielded, the system may have already been overtaken by a new technology."

Peña said that "only bold, fundamental reform will produce real change," adding that a corporation would bring benefits for airlines, general aviation, travelers and the public.

At the conference, FAA released a 12-year aviation forecast for the years 1994 through 2005.

The forecast predicts a steady increase in FAA controller workload. At FAA airport towers, the number of takeoffs and landings is projected to rise to 73.7 million by 2005, compared with 60 million in 1993. En route traffic control centers are expected to handle 46.5 million aircraft by 2005, up from 37.5 million in 1993.

FAA projections of future growth coupled with constant technological change are a "compelling reminder that our greatest single challenge is to preserve U.S. aviation as a thriving, innovative and competitive industry," Hinson said.

The forecast also shows that international air travel is expected to outpace gains in domestic air travel, with the biggest increase expected in travel to Latin America. On the domestic side, FAA predicts a 3.4 percent growth in revenue passenger miles this year, 4.3 percent growth in 1995, and a four percent increase in 1996.

Strong growth is also expected for regional and commuter airlines. They are expected to carry 105 million passengers a year by 2005, or 14 percent of all domestic passenger enplanements. That compares with 47.2 million passengers in 1993, or 9.9 percent of all passenger traffic.

Overall, the general aviation fleet is expected to decline by 3.8 percent, but more utilization of aircraft will boost the hours flown by 12 percent over the 12-year period.

#



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Friday, March 4, 1994

DOT 25-94
Contact: Raymond DeCarli
Tel.: (202) 366-1964

DOT INSPECTOR GENERAL RELEASES
REPORT ON FAA'S ADVANCED
AUTOMATION SYSTEM PROGRAM

Inspector General A. Mary Schiavo of the U.S. Department of Transportation today announced the release of a report on the Federal Aviation Administration's (FAA) Advanced Automation System (AAS) program.

The Office of Inspector General (OIG) found that although the Defense Contract Audit Agency (DCAA) has continued to identify numerous deficiencies in International Business Machines' (IBM) cost estimating system, FAA and IBM have not taken adequate corrective action. This could result in FAA making erroneous decisions on proposals, IBM submitting inaccurate estimates at completion, and IBM or subcontractors proposing costs that may be excessive.

The OIG also found that the FAA is not providing adequate technical assistance to DCAA, which hinders DCAA's ability to reach definitive conclusions on the acceptability of IBM's methods and assumptions for proposing costs.

The OIG identified four areas which could lead to future cost growth in the AAS program. They are the planned schedule of testing, acceptance, and software updates; revised strategy to proceed with only limited consolidation of FAA facilities; the need to provide continuous operations backup capability; and other program costs such as the cost to develop and integrate other programs with AAS.

The report also identified three areas that could lead to future schedule delays. They are a tight testing schedule; adding new functional and performance requirements or modifying existing requirements; and the sale of the IBM Federal System Company.

#####



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Monday, March 7, 1994

DOT 26-94
Contact: Bill Mosley
Tel.: (202) 366-5571

DOT RELEASES MONTHLY AIR TRAVEL CONSUMER REPORT

The rate of passengers involuntarily denied boarding, or bumped, from U.S. airlines rose slightly in 1993, the Department of Transportation reported today.

According to the department's Air Travel Consumer Report, the carriers bumped a total of 50,840 passengers last year, a rate of 1.13 bumps per 10,000 passengers. This represents a slight increase from 1992's rate of 1.03, when 45,732 passengers were bumped.

Passengers who are bumped involuntarily are, with a few exceptions, entitled to financial compensation of up to \$400 if the airline does not arrange substitute transportation that is scheduled to arrive at their destination within one hour.

The report also notes that the 10 largest U.S. airlines posted a 70.5 percent on-time arrival rate in January, down from both December 1993's 78.6 percent and January 1993's 77.6 percent. In compiling the data, flight delays caused by mechanical problems are not counted.

The airlines had a mishandled baggage rate of 7.82 reports per 1,000 passengers in January, up from December 1993's 6.54 and January 1993's 7.50.

