



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Monday, April 3, 1995

DOT 60-95
Contact: Bill Mosley
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MORE CHALLENGES AHEAD IN EFFORT TO SAVE LIVES, SECRETARY PEÑA SAYS

The government and the nation's safety community have made substantial progress in making our highways safer, but many challenges remain, Secretary of Transportation Federico Peña said today.

In an address in Indianapolis to "Lifesavers 13," a national conference on highway safety, Secretary Peña reviewed progress on improving highway safety, discussed ways to meet the continuing challenges, and outlined how the planned restructuring of the Department of Transportation will enhance its safety role.

The Secretary noted that his goal of reducing the number of alcohol-related fatalities from 46 percent of total highway deaths to 43 percent by 1997 already has been achieved two years ahead of schedule, with alcohol-related deaths down to 42 percent last year. And the rate of safety belt use in 1994 was 67 percent, up from 60 percent two years ago and well on the way to the goal of 75 percent by 1997.

"But even as we celebrate this progress, we must recognize that we face continuing challenges," Secretary Peña said. "Far too many Americans still die in alcohol-related crashes on our roads and highways. Far too many Americans die because they aren't wearing safety belts." He added that the highway fatality rate, which had been falling since the late 1960s, has leveled off and continuing increases in total travel have pushed the number of deaths up slightly.

"This is not acceptable," the Secretary said. "I want to see the number of fatalities drop, and I also want to see the fatality rates drop so that our highway system becomes safer even as more people use it.

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"I may sound impatient, but when it comes to saving lives, patience isn't a virtue," he said.

He noted that at February's "Partners in Progress" meeting, the department set a new goal: to cut alcohol-related fatalities to 11,000 a year, or 30 percent of total fatalities. He also called for strengthened efforts to increase safety belt use through education, enforcement and new federally-sponsored programs.

"It's clear that we've already reached the many millions of Americans who are responsible and who take steps every day to protect themselves and their loved ones," Secretary Peña said. "Future progress has to be made by reaching those who are not getting the message, either literally or figuratively. These people are problem drinkers who won't stop, teenagers who think they're immortal, and those who resist using safety belts or motorcycle helmets."

Secretary Peña said that strategies to make the highways safer must include "public education and the targeting of at-risk groups like problem drinkers and young adults, tough laws such as .08 blood alcohol limits, administrative license revocation, zero tolerance of alcohol under 21, safety belt and helmet laws, proper enforcement of speed limits and other traffic laws, and highways and vehicles designed with safety in mind."

He added that new partnerships for highway safety are needed, including "groups that have a direct stake, such as employers facing high health costs and lost productivity." Health care costs due to highway crashes now total \$14 billion annually, he noted.

The proposed consolidation of DOT's 10 operating administration's into three -- in which highway programs will fall under the new Intermodal Surface Transportation Administration (ITA)-- "strengthens the connection between safety and infrastructure," the Secretary said. The ITA will promote highway design that improve safety, and enhance the department's ability to improve safety across modes, such as at highway-rail grade crossings. The other agencies in the restructured department will be the Federal Aviation Administration and the U.S. Coast Guard.

Secretary Peña noted that the President's proposed fiscal 1996 budget calls for a 29 percent increase in highway safety grants, a 15 percent boost in motor carrier safety grants and full funding of Section 402 grants which fund the department's "Safe Communities" program.

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

DOT TO EXAMINE AIRPORT LANDING FEES IN LOS ANGELES, PUERTO RICO

The Department of Transportation will examine complaints by airlines about the reasonableness of airport landing fees at Los Angeles International Airport and at two airports operated by the Puerto Rico Ports Authority.

The airlines claim that the fee increases are excessive and unjustified by the airports' costs. Los Angeles and the Puerto Rican authority both contend that their fees are reasonable and lawful.

These investigations will be the first cases heard under new rules for handling such disputes which were published by the department in February. Those rules implement a statute enacted last August which directs the department to decide in expedited proceedings whether new or increased airport fees imposed on airlines are reasonable.

Each case will be heard by a DOT administrative law judge who must issue a decision by June 1. The department has decided to review the judges' decisions and will issue its final decisions in the two cases by June 30.

On March 2, the Air Transport Association and 16 airlines asked the department to review the July 1993 increase in landing fees at Los Angeles International Airport which tripled the fees for most carriers. At that time, the airlines challenged the fees in court and refused to pay the increases. When the city then threatened to bar those carriers refusing to pay the higher fees from the airport, Secretary of Transportation Federico Peña and other DOT officials helped to negotiate an interim agreement in December 1993.

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Under that agreement, the airlines agreed to pay the fees under protest while challenging their legality, and Los Angeles agreed to refund any part of the fees that might be found unlawful. On Aug. 24, 1994, Congress enacted the Federal Aviation Administration Authorization Act which gives airlines the opportunity to obtain an expedited decision in such disputes, and on March 3 the airlines asked the department to use that law to determine the reasonableness of the Los Angeles fees.

On March 3, five carriers filed a complaint against the Puerto Rico Ports Authority over increased landing fees at Luis Muñoz Marín International Airport in San Juan and Mercedita Airport in Ponce. The ports authority increased the fees on Jan. 1. The complaining carriers asked the department to determine under the new expedited procedures whether the fees are reasonable.

Under the new law and DOT procedural rules, the department had thirty days to determine whether the complaints against Los Angeles and the Puerto Rico Ports Authority constitute a significant dispute. The department has concluded that the disputes are significant and are the kind of disputes that Congress intended to be heard under the new statute. DOT is obligated to assign the cases to administrative law judges for hearing. The judge in each case will have 60 days to issue a recommended decision, after which the department has 30 days to issue a final decision to meet the statutory requirement that a final decision be issued within 120 days of the filing of the complaints.

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<http://www.dot.gov/affairs/index.htm>*

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News:

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

FOR IMMEDIATE RELEASE
Thursday, April 6, 1995

DOT 62-95
Contact: Bill Schulz
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REORGANIZATION PLAN REPOSITIONS
DOT FOR NEXT CENTURY, SAYS PEÑA
Proposal Enables Department to Serve
Customers Better, Down-size Prudently

Legislation transmitted to Congress today proposes a comprehensive reorganization of the Department of Transportation that will enable it to meet future challenges, serve customers better and facilitate prudent down-sizing, Transportation Secretary Federico Peña announced in a briefing for reporters.

The legislation will consolidate the department's 10 separate agencies into three units, including the Federal Aviation Administration (FAA), Coast Guard and new Intermodal Transportation Administration (ITA). The key goals of the plan are to eliminate the need to have multiple administrative operations -- such as personnel, procurement and budget -- serving the existing 10 modes, and to provide DOT's customers in state and local government and private industry with "one-stop shopping."

"Now is the time to reposition the DOT for the 21st Century. We can either make the right choices to reposition ourselves, or we can watch as the forces of change run over us," said Secretary Peña. "With the demand for transportation increasing and funding levels frozen or slipping, we need to decrease the size of administrative bureaucracy and put more of our resources into better serving our customers -- the American people and businesses in which they work."

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Secretary Peña was joined by Deputy Secretary Mortimer Downey and representatives of private and public sector transportation interests. Among those speaking in support of the department's proposal were James Burnley, former U.S. Secretary of Transportation; Robert D. Krebs, Chairman, President and Chief Executive Officer of the Santa Fe Pacific Corporation; and Wayne Shackelford, Commissioner of the Georgia Department of Transportation and President of the American Association of State and Highway Transportation Officials (AASHTO).

Krebs, who also served as Chairman of the National Commission on Intermodal Transportation, said, "The modal structure of DOT has been a barrier to achieving the full potential of our nation's transportation system. The legislation proposed by Secretary Peña will go a long way toward ensuring modal coordination and improving transportation service and efficiency."

Secretary Peña also announced that legislation transferring the air traffic control responsibilities of the Federal Aviation Administration to an independent governmental corporation has been transmitted to Congress. The legislation is designed to solve the personnel, procurement, budget and finance restrictions that has fed bureaucratic inertia and hindered modernization of technology.

In testimony before the Senate last year, former Secretary of Transportation Jim Burnley said, "I do feel as if I am in a time warp, because the Clinton Administration's proposal to transfer the air traffic control system to a government-owned corporation is very similar to the recommendation of a DOT/FAA working group on FAA reform which I created in 1988. I strongly supported the concept then, and I was quite frustrated that the political climate at that time made it impossible to pursue the necessary legislation."

The Secretary cautioned that history has demonstrated that reorganizing is a profoundly difficult task. Despite recommendations by virtually every DOT Secretary since the department was formed nearly 30 years ago, only minor changes have occurred, resulting in a department that operates like a giant holding company, instead of an integrated unit. "For example, many creative transportation projects have to be reviewed and approved by several different offices with the DOT, and as many as three separate DOT agencies have a say about hazardous materials shipping on highways. This often makes it difficult for our customers to get an answer to a question or move forward on a project." said Peña.

However, Secretary Peña noted that the Clinton Administration's successful effort to control the federal deficit has required all federal agencies to conduct a critical evaluation of their mission. "At this department, reinventing government means focussing on our core missions of safety, investment and national security in a way that is leaner, more flexible and concentrated on results, not bureaucratic processes," said Peña. "Now that we have developed a solid proposal to reposition the department and meet our future challenges, it is time for Congress to act forthrightly and promptly, so that we can operate more efficiently."

Of the ten modes within DOT, only the Federal Aviation Administration and the Coast Guard would continue to operate largely as they have. A newly created Intermodal Transportation Agency (ITA) would merge the Federal Highway Administration (FHWA), Federal Railroad Administration (FRA), Federal Transit Administration (FTA), National Highway Transportation Safety Administration (NHSTA), Maritime Administration (MARAD), and Research and Special Programs Administration (RSPA). The Bureau of Transportation Statistics would be within the Office of the Secretary and the St. Lawrence Seaway Development Corporation would become an independent body.

Deputy Secretary Downey outlined the proposal's aim to establish the ITA in October, 1995. During FY 1996, the reorganizational effort will focus on merging the headquarters operations of the modes in an orderly year-long process. Restructuring of field operations will occur in FY 1997, after detailed study and consultation with Congress. The department proposes to spend a year studying how to reduce its network of 1,700 field office. Currently, each mode divides the country differently, with inconsistent regional boundaries and separate offices.

Downey also addressed a key element in the plan's target for reducing the department's overhead by 50%, the creation of a DOT Administrative Services Bureau. The bureau will provide certain administrative services to the three operating administrations. After two years, the administrations will have the choice whether to continue the relationship, to assign additional personnel and functions to the bureau, to contract for these services with other private or public vendors, to provide them in-house, or even to stop the services altogether. Any option may be selected, so long as the 50% target cost reduction is met.

Since Secretary Peña took office in 1993, the DOT has eliminated over 4,000 positions, resulting in annual savings of \$260 million. Over the next five years, the department expects to realize a total of more than \$1.5 billion in down-sizing savings, at least \$500 million of which is directly attributable to the proposed reorganization. Significantly, the reorganization will enable the goals to be met without a decline in service.

Including the off-payroll transfer of air traffic control employees under the separate legislation and an additional 7,000 other civilian and military DOT workers, the department's 1995 workforce of 105,000 would be cut nearly 50%.

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FOR IMMEDIATE RELEASE
Friday, April 7, 1995

DOT 63-95
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PEÑA SUBMITS LEGISLATION TO SUNSET ICC

Continuing the Administration's campaign to streamline government, Secretary of Transportation Federico Peña today submitted to Congress a bill that would 'sunset' the Interstate Commerce Commission, eliminate many ICC functions and transfer the remaining operations to other agencies. The legislation implements a proposal in President Clinton's State of the Union message.

Secretary Peña said, "Modernizing our government means weeding out programs that are no longer useful. The ICC was created to solve problems in the last century. Now we must position our government to take advantage of 21st century opportunities. Our legislation would eliminate outdated functions, make the remaining necessary regulatory operations more effective, save taxpayers money, and reduce paperwork."

There has been substantial deregulation of the motor carrier industry since 1980, saving consumers at least \$20 billion each year. President Clinton signed additional deregulatory legislation last summer which will provide consumers with up to \$8 billion per year in further savings.

Most of the remaining economic regulation of the trucking and intercity bus industries would be eliminated under the DOT proposal, with certain very limited functions that would be taken over by DOT. Under the proposed reorganization, DOT would handle safety, insurance and monitoring of Mexican carriers, areas where the DOT Office of Motor Carriers already has significant responsibilities. The Federal Trade Commission would employ its existing authority to deal with consumer protection issues in the household goods moving industry.

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The legislation would closely mirror the Draft Report issued by DOT in February. Railroad mergers would be reviewed by the Department of Justice (DOJ) and be subject to the same antitrust laws applicable to other industries. DOJ would also review line transfers, leases, and trackage rights for one railroad over the lines of other railroads.

A number of ICC's railroad authorities would be eliminated under DOT's proposal, including all antitrust immunity for industry agreements, railroad shipper contract requirements, and most regulation and activity dealing with railroad financial practices. Among the other recommendations, labor protection provisions would be transferred to the Department of Labor.

Some of the rail functions that would be retained and transferred to DOT include:

- o Maximum rate regulation as provided by the Staggers Act.
- o Abandonment oversight, limited to requiring sufficient notice to all parties, and financial assistance to facilitate purchases or subsidy agreements for lines proposed for abandonment.
- o Rails-to-trails program for abandoned rail lines.
- o Line sales to non-carriers (determination of whether the purchaser is a carrier or non-carrier).
- o Rail passenger dispute resolution between Amtrak and the railroads owning the track.

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FOR IMMEDIATE RELEASE
Saturday, April 15, 1995

DOT 64-95
Contact: Kevin P. O'Malley
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**STANFORD E. PARRIS RESIGNS POST AS
ADMINISTRATOR OF SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION**

Stanford E. Parris, the sixth administrator of the Saint Lawrence Seaway Development Corporation, today announced his resignation as the head of the agency to pursue other interests.

Parris, a former U.S. Congressman from Northern Virginia, took the top position at the Corporation in March 1991 and leaves with three years remaining in his seven-year term.

The Corporation is a wholly-owned government corporation and an operating administration of the U.S. Department of Transportation. In cooperation with The St. Lawrence Seaway Authority of Canada, it is responsible for the operation and management of the locks and channels on the St. Lawrence River, giving Great Lakes ports a direct waterborne access to the Atlantic Ocean and world markets.

Parris' accomplishments include: negotiating a toll freeze with the Seaway Authority for the 1994 and 1995 navigation seasons; initiating legislation which eliminated the collection of U.S. Seaway tolls in 1994; implementing increases to the Seaway's sailing draft and maximum vessel beam (width) and length restrictions; and leading numerous Seaway trade missions to overseas markets, including the Seaway's first mission to South Africa in March 1994.

"I leave this position with mixed emotions," Parris said. "While I am looking forward to new challenges and opportunities in the public policy arena, I will miss the talented and dedicated people I have had the privilege of working with both at the Corporation and in the Great Lakes/Seaway maritime industry."