The department received 745 complaints from consumers about airline service in January, compared to 473 recorded in December 1993 and 519 in January 1993.

Consumers may file their complaints by phone [(202) 366-2220] or by writing to the Office of Consumer Affairs, U.S. Department of Transportation, I-25, 400 7th St., S.W., Room 10405, Washington, D.C. 20590.

The department reminded consumers who want on-time performance data for specific flights to call their airline ticket offices or their travel agents. Such information is available on the computerized reservation systems used by these agents.

####



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Tuesday, March 8, 1994

DOT 27-94
Contact: Lawrence H. Weintrob
Tel.: (202) 366-1992

DOT INSPECTOR GENERAL ANNOUNCES RELEASE OF TWO FAA AUDIT REPORTS

Inspector General A. Mary Schiavo of the U.S. Department of Transportation today announced the release of two audit reports on the Federal Aviation Administration's (FAA) Certification and Surveillance of Domestic and Foreign Repair Stations and FAA's Parts Manufacturer Approval Process. The Office of Inspector General (OIG) said both audits have significant findings concerning suspected unapproved aircraft parts.

The OIG, after auditing both domestic and foreign repair stations, concluded that FAA approved repair stations performed repairs for U.S. registered aircraft using aircraft parts of unknown design, quality and origin, and may not have been in compliance with federal maintenance regulations.

The OIG also determined that FAA approved repair stations were using outdated repair manuals, substitute parts not approved by manufacturers and parts repaired by subcontractors not approved by the FAA. Of the aircraft parts sampled at repair stations reviewed by the OIG auditors, 43 percent of all newly purchased parts and 95 percent of parts purchased from distributors or brokers did not have reasonable evidence of being approved parts and were suspected of being unapproved parts.

As a result, aircraft owners and operators do not have reasonable assurance that the aircraft maintenance and repair work conforms with FAA aircraft airworthiness certificate requirements to ensure safe operation.

The OIG's survey report on the Parts Manufacturer Approval (PMA) process identified a systemic problem of manufacturers producing and selling replacement aircraft parts outside the FAA criteria. The OIG determined that inventories of aircraft parts were contaminated with parts of unknown origin and unknown quality. The report also identifies problems with scrap parts contaminating the parts supplies.

FAA's listing of approved parts manufacturers also was incomplete and inaccurate, making it difficult or impossible for purchasers to conclusively distinguish between approved and unapproved parts. The OIG also found the list to be inaccurate for 75 percent of the parts tested and suggests that the FAA develop a better way to provide comprehensive information on PMAs to the public.

These audits are the seventh and eighth in a series of OIG reports examining FAA's oversight of aviation maintenance and enforcement of requirements prohibiting the use of unapproved parts on aircraft. The other OIG audits include a report on FAA's Surveillance of Foreign Manufactured Aircraft Parts, an audit of the FAA's own aircraft parts inventory, helicopter inspection and the presence of bogus parts, and a review of the FAA oversight of designated mechanics examiners.

The OIG will soon release a study of the FAA's ability to respond quickly to reported aircraft maintenance and design problems. To date, Inspector General criminal investigations concerning bogus parts in aviation have resulted in 83 indictments -- 31 since the beginning of FY 1994 (Oct. 1, 1993) -- 40 convictions, 29 years of imprisonment and \$24 million in fines and restitutions. OIG investigations concerning over 100 additional bogus parts cases are ongoing.

#

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

Official Business
Penalty for Private Use \$300



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Thursday, March 10, 1994

DOT -94
Contact: Bill Mosley
Tel.: (202) 366-5571

HIGHWAY SAFETY CRITICAL
TO HEALTH CARE, PEÑA SAYS

Efforts to reduce the number of injuries and deaths caused by highway accidents play a major role in controlling health care costs, Secretary of Transportation Federico Peña said today.

The Secretary, speaking at the Lifesavers 12 Symposium in Washington, said the department's National Highway Traffic Safety Administration estimates that "the total lifetime economic cost to American society of motor vehicle injuries, fatalities and property damage in the year 1990 alone was \$137.5 billion. Of that, American taxpayers will pay \$11.4 billion in health costs, lost tax revenues and increased public assistance."

He continued: "Transportation injuries cost even more than fatalities do -- because they necessitate long hospital stays, higher cost of care, often long-term disabilities and heavy public assistance burdens. And for each transportation death, 14 persons are hospitalized and 136 more are injured. Clearly, we have a great deal to gain in terms of lives saved, suffering avoided and sheer dollars saved -- by pressing forward on highway safety."

Secretary Peña said the fight for highway safety and President Clinton's Health Security Plan both stress the importance of prevention. The President's plan makes routine care available "so that people not covered by insurance today can be treated early -- instead of waiting until their conditions become life-threatening and hugely expensive," he said.

-more-

The Secretary pointed to improvements that have already been made in highway safety, with reductions in the auto fatality rate since 1966 saving more than 800,000 lives. "Traffic safety has gained tremendous momentum because of the work of citizens groups that have risen up to demand strict law enforcement and safer vehicles," he said.

The department has set a goal of reducing alcohol-related fatalities from 45 to 43 percent of crash deaths and increasing safety belt use to 75 percent by 1997. Achieving these goals will save 2,900 lives and over \$250 million in publicly funded health care costs each year, the Secretary said.

Safety belt use has increased from 11 percent in 1982 to 66 percent today because of public information, education and enforcement, Secretary Peña said. He added that the requirement that all model year 1998 passenger cars and 1999 vans and light truck have automatic crash protection will bring even more gains in auto safety.

####

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

Official Business
Penalty for Private Use \$300



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Friday, March 11, 1994

DOT 29-94
Contact: Bill Mosley
Tel.: (202) 366-5571

U.S., U.K. RESOLVE AIRPORT
FEE DISPUTE; U.K. AGREES TO PAY
\$29.5 MILLION SETTLEMENT

The governments of the United States and United Kingdom today announced that they had completed the settlement of a long-standing dispute regarding overcharges to U.S. carriers at London's Heathrow Airport between 1983 and 1989.

According to the terms of the settlement, the U.K. has agreed to pay the U.S. government \$29.5 million in damages. In addition, the charging system at Heathrow will be changed to be more equitable to U.S. carriers.

The settlement was reached after an international arbitration panel ruled that the U.K. had failed to use its best efforts to ensure that charges at Heathrow were just and reasonable. The settlement, reached after five months of intensive negotiations, ends five years of litigation over the fee system at Heathrow, which followed five years of attempting to resolve the problem through negotiations.

In addition to the cash payment and reforms in the airport's fee system, the U.K. also agreed to drop claims it had filed against the U.S. regarding charges at U.S. airports. The U.S. agreed to encourage its airports to consult with airline users in setting airport fees.

The United States initiated the arbitration in 1988 because it believed that the British government had not adequately supervised the operator of Heathrow Airport, permitting it to impose charges on U.S. airlines that were excessive and discriminatory. The charging system was originally implemented in 1980. Although some changes were made in 1983 after the U.S. airlines brought suit in British courts, the system remained unsatisfactory and a focus of intergovernmental dispute, culminating in the U.S. demand for arbitration.

####



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Tuesday, March 15, 1994

DOT 30-94
Contact: Jim Cullinan
Tel.: 202/366-5563

Peña and Babbitt Join Together To Reduce Noise at National Parks

U.S. Transportation Secretary Federico Peña and Interior Secretary Bruce Babbitt today announced their intention to press forward in limiting noise from air tours at the Grand Canyon and Hawaii as well as other national parks. Both secretaries said this reflects the Clinton Administration's strong commitment to the environment.

"I believe transportation policies can help protect our environment, our national treasures and our communities," Secretary Peña said. "The air tour industry is important, and we believe it can thrive while reducing noise which disrupts the beauty and serenity of our national parks. After all, if we can't enjoy peace and quiet in our national parks, where can we?"