Secretary Peña commended Parris for his leadership and dedication in keeping commercial trade through the Great Lakes Seaway System safe, competitive and reliable.

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"Under his direction, the Seaway has reemerged as a leading international trade route for North America," Peña said. "Stan was successful in negotiating the first Seaway toll freeze on the binational waterway in nearly a decade and international tonnage has been on the rise for three years."

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FOR IMMEDIATE RELEASE

Wednesday, April 19, 1995

DOT 67-95

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OPENING WORLD MARKETS WILL HELP
AIRCRAFT MANUFACTURERS, SECRETARY PEÑA
SAYS AT BOEING 777 CEREMONY

Seattle -- The Clinton administration's continuing efforts to open up world markets for U.S. aircraft and airline services will help the nation's vital aerospace manufacturing industry prosper, Secretary of Transportation Federico Peña said today at a ceremony marking the certification of Boeing's new 777 jetliner.

The department's Federal Aviation Administration (FAA) today declared the Boeing 777 design "safe and airworthy" after putting the new aircraft through the most comprehensive certification process in aviation history.

"The aerospace industry is crucial to the United States as a major employer, the nation's largest export earner, a link in the national transportation system and a vital contributor to our national security," Secretary Peña said. "That's why we've worked to create a level playing field for aerospace manufacturers internationally through free-trade treaties such as GATT, knowing that Boeing, and other U.S. companies, can compete with any other company in the world if they're playing by the same rules," the Secretary said.

The Clinton administration is actively promoting U.S.-built planes abroad, the Secretary said, noting his own trips to Saudi Arabia in 1993 and to Taiwan last December.

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Secretary Peña added that "we've also taken dramatic steps to revitalize the U.S. airline industry -- whose health is so closely linked to yours." Between 1990-92, the U.S. airline industry lost more than \$10 billion, while in 1993 the major airlines earned profits of \$450 million. This reversal came about because of industry restructuring, the economic recovery spurred by President Clinton's policies, and the administration's actions to strengthen the airline industry.

During today's ceremony, Secretary Peña and FAA Administrator David Hinson presented the agency's Type Certificate to Boeing officials and also announced that the FAA was adding the 777 to the company's production certificate, another step required before the company can start manufacturing the plane.

"This certificate is the U.S. government's assurance to air passengers around the world that the Boeing 777 design is safe and airworthy," Hinson said. "Over the past five years, FAA engineers and pilots have spent more than 84,000 hours testing and retesting the plane to make sure that it complies with the highest safety and design standards."

Hinson said that today's certification ceremony was "historic and unprecedented" because the 777 is the first aircraft ever to receive simultaneous type-design certification from the FAA and Europe's Joint Aviation Authorities which represents civil aviation authorities in 23 European countries.

The Secretary noted that the administration already has adopted more than 80 percent of the recommendations of the National Commission to Ensure a Strong Competitive Airline Industry, "ranging from Global Positioning Satellite systems to liability reform for general aviation to legislation creating an independent air traffic control corporation.

"And we're working to open up markets around the world for air passenger and cargo services," he added, pointing to February's landmark free-trade aviation agreement with Canada and current negotiations with nine European nations for "open skies" agreements.

Secretary Peña noted that worldwide air passenger travel has doubled in just over the past decade, and that air cargo is growing even faster.

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"This vast increase in air travel is a powerful engine of growth for the entire world economy, and the best way for us to secure this prosperity is to seek a freer, more open aviation order," the Secretary said.

"That's the surest, straightest flightpath towards a world in which hundreds of millions more business people and tourists take wing -- to vacation, to do business, or to ship goods," he added. "In such a world, rising demand for travel will provide rising demand for aircraft like the 777 -- and let aircraft manufacturers, suppliers and airlines prosper together."

Hinson said that the 777's innovative design and engineering challenged the FAA to develop a certification process that was flexible and efficient enough to ensure comprehensive testing of the new airplane and full compliance with the agency's rigorous safety standards.

The Boeing 777 is the world's largest two-engine airplane -- 209 feet long, with a wingspan of 199 feet -- and contains approximately 132,500 engineered parts. The 777 is the first U.S.-designed plane to employ technology that allows pilots to command the flaps, rudder and other controls electronically instead of relying on cables and pulleys.

Hinson said Boeing also is asking the FAA to grant the 777 early approval for extended twin-engine operation (ETOPS) which would allow the aircraft to operate flights of more than three hours as soon as it enters service. Historically, FAA has required planes to have extensive in-flight experience before this approval is granted. The 777 currently is undergoing a new FAA procedure in which test planes perform 1,000 flights to simulate the experience usually needed for ETOPS approval. Boeing expects to complete these tests by May 15.

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FOR IMMEDIATE RELEASE
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DOT 68-95
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DOT PUBLISHES FINAL RULE ON NON-EVIDENTIAL SCREENING DEVICES FOR ALCOHOL TESTING

As part of on-going efforts to make regulations more responsive to customers' needs, the U.S. Department of Transportation today published a final rule that specifies procedures for the use of certain non-evidential breath and saliva testing devices for alcohol screening tests in DOT-mandated alcohol testing programs.

Transportation Secretary Federico Peña said, "Employers, particularly in the trucking industry, have urged the department to take this step because these devices are substantially less expensive and may result in greater flexibility as well as lower costs."

Evidential breath testing is still required to confirm all positive results obtained on screening tests. Initially, in the notice of proposed rulemaking published Jan. 17, 1995, as in the existing alcohol testing procedures, the confirmation test was required within 20 minutes.

Some of the comments submitted to the department asked for more time to conduct the evidential breath test. After review, the department increased the interval to 30 minutes. This will permit some additional degree of flexibility, while not adversely affecting the safety objectives of the rule.

One other change from existing rules deletes a requirement for use of a log book in certain situations. The rule eliminates this requirement as an unnecessary paperwork burden, since it duplicates information already entered on the alcohol testing form.

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The final rule parallels existing alcohol testing procedures, including provisions on training and qualifications of testing personnel, quality assurance plans for non-evidential devices, testing sites, use of the testing form, and test procedures for both saliva and breath non-evidential testing devices.

It also covers provisions concerning problems in the testing process, such as incomplete tests, refusals to test or invalid tests.

The rule is published in today's Federal Register. It is effective in 30 days. However, the department will consider comments filed with the docket within 45 days on the issue of the deletion of the log book requirement.

Secretary Peña, reaffirming the agency's on-going commitment to regulatory reform, recently indicated he would like to repeal the alcohol pre-employment testing mandate for all modes of transportation saying that requiring such tests is not necessary because they are costly and ineffective.

On April 5, a court decision overturned the Federal Highway Administration's pre-employment alcohol testing rule and remanded the issue of what, if any, pre-employment alcohol testing is required, to DOT for further consideration. The department is now reviewing the court's decision to determine whether changes are necessary to clarify the statute.

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FOR IMMEDIATE RELEASE
Tuesday, April 25, 1995

DOT 72-95
Contact: Bill Mosley
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DOT ISSUES FINAL INTERNATIONAL AIR TRANSPORTATION POLICY STATEMENT

The Department of Transportation today reaffirmed that the United States recognizes the importance of air service to its economy and the world economy and will continue the effort to expand competitive air service and liberalize the international air transportation system.

In its just-completed International Air Transportation Policy Statement, the department reaffirmed the major goals and principles outlined in the statement announced last November by Secretary of Transportation Federico Peña. The final document considers comments filed in response to the previous document.

"The Clinton administration has taken a number of steps to ensure that global marketing and services will lead to increased competition among airlines and fewer protectionist restrictions imposed on their operations by foreign governments," Secretary Peña said. "We also sought to find ways to help strengthen the U.S. airline industry so that it may continue its leadership role in international air services."