"This is an effort to solve a problem that would only grow worse without action," Secretary Babbitt said. "What unites us here is the shared belief that our national parks are special places, important to us all. While Americans may choose different ways of experiencing the parks, we cannot permit any one set of activities to diminish the others. The park experience -- no less than the physical resources -- must endure."

Under today's announcement, the two departments will work jointly to develop measures, voluntary and regulatory, to reduce the impact of overflights. The Advanced Notice of Proposed Rulemaking published by the Federal Aviation Administration (FAA) and the National Park Service, is the first joint proposal between the two agencies. Possible options to alleviate the noise problem include: a noise budget, which would set specific limits for the total noise impact a tour operator could generate; flight-free hours or days; and airspace regulations including setting standards for routes and minimum altitudes.

Federal Aviation Administrator David Hinson noted that several major operators had recently entered into a voluntary agreement with Arizona Governor Fife Symington to limit the number of operations over the Grand Canyon. In support of this

-more-

effort, the FAA will monitor flights over Grand Canyon National Park for the duration of this agreement.

"The FAA will be looking for the first time at the voluntary number of flights agreed to by the tour operators," said FAA Administrator Hinson. "We will be doing business a new way, and we believe we can provide air access to these great natural resources while ensuring a quality experience for park visitors."

"This new initiative marks a major change in direction, particularly for the Department of Transportation," said Tom Jensen, Executive Director of the Grand Canyon National Trust. "Secretary Peña has done something remarkable, he has personally modernized a key aspect of departmental policy to catch up with the public's demand for environmental protection."

The advanced notice of proposed rulemaking went to the Federal Register on Monday, March 14, 1994. The FAA and National Park Service will receive public comments for 90 days, and they will use these comments to formulate measures for reducing flight noise at national parks.

The problem of flight noise at the Grand Canyon and other national parks has existed for some time. The departments of Interior and Transportation have held lengthy discussions on this issue, and an interagency working group was formed in December 1993, to find a solution to this problem. This announcement represents a significant step between the departments of Interior and Transportation on this issue.

#

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

Official Business
Penalty for Private Use \$300



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Wednesday, March 16, 1994

DOT 31-94
Contact: Roger P. Williams
Tel.: (202) 366-1967

DOT INSPECTOR GENERAL ANNOUNCES
GUILTY PLEA IN BOGUS PARTS SCHEME

Inspector General A. Mary Schiavo of the U.S. Department of Transportation today announced that Gary Shafer of Oceanside, N.Y., pleaded guilty on March 11 to one count of an eight count indictment charging him with selling counterfeit bushings for jet engines.

The eight count indictment, which led to Shafer's arrest by agents of the Office of Inspector General (OIG), was filed on Feb. 22, 1993. The indictment was the result of an 18-month investigation by the OIG's New York Regional Office in conjunction with the Office of the United States Attorney, Eastern District of New York, in Brooklyn, N.Y. Shafer was charged with selling counterfeit spacers, bushings and rings between Jan. 10 and Sept. 24, 1989.

Shafer faces a maximum fine of \$1 million or imprisonment of up to five years, or both. Leonard Wexler, United States District Court Judge for the Eastern District of New York, who accepted Shafer's plea, has not set a sentencing date.

#



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Thursday, March 17, 1994

DOT 32-94
Contact: Bill Mosley
Tel.: (202) 366-5571

DOT RELEASES ACTION PLAN FOR ISTEA IMPLEMENTATION

In response to comments by state and local transportation officials, the Department of Transportation has developed a plan of action to improve the implementation of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA).

"This action plan is designed to foster more effective collaboration between federal, state and local governments," Secretary of Transportation Federico Peña said. "These intergovernmental roles are essential to the successful implementation of ISTEA and the development of transportation into the 21st century."

ISTEA, which authorizes federal highway, mass transit and highway safety programs through fiscal year 1997, provides greater flexibility in the use of surface transportation funds. At the same time, it requires state and local officials to consider alternative modes of transportation and intermodal connections when making transportation plans.

Last fall, Secretary Peña arranged a series of 10 roundtable sessions across the nation to enable state and local officials to advise the department how well the ISTEA process is working. "These outreach meetings offered a significant opportunity for us to listen to all our customers in one forum, but were especially designed for those who are new to the federal transportation decisionmaking process," Secretary Peña said.

DOT's action plan, which addresses the comments aired in the meetings, includes the following tasks:

-more-

o Increase investment in transportation -- President Clinton's fiscal 1995 budget proposes full funding of ISTEA formula capital programs for highways and transit. In addition, DOT will create a task force on innovative financing, and will work with state and local governments to develop financing techniques..

o Expand education and outreach -- DOT organized an ISTEA Training Summit, held March 16-17 in Washington, to provide information to federal, state and local officials involved in ISTEA implementation. It will also develop ongoing educational programs.

o Develop a National Transportation System (NTS) -- While working to promote enactment of the National Highway System legislation currently pending before Congress, the department will initiate a public outreach program to broaden understanding and refine the concept of the NTS. This would incorporate the most significant elements from the nation's transportation system.

o Closer cooperation with EPA -- DOT and the Environmental Protection Agency, along with representatives of state and local governments, will discuss how cooperation can be improved between the two agencies and their mutual customers.

o Simplify regulations -- A task force will examine how highway and mass transit regulations can be simplified or eliminated.

o Improve access to health care in rural areas -- The department's Federal Transit Administration will work with the Department of Health and Human Services to integrate health care transportation needs into existing rural and tribal transportation programs.

o Encourage supportive land use policy -- DOT, together with the Department of Housing and Urban Development, state and local governments and the planning and design community, will convene an action group to promote land use policies that discourage sprawl, concentrate new development in patterns that support travel by foot, bicycle or mass transit and revitalize areas through people-oriented rather than auto-oriented design.

Copies of the report, "ISTEA Regional Roundtable Report and Action Plan," may be obtained by calling the DOT Office of Governmental Affairs, (202) 366-1524.

####



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Friday, March 18, 1994

DOT 34-94
Contact: Hal Paris
Tel.: (202) 366-5571

U.S. - GERMANY SIGN
MEMORANDUM OF UNDERSTANDING

Secretary of Transportation Federico Peña today announced that the United States and Germany have signed a Memorandum of Understanding (MOU) that has the potential to substantially expand the bilateral aviation relationship between the two countries.

"This new arrangement represents a significant improvement over the terms of last September's interim bilateral agreement and will provide wide-ranging service opportunities for U.S. airlines and consumers during a four-year transitional period," Secretary Peña said.

The Secretary said the MOU "moves both nations closer to an open skies agreement." The September arrangement established an open skies regime for scheduled cargo services for the carriers of both countries. Under this MOU, a working group consisting of representatives from the two governments will meet by May 15, 1994 to begin developing the details of a more liberal agreement for all services.

The basic U.S.-Germany bilateral agreement already is one of the most liberal with a major aviation partner. It has not, however, provided for code-sharing, by which one airline offers service on the aircraft of another airline that is also serving the route.

By providing for additional code-sharing operations, the MOU will permit a wide variety of new services by U.S. carriers between the United States and Germany and beyond to many other countries, including markets that generate too little traffic to support service by a U.S. airline using its own aircraft.

-more-

The 1993 arrangement limited growth for U.S. carriers in the German and third-country markets over a four-year period. However, current levels of U.S. airline operations between the United States and Germany will continue during this period. Secretary Peña said this MOU expands these provisions by creating new U.S. rights that include:

- o Two U.S. carriers will be permitted to offer service to Germany by code-sharing with third-country airlines via an intermediate point, starting in November of this year. (Northwest is currently offering such service in conjunction with KLM.)
- o United Airlines will be permitted to offer additional service into Germany by code-sharing with British Midland.
- o The United States will receive additional frequencies to carry local traffic on routes between third countries and Germany.
- o U.S. carriers will now be able to perform services already authorized by using code-share arrangements, rather than having to use their own aircraft.
- o U.S. carriers will have substantial new opportunities to serve markets beyond Germany (e.g., eastern Europe, Middle East, etc.) by code-sharing with third-country carriers.
- o U.S. carriers can code-share with German carriers to carry U.S.-Germany traffic between points within Germany.