Since the department issued its earlier statement, it has embarked on several significant initiatives to accomplish its international aviation goals. Last month, the United States signed a major new aviation agreement with Canada that provides for substantial increases in air services between these two major trading partners and full open skies at the end of a transition period. These new air services will bring important benefits for travelers, shippers, cities, airlines and their employees and will significantly boost economic development in both countries, Secretary Peña said.

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Productive talks have been held with six European countries toward establishing free trade in aviation services, the Secretary said, and talks also are taking place with three additional European nations. Successful completion of this initiative will add significantly to opportunities for air service, providing more transportation options to and from the United States for travelers and shippers and advancing liberalization of the global market by expanding competition, he added.

Secretary Peña said that these developments demonstrate the progress since last November when, in announcing the policy, he stated: "We will do anything and everything we can to move forward -- never backwards -- toward an open aviation world whose benefits, we believe, far outweigh the costs."

The statement also acknowledges the economic forces that are shaping the development of global aviation systems and markets and the department's role in providing opportunities for U.S. carriers in those developments. The primary change from the initial statement is a recognition of national defense aviation needs as a consideration in international aviation policy.

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DOT will make the international air transportation policy statement available on the Internet. Users should connect to one of the following addresses:

ftp.dot.gov/pub/general/polstate.wp5
gopher.dot.gov/11/general/polstate.wp5
<http://www.dot.gov/dotmain/gopher/polstate.wp5>

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FOR IMMEDIATE RELEASE
Wednesday, April 26, 1995

DOT 73-95
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DOT AWARDS COOPERATIVE AGREEMENTS FOR LIAISON OUTREACH PROGRAMS

The Department of Transportation's Office of Small and Disadvantaged Business Utilization (OSDBU) today announced it will award cooperative agreements to four additional minority Chambers of Commerce and Trade Associations to serve as regional representatives for the OSDBU's Liaison Outreach and Services Program (LOSP).

"The Clinton Administration and the department are committed to providing opportunities for small and minority owned businesses," Secretary of Transportation Federico Peña said. "This program will promote opportunities for networking with existing technical assistance providers such as State Supportive Services Contractors, Small Business Development Centers, Minority Business Development Centers and others.

Cooperative Agreements in the amount of \$95,000 will be awarded to:

- o Hispanic-American Chamber of Commerce, Inc., Boston, Mass., Region I;
- o The New Jersey Association of Women Business Owners, Bridgewater, N.J., Region II;
- o Texas Association of Minority Business Enterprises, Austin, Texas, Region VI and;
- o Women Construction Owners & Executives USA, Washington Chapter, Seattle, Region X.

The LOSP is a partnership between the public and private sectors that provides information and outreach to small and disadvantaged and women-owned businesses," Secretary Peña said. "It is important that we reach into the various communities we serve to help small business secure transportation-related contracts and business opportunities for the department.

The present LOSP associations and their locations are:

- o Arizona Hispanic Chamber of Commerce, Phoenix;
- o Black Business Association of Los Angeles, Calif.;
- o Hispanic Chamber of Commerce of Greater Kansas City, Mo.;
- o Latin Chamber of Commerce U.S.A., Miami, Fla.;
- o National Association of Minority Contractors, Washington, D.C.

The award winners were chosen in a nationwide competitive selection process. The LOSP will utilize the resources of the selected representatives to focus on the following key activities:

- o Establish a communications link between DOT, its grantees, recipients, contractors, subcontractors and the small and/or disadvantaged business community.

- o Increase awareness of DOT contracting opportunities and financial assistance programs by disseminating DOT marketing materials and relevant information at selected conferences, seminars and marketplace events.

- o Develop and/or strengthen linkages with state DOTs, local transportation agencies, transportation prime contractors and others to encourage small and small disadvantaged business participation in DOT and transportation-related programs.

- o Stimulate referrals of Disadvantaged Business Enterprises (DBEs) to obtain technical assistance from federal, state and local agencies and maintain databases to transportation-related DBEs as potential participants in DOT procurement and/or financial assistance programs.

For more information, please contact DOT's Office of Small and Disadvantaged Business Utilization at (800) 532-1169 or (202) 366-2852.

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

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

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**U.S. Department of
Transportation**

News:

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

FOR IMMEDIATE RELEASE

Tuesday, April 30, 1996

DOT 87-95

Contact: Bill Adams

Tel.: (202) 366-5580

**SECRETARY PEÑA ANNOUNCES GRANT FOR DETROIT METROPOLITAN
WAYNE COUNTY AIRPORT IMPROVEMENTS;
Meets with Wayne County Executive McNamara to Discuss Airport Expansion**

DETROIT -- The Clinton administration today announced a \$6.9 million airport improvement grant for the Detroit Metropolitan Wayne County Airport which will provide \$5 million to Wayne County's on-going airport noise mitigation program and \$1.9 million for a new aircraft fire fighting safety training facility.

Transportation Secretary Federico Peña, in a meeting today with Wayne County Executive Ed McNamara, stated that the Department of Transportation has developed a proposal to provide federal funding for improvements and expansion at Detroit Metropolitan Wayne County Airport if an overall financing package can be agreed to by Wayne County and Northwest Airlines.

This project includes aircraft parking aprons and taxiways associated with the planned, new domestic and international terminal. Moreover, a new 10,000-foot runway on the airport's west side is expected to reduce aircraft delays significantly at the airport. The new runway is anticipated to save airlines more than 17,000 hours in delays annually soon after the opening in 2001. At the same time, airlines are expected to save \$43 million in annual operating costs.

When President Clinton visited Detroit in March, he met with Senator Carl Levin and County Executive McNamara about the airport expansion project. The President directed Secretary Peña to develop the proposal the Secretary presented to Wayne County officials today. The Clinton administration is willing to provide assistance to the project if doing so makes it possible for a deal to close, Peña said. Wayne County must negotiate the remainder of the \$1.6 billion financing package with Northwest Airlines, the major carrier at the Detroit Metropolitan airport.

- (more) -

-2-

"The expansion proposed for Detroit Metropolitan Wayne County Airport will stimulate more than \$1.6 billion for the local economy in construction-related spending," Secretary Peña. "This project will create more than 30,000 jobs, generate economic benefits for the entire region and help Detroit become a world-class airport. This project makes sense for southeast Michigan and the whole country.

"Senator Levin and County Executive McNamara have persuasively argued that the proposed improvements at Detroit Metropolitan Airport, which will include a new runway, new airfield lighting and taxiways, are all essential to accommodating increased growth," Secretary Peña added. "An expansion will make air travel into and out of Detroit, and throughout the entire national aviation system, safer and more efficient."

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U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Monday, May 1, 1995

DOT 74-95
Contact: Bill Mosley
Tel.: (202) 366-5571

SECRETARY PEÑA PRAISES MAJOR STEP
TOWARD HALTING INSECTICIDE SPRAYING
ABOARD PASSENGER AIRCRAFT

Secretary of Transportation Federico Peña today praised a recommendation by a division of the International Civil Aviation Organization (ICAO) for nations to stop requiring the routine spraying of insecticide on aircraft while passengers are on board.

"This action, sponsored by the United States, is the result of our year-long effort to halt routine on-board pesticide spraying and a major step toward our goal of the total elimination of the practice," Secretary Peña said.

In January 1995, the department proposed that airlines and travel agents be required to notify persons before they buy tickets if the country to which they were traveling required the spraying of insecticide on the aircraft while passengers are on board.