The MOU also resolves operational problems that Northwest and Delta have been experiencing in serving Germany and provides for expeditious consideration of the unapproved portions of a joint application submitted by United Airlines and Lufthansa to enter into code-sharing services.

#

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

Official Business
Penalty for Private Use \$300



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Monday, March 21, 1994

DOT 37-94
Contact: Lawrence H. Weintrob
Tel.: (202) 366-1992

DOT INSPECTOR GENERAL RELEASES
REPORT ON FAA'S MANAGEMENT OF
GOVERNMENT OWNED VEHICLES

Inspector General A. Mary Schiavo of the U.S. Department of Transportation today announced the release of a report on the Federal Aviation Administration's (FAA) Management of Government Owned Vehicles.

The Office of Inspector General (OIG) concluded that leasing vehicles from the General Services Administration (GSA) is more cost effective than commercial leasing for long term vehicle requirements. The OIG determined, however, that improvements are needed in FAA's management of leased vehicles, including pooling and more effective use of short term rentals and privately owned vehicles as alternatives when unexpected needs arise.

As of September 1992, FAA leased a total of 4,616 vehicles from GSA. During fiscal year 1992, the OIG found that 2,966 (64 percent) of FAA's leased GSA vehicles were under-utilized under requirements contained in the GSA's Federal Property Management Regulations and applicable Department of Transportation orders.

The OIG auditors also found that 70 percent of the vehicles they checked were retained without adequate justification or other documentation of need. The OIG said requests for new vehicles were not adequately supported and privately owned vehicles were used when government owned vehicles were available.

Because management of government owned vehicles was not sufficiently emphasized, FAA was wasting as much as \$4.4 million annually on under-utilized leased vehicles, the OIG said.

#



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Monday, March 21, 1994

DOT 38-94
Contact: Roger P. Williams
Tel.: (202) 366-1967

DOT INSPECTOR GENERAL ANNOUNCES
SENTENCE IN BOGUS PARTS SCHEME

Inspector General A. Mary Schiavo of the U.S. Department of Transportation announced today that Oscar Almaguer of Classic Aviation, Inc., in Hialeah, Fla., has been sentenced to 24 months in prison followed by 36 months of supervised release for pleading guilty on Jan. 11 to one count of wire fraud.

Almaguer, a former assistant secretary of Classic Aviation, was sentenced on March 10 in the U.S. District Court for the Southern District of Florida with improperly repairing and selling starters, alternators and constant speed drives.

The Office of Inspector General's Atlanta Regional Office conducted an 18-month investigation into the activities of Almaguer and other Classic Aviation officials. The investigation disclosed that Almaguer and others persuaded employees at various Federal Aviation Administration certified air repair stations in south Florida to fraudulently repair and overhaul aircraft components and certify them as meeting manufacturer's specifications. Almaguer and Classic then marketed them as legitimate items.

#####



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Wednesday, March 23, 1994

DOT 39-94
Contact: Roger P. Williams
Tel.: (202) 366-1967

DOT INSPECTOR GENERAL ANNOUNCES INDICTMENT IN AIRCRAFT PARTS KICKBACK SCHEME

Inspector General A. Mary Schiavo of the U.S. Department of Transportation today announced that Guy Tamburello of Kansas City, Mo., has been charged in a three count indictment with making kickback payments to airline industry personnel in an effort to obtain business for RSBI Aerospace, Inc.

The indictment charges that Tamburello, 30, a former sales executive for RSEI Aerospace, Inc., of Blue Springs, Mo., conspired with other executives and employees of the company to provide cash kickback payments to purchasing agents in the airline industry. In return, the purchasing agents would buy aircraft parts from RSBI. Two other RSBI employees already have pleaded guilty to related charges.

Tamburello is specifically charged with making kickback payments to purchasing agents for Pan American World Airways and American Trans Air. The indictment alleges that other commercial airlines who were victimized by the scheme included Greenwich Air Services, Transbrasil Airlines and Dowty Aerospace.

The indictment was the result of a two-year investigation conducted by the Chicago Regional Office of the Inspector General and the Bureau of Alcohol, Tobacco and Firearms. The case is being prosecuted by the U.S. Attorney's Office for the Western District of Missouri. Each violation carries a maximum term of five years and/or a fine of \$250,000.

#####



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Monday, March 28, 1994

DOT 40-94
Contact: Roger P. Williams
Tel.: (202) 366-1967

DOT INSPECTOR GENERAL CHARGES FOUR TRUCKING FIRM OWNERS WITH MAIL FRAUD

Inspector General A. Mary Schiavo of the U.S. Department of Transportation today announced that the owners of four Duluth, Minn., trucking firms have been charged with mail fraud. They are accused of falsifying payroll records for work done on highway, bridge and tunnel construction projects on the \$47 million, 90 percent federally-funded Interstate Route 35 near Duluth.

The charges were filed by the U.S. Attorney for the District of Minnesota against Terry Lucia, 44, owner of Lucia Trucking; Mark Gerard, 42, and Karol Gerard, 41, owners of Specialized Haulers, Inc., (formerly Gerard Trucking and Blacktop); Virginia Baker, 65, president of V. Baker Trucking Inc., and Richard Kelly, 43, former president of the now defunct Kelly's Trucking, Inc.

The four companies had employees working on I-35 construction projects for which federally mandated wage rates -- sometimes called "prevailing wages" -- applied. Instead of the employees receiving the prevailing wages, they were paid substantially less and the owners then falsified payroll records to the Minnesota Department of Transportation (MNDOT).

In some cases, the prevailing wage was as much as \$17.50 per hour and included fringe benefits. Some employees were paid as little as \$7.50 per hour while others were without health benefits. The amount drivers were underpaid is approximately \$40,000.

- more -

Some of the truck drivers allege they were told to kickback part of their wages, but most were subject to "indirect" kickbacks when the employers automatically withheld portions of their wages. Other drivers were told to lie to transportation inspectors about the wages they received and, in some instances, threatened with loss of their jobs if they failed to do so.

Business records supporting some of the charges were seized by the U.S. Department of Transportation Office of Inspector General (OIG) and Federal Bureau of Investigation (FBI) agents who executed search warrants at the homes of three defendants in May 1993.

Each of the defendants faces up to five years in prison and/or a \$250,000 fine and restitution to their employees.

The case is the result of an 18-month investigation by the OIG, FBI and MNDOT. Assistant U.S. Attorney Mark R. Pitsenbarger is prosecuting the case.

#

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

Official Business
Penalty for Private Use \$300



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Tuesday, March 29, 1994

DOT 41-94
Contact: Richard Mintz
Tel.: (202) 366-4570

DOT OFFERS ATX NEW HEARING

In an effort to avoid the appearance of bias or partiality and to assure public confidence in the integrity of the decision process, the U.S. Department of Transportation today offered to conduct a new hearing for ATX Inc. to determine its fitness to operate a scheduled airline. While rejecting ATX's allegations that DOT's review of its license application had been subject to bias or prejudice, the Department is proposing a new hearing in order to "assure against the appearance of bias or impropriety."

ATX had alleged that an attorney on DOT's Public Counsel staff has a brother who is a member of the Airline Pilots Association, which opposed ATX's application, and that this relationship had prejudiced the fairness of the department's review process. As a result of this allegation, the department asked its Inspector General to review these charges. After conducting an investigation, the IG concluded that "there was no evidence that the attorney concerned exhibited any bias or lack of impartiality" and that there was "no evidence of actual bias or lack of impartiality in the conduct of the ATX proceeding."

But the IG did express concern that the relationship was not disclosed to the parties at the outset. To remedy this, the IG recommended that ATX be given a new fitness hearing in order to "assure against the appearance of bias or impropriety created by the failure to disclose."