ICAO's Facilitation Division, meeting in Montreal, called on nations to stop requiring spraying while passengers are on board unless the flight originates in or travels via a territory considered to be a threat to public health or agriculture. It is expected that the ICAO Council will formally issue this recommended practice in the near future. ICAO is the aviation agency of the United Nations.

Secretary Peña praised the governments of Chile, Sweden, Australia, Canada and New Zealand for supporting this measure. "This action recognizes the legitimate concerns of nations working to keep out insects that can bear disease while protecting travelers from unnecessary exposure to insecticides," the Secretary said.

-more-

"Today ICAO will recognize what I, and anyone else who has been exposed to this stuff, have known all along," said Senator Patrick Leahy (D-Vt.) -- "spraying people with roach killer is unhealthy, uncomfortable and unnecessary."

Last year, Senator Leahy also introduced a Concurrent Resolution urging ICAO to end all spraying of pesticides on international flights. That resolution was passed unanimously in both the House and Senate. "The overwhelming support, both in Congress and the administration, for ending this unnecessary chemical exposure should be a clear signal to the international community that American travelers will not travel to countries that welcome them with an insecticidal spray," Leahy said.

The ICAO group also called for a study of the issue by the World Health Organization (WHO). The United States strongly supports the study and is providing funding for a WHO technical symposium in the fall that will review the entire issue of aircraft disinsection.

The Secretary noted that the number of countries that require spraying continues to decrease. Antigua and Barbuda, Nicaragua, Seychelles and Yemen recently dropped their requirement that aircraft cabins be sprayed while passengers are on board.

Countries that still require spraying while passengers are on board are Argentina, Barbados, Congo, Costa Rica, Dominican Republic, Grenada, India, Kenya, Kiribati, Madagascar, Mauritius, Mozambique and Trinidad and Tobago. Australia, Fiji, Jamaica, New Zealand and Panama require planes to be treated but allow airlines to do so when the plane is empty. Some other countries require spraying on flights from countries affected by malaria, yellow fever and other contagious diseases.

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE
Tuesday, May 2, 1995

DOT 75-95
Contact: Bill Mosley
Tel.: (202) 366-5571

DOT SEEKS COMMENTS ON GAMBLING ABOARD AIRCRAFT

The Department of Transportation today asked for comment for its ongoing study of gambling on commercial aircraft in foreign air transportation.

The Federal Aviation Authorization Act of 1994 required the Secretary of Transportation to complete a study examining the safety and competitive implications of allowing gambling on commercial aircraft.

The department asked for specific comments on:

- The effects on safety of allowing gambling devices, including payment methods, to be installed or operated aboard aircraft, including the effects on navigational and other equipment, and passengers and crew.
- The competitive effects of retaining, lifting or modifying the current gambling restrictions on U.S. air carriers with respect to (a) foreign air transportation (b) code-share arrangements and (c) flights involving service between foreign countries, known as fifth-freedom markets.
- Whether gambling should be allowed in foreign air transportation by U.S. or foreign carriers.

Comments are due by May 31 and may be filed electronically through the Internet at DOT_dockets@postmaster.dot.gov or by sending eight copies to the Docket Clerk, Docket 50315, Department of Transportation, 400 Seventh St. S.W., Plaza 401, Washington, D.C. 20590.

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U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Tuesday, May 2, 1995

DOT 76-95
Contact: Elaine Matrigali
Tel.: (202) 366-5571

SECRETARY PEÑA PRESENTS
DOT'S POSITION ON VITAL
HIGHWAY SAFETY LAWS

Warning that Congressional attempts to weaken or repeal federal requirements for alcohol, safety belt, motorcycle and speed laws will jeopardize thousands of lives and cost taxpayers billions in medical and disability care, Transportation Secretary Federico Peña said the Clinton Administration strongly opposes such efforts.

The Department of Transportation has estimated that the requirements that states maintain these laws in order to be eligible to receive federal highway assistance funds save approximately \$18 billion annually in health care and other related costs. "If these provisions are weakened," said Secretary Peña, "costs to state and federal governments would increase."

In letters to the Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure, the Secretary stated that federal provisions encouraging minimum drinking laws, safety belt and motorcycle helmet laws and the enforcement of speed limit laws were established because of the high social and economic costs to our nation resulting from motor vehicle crashes. "These four provisions address areas where state laws and enforcement are proven effective and where the savings are great," he said.

If states covering 25 percent of the U.S. population were to repeal their safety belt laws, the National Highway Traffic Safety Administration estimates that 1,800 additional lives could be lost, 32,500 additional injuries could occur and the additional cost would be \$2.4 billion.

-more -

Addressing the motorcycle helmet laws, the Secretary emphasized that motorcycle fatalities increased 61 percent when the federal government eased its requirement in 1976 and 27 states repealed or significantly weakened their all-rider helmet laws.

The Secretary pointed out that since 1975, the 21-year-old minimum drinking age has saved almost 14,000 lives. Every year, the law prevents 800 deaths, 10,900 injuries and saves \$1.7 billion. He noted that the elimination of a national minimum drinking age would lead to the re-establishment of "blood borders" between states, and encourage young drivers to travel long distances across state border to drink, and that would result in additional deaths and injuries on our roads.

Urging Congress to continue federal leadership in these areas, the Secretary stated that if that leadership is diminished -- not only will injuries and fatalities unfortunately increase, but the cost of health care, welfare and public assistance programs will also rise.

"At the very least," Secretary Peña said, "we must oppose steps that would clearly add to federal spending. With highway fatalities accounting for over 40,000 deaths annually, we must continue to address this very serious problem."

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE

Tuesday, May 2, 1995

DOT 77-95

Contact: Bill Adams

Tel.: (202) 366-5580

**PEÑA TO CONVENE CHILD TRANSPORTATION SAFETY
CONFERENCE: "MOVING KIDS SAFELY"**

The Clinton administration and the U.S. Department of Transportation continue their focus on safety when Secretary Federico Peña convenes a Child Transportation Safety Conference, "Moving Kids Safely," in Arlington, Virginia, June 1-2, 1995.

Secretary Peña said, "It is time to change the devastating fact that each year thousands of children are seriously injured or killed in transportation accidents. We must no longer accept that a youngster growing up in the United States is more likely to be killed or injured in a transportation accident than from any other cause, when so many of the tragedies are easily predictable and preventable."

Peña said the conference would provide a coordinated commitment to child transportation safety by building on existing successes and creating new alliances to ensure that we are "moving kids safely" into the next century.

Motor vehicle injuries are the leading cause of death for children through the age of 16. In 1993 alone, more than 3,000 children were killed in traffic crashes and more than 350,000 were injured.

The goals of the conference are to promote transportation safety by linking together national, state and local organizations with the private sector to create a safer transportation environment for the nation's youth. Participants at the conference will identify transportation safety issues most affecting young Americans, highlight and expand existing programs addressing those problems and foster new partnerships.

Participants will include representatives from the federal, state and local government, law enforcement, health care and injury prevention organizations, academic professionals, manufacturers, insurance companies, transportation safety groups, private organizations and corporations and the national media.

- more -

The conference will be held at the Crystal Gateway Marriott in Arlington, Virginia. Registration information is available by calling 800-784-1215.

Safety has been one of the highest transportation goals of Secretary Peña and the Clinton administration. "Zero accidents" became the goal of Secretary Peña's aviation safety conference in January 1995, and the Secretary focused national attention on commercial truck and bus safety at a gathering in Kansas City, Missouri, when government and industry gathered together to develop and adopt safety initiatives. The Secretary convened a similar safety conference of the rail industry and announced an action plan aimed at reducing grade crossing accidents.

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE

Tuesday, May 2, 1995

DOT 78-95

Contact: David Bolger

Tel.: (202) 366-0881

**FEDERAL RAILROAD ADMINISTRATION AND
FEDERAL HIGHWAY ADMINISTRATION INVESTIGATE
HIGHWAY-RAIL CROSSING ACCIDENT IN SYCAMORE, S.C.**

The Federal Railroad Administration (FRA) and the Federal Highway Administration (FHWA) are investigating the collision of an Amtrak passenger train and a truck that was stopped on a highway-rail crossing in Sycamore, S.C.

The collision, involving train number P-081, The Silver Star, caused two locomotive and passenger cars to derail. Twenty-four passengers were sent to local hospitals with minor injuries; the driver of the truck was not injured.

"We are very concerned about the injuries to the Amtrak passengers and crew," said Jolene M. Molitoris, Federal Railroad Administrator. "Safety is our highest priority at the Department of Transportation and we are committed to ensuring the safety of the traveling public," continued Rodney Slater, Federal Highway Administrator.

In 1994, the Department of Transportation issued a Grade Crossing Action Plan that includes 55 initiatives to prevent vehicle-train accidents and convened the Rail Safety Summit to work with the railroad industry on initiatives to improve highway-rail crossing safety. Action Plan initiatives include improved signaling systems, efforts to increase driver awareness at crossings, enhanced enforcement actions and rail corridor improvements.

"Truck and car driver behavior is our major concern at grade crossings," continued Molitoris, "we need to make sure that drivers of all vehicles know how and when to safely cross railroad tracks. Unfortunately, every 90 minutes in America there is a vehicle-train collision at crossings accounting for a total of 616 fatalities last year," FHWA Administrator Slater added, "The FHWA will continue to work with the trucking industry to educate its membership about the dangers at highway-rail crossings, and to prevent similar accidents from happening in the future."

- more -

The FRA will work with Amtrak and local authorities to determine the cause of this morning's derailment and will continue its efforts to evaluate these types of truck-train collisions.

"We are grateful that no one was seriously injured in this accident," said Molitoris, "but grade crossing accidents occur too often in this country and we must continue to do all we can to prevent them."

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE
Monday, May 8, 1995

DOT 81-95
Contact: Roslyn Kaiser
Tel.: (202) 366-5571
Albert Alvarez
(202) 366-3784

PEÑA SUSPENDS PRE-EMPLOYMENT ALCOHOL TESTING RULES

Continuing his commitment to eliminate unnecessary and ineffective regulations, U.S. Department of Transportation Secretary Federico Peña today suspended until further notice the requirements for pre-employment alcohol testing rules for transportation industries regulated by the department's operating administrations.

"Today's action is in keeping with the review of all government regulations called for by President Clinton," Secretary Peña said. "Because we consider pre-employment alcohol testing to be burdensome and of limited value, I have also sent to Congress proposed legislation that would clearly repeal the legislative mandate for any pre-employment alcohol testing rule."

The rules to suspend pre-employment alcohol testing for the aviation, mass transit, railroad and motor carrier industries will be published in the Federal Register.

"The remainder of the department's drug and alcohol testing requirements will continue in effect, because they are effective tools for ensuring the safety of the traveling public," added Secretary Peña.

-more-

These actions follow several related events. DOT's alcohol testing rules became effective Jan. 1, 1995. In December, Secretary Peña had granted a four-month delay, from January to May 1995, in pre-employment alcohol testing for the trucking industry, which is subject to a particularly high turnover rate in the work force. The Secretary said he agreed with the trucking industry and many safety groups which contended that pre-employment alcohol testing failed to improve highway safety in any appreciable measure.

On April 5, pre-employment testing under the Federal Highway Administration (FHWA) rule was overturned by the U.S. Court of Appeals for the Fourth Circuit and remanded to DOT for further consideration of what, if any, pre-employment alcohol testing is required.

Although the court action was limited to FHWA, the department believes that the rationale of the decision applies as well to the requirements of the Federal Aviation, Federal Transit and Federal Railroad Administrations. This led to today's suspension of the pre-employment alcohol testing requirements.

Several weeks ago, Secretary Peña announced his intention to ask Congress to repeal the legislative mandate for such testing by amending the Omnibus Transportation Employees Testing Act of 1991.

Today's suspension action is effective immediately. Employers who wish to conduct pre-employment testing may do so under their own authority. However, until further notice, companies may not claim a basis in federal law or regulation for pre-employment alcohol testing.

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U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Tuesday, May 9, 1995

DOT 84-95
Contact: David Bolger
Tel.: (202) 366-0881

**PEÑA ANNOUNCES APPROVAL OF MAJOR
NORTHEAST CORRIDOR HIGH-SPEED RAIL PROJECT**

In a major step toward making high-speed rail a reality in the congested Northeast Corridor, Secretary of Transportation Federico Peña today announced approval of Amtrak's plan to electrify the track between New Haven and Boston, which will reduce the Boston-New York City traveling time from four to less than three hours.

"When there are trains traveling up to 150 mph on the Northeast Corridor, we will have changed the lives of millions of people," the Secretary told members of the railroad community attending the annual meeting of the High Speed Rail/Maglev Association today in Boston.

"Over the last two years," Peña said, "we have supported full funding for the Corridor, and this year, the Administration -- under a truly pro-rail President, included \$235 million in the budget request to Congress for this project ...

"Look at it this way," he continued. "More passengers at Boston's Logan Airport want to go to New York than to any other city. If rail can attract half of them, Boston won't need a second airport for another 20 years ... This project also will significantly improve service between points in Connecticut to New York and Boston."

This morning, Federal Railroad Administrator Jolene M. Molitoris signed the Record of Decision, the final step in the federal review of the environmental impact of the proposed project. Molitoris said, "FRA's environmental review of this project demonstrated many of the benefits that can be realized by investing in high-speed rail. These benefits include economic development, significantly improved transportation services, reduced congestion at airports and highways as well as improved energy efficiency and air quality."

The electrification project, which will cost approximately \$400 million, involves extending overhead electrical wires, called catenary, from New Haven to Boston. It is part of the Northeast Corridor Improvement Project (NECIP), designed to provide improved intercity rail passenger service between Boston and Washington. The New York City to Washington phase was completed several years ago.

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE
Tuesday, May 9, 1995

DOT 85-95
Contact: Jim Cullinan
202/366-5563

PEÑA CONVENES MEETING OF APEC TRANSPORTATION MINISTERS IN WASHINGTON

Continuing the Clinton Administration's efforts to promote free trade worldwide, U.S. Transportation Secretary Federico Peña will convene a meeting of the Asia-Pacific Economic Cooperation (APEC) transportation ministers. The meeting will be held in Washington, D.C. from June 12-13, at the U.S. State Department.

"This meeting will provide a unique opportunity for dialogue among these growing economies," Transportation Secretary Peña said. "Transportation is the critical bond linking our economies together, and this meeting will continue the Clinton Administration's efforts to promote free trade and opportunities for economic growth."

The Asia-Pacific Economic Cooperation (APEC) was established in 1989 to provide a forum for economies in the Pacific rim to discuss a broad range of economic issues of importance to the region. The transportation minister's meeting in Washington will focus on: transportation's role in economic growth and free trade; improving infrastructure throughout the region; utilization of new technology to support transporting goods and people; and the role of public-private partnerships in transportation initiatives.

The economies who participate in APEC include Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, South Korea, Malaysia, Mexico, New Zealand, Philippines, Singapore, Chinese Taipei, Thailand and the United States.

"I welcome my counterparts from the Pacific to the United States for a constructive dialogue on key transportation issues affecting the region," added Peña. "We are in a global economy, and by working together, we can foster economic growth through free trade and new markets."