"The Department insists that all of its employees participating in formal hearings comport themselves in accordance with the highest standards of professional ethics," said today's order signed by Patrick Murphy, Acting Assistant Secretary for Aviation and International Affairs. "The fact that information was not disclosed to the parties in this case may undercut the confidence that the public has in the overall conduct of the Department's administrative proceedings, despite our conclusion that no prejudice or partiality resulted from the failure to disclose this information in this particular instance."

-more-

In offering ATX a new hearing, DOT indicated that the proceeding would be heard over again ("de novo"), given a new docket number, and assigned to a different Administrative Law Judge. Further, to the extent that Public Counsel would participate in the new hearing, it would be represented by a different set of individuals.

To gain a new hearing, ATX must waive the statutory deadline of April 5th that has been imposed on the Department for reaching a final decision in the fitness case. Should ATX not waive the deadline by noon on Friday, April 1, the Department will issue its final decision by April 5th. The department also granted that part of ATX's request that Public Counsel's briefs to the department be stricken from the record.

The Public Counsel staff is a body established to participate as an independent party in formal aviation hearing cases, such as the ATX case. The Public Counsel is not permitted to communicate with the DOT decisionmaker except through pleadings filed in the public record. Public Counsel acts independently of the decisionmaker and the DOT General Counsel in all its actions and filings.

ATX is proposing to operate jet service from the Washington/Baltimore area. The department has already concluded the initial hearing phase of this case. DOT Administrative Law Judge Robert L. Barton Jr. has recommended that ATX be found unfit, in part because of the involvement of Frank Lorenzo in the airline's operations. Lorenzo was previously a principal in Continental Airlines and Eastern Air Lines. The judge's recommendation is currently under review by the department.

#

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

400 Seventh St., S.W.
Washington, D.C. 20590

Official Business
Penalty for Private Use \$300



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Wednesday, March 30, 1994

DOT 43-94
Contact: Ed O'Hara
Tel.: (202) 366-5571

DAYLIGHT TIME BEGINS SUNDAY,
APRIL 3, FOR MOST AMERICANS

Americans will get an extra hour of daylight in the evening when daylight saving time returns to most of the nation at 2 a.m. Sunday, April 3. Clocks will be set forward one hour.

Under provisions of the Uniform Time Act, daylight saving time is observed from the first Sunday in April to the last Sunday in October. Next fall, the nation will return to standard time on Sunday, Oct. 30.

The federal law does not require any area to observe daylight saving time. But if a state chooses to observe daylight time, it must follow the starting and ending dates set by the law.

In those parts of the country that do not observe daylight time, no resetting of clocks is required. Those states and territories include Arizona, Hawaii, the part of Indiana located in the Eastern Time Zone, Puerto Rico, the Virgin Islands and American Samoa.

#



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Wednesday, March 30, 1994

DOT 44-94
Contact: Roslyn Kaiser
Phone: (202) 366-5571
Dr. Donna Smith
(202) 366-3784

DOT TO HOLD CONFERENCES ON DRUG AND ALCOHOL RULES

The U.S. Department of Transportation is sponsoring four conferences designed to help employers in transportation industries implement new drug and alcohol rules.

The drug and alcohol regulations, issued by the department Feb. 15, 1994, affect more than 7.4 million employees who perform safety-sensitive functions.

Discussions at the conferences will cover the DOT alcohol and drug testing procedures and the extension of drug testing requirements to the transit industry and commercial driver's license holders.

Key agenda items include compliance and enforcement; random testing rates; employee confidentiality; prohibited conduct and consequences; employee return to duty; and requirements for reporting and record keeping, and education and training.

Representatives from the Office of the Secretary, the Federal Aviation Administration, the Federal Highway Administration, the Federal Railroad Administration, the Federal Transit Administration and the Research and Special Programs Administration will conduct sessions on the requirements for the employers they regulate.

The four conferences will be held in Washington, D.C., May 4-5; San Diego, May 16-17; Dallas, June 9-10; and Chicago, June 14-15.

To register or receive more information write to Rii, Inc., 1010 Wayne Ave., Suite 300, Silver Spring, Md. 20910, or call (301) 565-4048 or fax, (301) 587-4138.

#