The APEC transport ministers meeting will be held from June 12-13 in Washington, DC. Following the meeting in Washington, the ministers are expected to travel to several U.S. cities to showcase American know-how and technology in transportation.

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE

Tuesday, May 9, 1995

DOT 85-95

Contact: Bill Schulz

Tel.: (202) 366-4570

PRESIDENT URGES CONGRESS TO CORPORATIZE AIR TRAFFIC CONTROL SYSTEM, A "NATIONAL PROBLEM WE CAN FIX TOGETHER"

Transportation Secretary Federico Peña released a letter from President Clinton to Speaker Newt Gingrich and Republican Leader Robert Dole today urging Congress to pass legislation ending the bureaucratic personnel, procurement and budget problems that plague the system.

This is an urgent, national problem that we can fix together," said the President.

Noting that government corporatization was recommended in 1993 by Vice President Gore's National Performance Review, as well as numerous other studies, the President stated "This overdue legislation will make the nation's critical air travel and transportation system safer, and more efficient and businesslike."

"Flight delays and slowdowns caused by outmoded computers and radar equipment cost the airlines over \$3 billion each year, and are an inconvenience for countless travelers," said the President. "A corporation would be free from the procurement restrictions and red tape that have slowed modernization of our ATC system."

The system's current budget and procurement procedures have hampered financing and installation of state-of-the-art equipment and its personnel rules have led to staffing imbalances at key control facilities. In his letter to Congressman Gingrich and Senator Dole, the President stated that the corporation would "have greater flexibility in raising needed capital, in hiring and training people when they are needed and in assigning them where they are needed."

The Administration has submitted legislation, supported by the air traffic controllers, to create a businesslike corporation to operate the air traffic control system. It would be freed from federal procurement, personnel, and procurement restrictions, and subject to the safety regulatory authority of the Federal Aviation Administration, as are airlines and airframe manufacturers.

- more -

Secretary Peña noted the support of previous transportation secretaries for the Administration's proposal, and pledged his full cooperation to work closely with the Congress to reach consensus.

"Because of the governmental limitations, the technological revolution has largely passed by the ATC system," said Secretary Peña. "Dedicated controllers and technicians have created a computer 'Jurassic Park,' keeping old technologies, long since extinct in the private sector, alive and running. Previous attempts to tinker with the existing structure have not been able to fix the problems, and it's time for fundamental change. The Congress has an historic opportunity this year to create a new beginning for air traffic control, and I look forward to working together to put a bill on the President's desk."

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A COPY OF THE PRESIDENT'S LETTER IS ATTACHED.

*An electronic version of this document can be obtained via the World Wide Web at:
<http://www.dot.gov/affairs/index.htm>*

THE WHITE HOUSE

WASHINGTON

May 3, 1995

Dear Mr. Speaker:

I am writing to you and Senator Dole to urge Congress to pass legislation making the Air Traffic Control system a government corporation. The change was recommended in 1993 by Vice President Gore's National Performance Review, and was earlier endorsed by numerous studies during the past decade. This overdue legislation will make the Nation's critical air travel and transportation system safer, and more efficient and businesslike.

I know that you are well aware of the 1950s technology still being used in some parts of the government-run system. Vice President Gore and you have made the vacuum tube a well-known symbol of the ATC's inability to keep pace with the modern world. Flight delays and slowdowns caused by outmoded computers and radar equipment cost the airlines over \$3 billion each year, and are an inconvenience for countless travelers. A corporation would be free from the government procurement restrictions and red tape that have slowed modernization of our ATC system.

A corporation would also have greater flexibility in raising needed capital, in hiring and training people when they are needed and in assigning them where they are needed.

The proposed United States Air Traffic Corporation would quickly modernize the Nation's control towers, and would keep them up-to-date and properly staffed. Even as traffic increases in years to come, the Corporation would keep American skies the safest in the world.

This is an urgent, national problem that we can fix together.

Sincerely,

Bill Clinton

The Honorable Newt Gingrich
Speaker of the
House of Representatives
Washington, D.C. 20515



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Wednesday, May 10, 1995

DOT 87-95
Contact: Bill Adams
Tel.: (202) 366-5580

**Statement of Transportation Secretary Federico Peña
Concerning the Vote of the Senate Environment and Public Works
Committee on the National Highway System Bill**

The National Highway System and its \$6 billion funding for the states is vital to not only our nation's transportation network, but also to our nation's economy.

Passage of the National Highway System legislation is threatened by today's Senate committee action to remove the provision that applies the Davis-Bacon Act to the highway program.

This Administration proposed legislation last year to modify the Davis-Bacon Act. We have offered to work with the Congress to bring meaningful, balanced reform to Davis-Bacon. We strongly oppose any attempt that would jeopardize our national transportation network.

On the safety front, I am disappointed by the passage of the repeal of the national maximum speed limit.

Safety is the top priority of the Department of Transportation. Working with the Congress, we have made great strides in making our roads the safest in the world.

Now is not the time to turn from a path which has saved thousands of lives, prevented even more injuries and saved taxpayers billions of dollars in medical and other costs every year.

Motor vehicle accidents cost taxpayers more than \$137 billion each year in medical expenses, property losses, lost market and household productivity, insurance administration and legal costs.

I urge the Senate to fight to keep the national maximum speed limit.

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE

Thursday, May 11, 1995

DOT 88-95

Contact: Bill Mosley

Tel.: (202) 366-5571

New Denver Airport is Success Story, Secretary Peña Says

The new Denver International Airport (DIA) is "a remarkable success story," reducing flight delays and substantially expanding capacity in the nation's aviation system," Secretary of Transportation Federico Peña said today.

Bold expansion of aviation system capacity is vital to our national economy and global competition, said Peña, in testimony before the Aviation Subcommittee of the House Committee on Transportation and Infrastructure. But Peña cautioned that "a major new airport may never be built again unless we understand the successful model that brought DIA to fruition. Clearly, there are lessons to be learned, and mistakes made, which we should share with other communities wishing to expand their facilities."

Stapleton Airport, which DIA replaced in February, had runways too close together for simultaneous operation in bad weather, causing substantial delays across the country. "Stapleton was experiencing so many delays that other cities were running advertisements telling businesses to come to them because business travelers couldn't count on getting in and out of Denver consistently," the Secretary said.

But simply knowing you have a problem does not get a replacement airport built, Secretary Peña said. "If there is a simple, most significant lesson learned from the Denver project, it is that the groundwork has to be laid early and comprehensively with the community and its leaders to assure success."

Although changes in the airport design requested by tenants caused costs to increase, the decision to create a fully-automated baggage handling system, which was "a departure from the originally agreed-to design and cost levels," was the single greatest factor in increased costs and the delay in opening the airport, he said.

- more -

DIA, the first major new airport built in 20 years, has already reduced flight delays in Denver and "is well on its way to reducing delays nationwide," Secretary Peña said. DIA experienced 3.9 delays per thousand operations during its first two months, compared to Stapleton during the same period in 1994. "These numbers -- nearly a 90 percent reduction in delays -- demonstrate that the initial impetus and planning that underlay the airport was sound -- we focused on the fundamental problem, and we chose the right solution," the Secretary said.

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Office of the Secretary
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U.S. Department of
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News:

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Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Monday, May 15, 1995

DOT 91-95
Contact: BTS Product Line
Tel.: (202) 366-DATA

TRANSPORTATION DATA DIRECTORY AVAILABLE FROM DOT

Secretary of Transportation Federico Peña today announced the release of the second edition of the *Directory of Transportation Data Sources* from the U.S. Department of Transportation.

"The department's Bureau of Transportation Statistics (BTS) has done a valuable service for those who require transportation information," Secretary Peña said. "Users of transportation statistics are provided with a comprehensive inventory of transportation data sources to effect easier accessibility and availability of information."

The Directory contains information on transportation data bases and regularly scheduled or special-published statistical reports developed within the federal government and private industry. This year's edition also contains transportation information from Canada and Mexico.

Dr. T. R. Lakshmanan, Director of the BTS, said that "Accessibility to this data is vital to the transportation community. Providing the information in one source makes the data more readily available and widely known to planners, researchers and analysts, and allows for easier access and use of the material."

The Directory is also available on diskette in a dBase viewer format.

To order the *Directory of Transportation Data Sources* or for further information, contact the BTS at (202) 366-DATA or by fax, (202) 366-3640.

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<http://www.dot.gov/affairs/index.htm>*



U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE

Tuesday, May 16, 1995

DOT 92-95

Contact: Bill Adams

Tel.: (202) 366-5580

**PEÑA ANNOUNCES PROJECTS AT
12th ANNUAL U.S.-MEXICO BINATIONAL COMMISSION MEETING**

Secretary Federico Peña, at the 12th Annual U.S.-Mexico Binational Commission Meeting, said he was "pleased that we are engaged in a number of efforts that will smooth the transition into full NAFTA implementation, particularly our efforts to speed cross-border clearance of commercial and private traffic."

Toward that end, Peña announced two advanced technology pilot projects designed to improve safety and to automate the clearance of commercial traffic across shared U.S.-Mexico borders. Both tests are intended to evaluate the ability to electronically identify the vehicle and check the pertinent safety, customs and immigration data, even prior to a shipment's arrival at the border. The tests are expected to be operational in the spring of 1996 and the tests are expected to end in early 1997.

The first test consists of a partnership including the Arizona Department of Transportation, the Mexican Secretary of Transport, the Western Highway Institute, Lockheed and Hughes Aircraft.

The second test consists of a partnership including Calstart, the California Department of Transportation, the U.S. Customs Service, the Department of Justice Border Research and Technology Center, Scientific Atlanta and Qualcomm.

Both of these projects will be coordinated with a similar operational test underway on the northern border involving Michigan, Ontario and New York. The operational tests evaluate technologies in "real world" situations prior to full scale deployment.

Peña also announced that Mexico, Canada and the U.S. had completed signing of a tri-national transportation science and technology agreement. Peña said the U.S., Mexico

- more -

and Canada would benefit from enhanced collaboration in advancing "safe, economical, efficient and environmentally sound transportation systems ... Cooperation under this agreement will also enhance the trilateral relationship and the spirit of harmonious consultation between the three NAFTA partners."

In addition, participants agreed to continue consultations toward harmonizing standards for alcohol and drug prevention among drivers and discussed ongoing efforts aimed at the electronic exchange of information concerning commercial drivers licenses.

He noted the continuing cooperation between the Federal Aviation Administration (FAA) and Mexico's civil aviation authority, and said participants reviewed bilateral air transport agreements with the aim of enhancing cooperation and increasing safety.

Peña said, "This is an excellent opportunity to strengthen these relationships, and to engage in frank discussions on issues of mutual interest. There is a great deal happening in the field of transportation between our two countries ... This working group meeting is an example of the close and growing relationship that exists between our two countries."

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE
Thursday, May 18, 1995

DOT 93-95
Contact: Bill Mosley
Tel.: (202) 366-5571

DOT PROPOSES ELECTRONIC FILING OF AIRLINE RULES GOVERNING INTERNATIONAL PASSENGER SERVICE

In an effort to reduce the airline industry's costs of complying with federal rules, the Department of Transportation today proposed to allow carriers to file their international passenger service rules, or "tariffs," electronically, saving an estimated \$1.6 million annually.

The first rules likely to be filed electronically if the proposal is adopted are the specific provisions for each fare type, such as advance purchase and length of stay requirements, cancellation penalties and stopover provisions. As acceptable formats are worked out, these will be followed by more general rules governing the terms and conditions of passenger service, such as baggage allowances and liability.

"Shrinking the regulatory burden on business is one of the Clinton administration's highest priorities," Secretary of Transportation Federico Peña said. "In this proposal we continue to examine our rules closely to remove unnecessary or obsolete requirements whenever possible, following our earlier proposal to end the requirement for filing international air cargo tariffs, and our actions to remove salad oil from the list of hazardous materials and eliminate pre-employment alcohol testing in the transportation industry."

The department said that this change would save the airline industry more than \$1.6 million each year in submission, printing and distribution costs. It also would substantially reduce the department's review, filing and storage expenses.

Carriers have been permitted to file international passenger fare tariffs electronically since 1989, but have been required to file the remaining tariffs on paper. The airline industry currently files about 42,000 pages of such tariff rules per year.

Comments on the proposal are due 30 days after its publication in the Federal Register.

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE
Thursday, May 18, 1995

DOT 95-95
Contact: Bill Mosley
Tel.: (202) 366-5571

DOT APPROVES CODE-SHARE ARRANGEMENT FOR U.S.-CANADA FLIGHTS

Continuing to realize the benefits of the Clinton administration's market-opening U.S.-Canada aviation agreement, the Department of Transportation today approved a code-sharing arrangement that will significantly expand options for travel between the two countries.

American Airlines and its affiliated regional carriers will join with Canadian Airlines International (CAI) and its affiliates to operate code-share service between U.S. and Canadian cities and beyond these gateways to connecting cities in each country. The service is scheduled to begin June 1, and the authority will be effective for one year.

"This new service continues the rapid growth of the U.S.-Canada market that has taken place as a result of our new free-market aviation relationship," Secretary of Transportation Federico Peña said. "In the years to come we will see additional growth in this market, and with it new jobs and expanded economic activity on both sides of the border."

In approving the services, the department noted that the open-market U.S.-Canada agreement, which was signed by President Clinton on Feb. 24, permits unlimited code-sharing services between airlines of the two countries, with the exception only of temporary limitations on flights to Montreal, Toronto and Vancouver.

The department added that the arrangement will significantly expand service for both U.S. and Canadian travelers, offering nonstop and convenient connecting services to all points served by the two carriers.

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Under the arrangement, American's computer reservation system code will be displayed on flights operated by CAI to Toronto from Chicago and New York. CAI's code will be displayed on flights by American and its affiliate American Eagle over the following nonstop routes: Chicago-Calgary/Winnipeg/Ottawa/Toronto/Montreal; Dallas/Fort Worth-Toronto/Montreal/Vancouver/Calgary; Miami-Toronto/Montreal; New York-Toronto/Montreal; and San Jose-Vancouver.

In addition, American's code will be displayed on flights within Canada operated by CAI and its affiliate Canadian Regional serving 87 Canadian cities, and CAI's code will be used on American and American Eagle flights serving 176 U.S. cities.

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U.S. Department of
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News:

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

226187
M-493

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FOR IMMEDIATE RELEASE
Thursday, May 18, 1995

DOT 94-95
Contact: Chuck Kline
Tel.: (202) 366-2928

OCST SEES GROWING MARKET FOR LOW EARTH ORBIT SATELLITES

As many as five Low Earth Orbit (LEO) mobile communications satellite systems may be deployed in the 1995-2005 timeframe under the "high-end" scenario projected in the Office of Commercial Space Transportation's (OCST) update of its 1994 LEO market assessment.

OCST has developed LEO commercial payload projections under two possible scenarios. The first, or "low end," scenario still foresees the three LEO satellite systems projected in the earlier study, but that number is now the base-line minimum, rather than the maximum considered likely. Rather than two "Big" LEO (voice communications) systems and one "Little" LEO (data transmission, paging or other services) system, the "high end" now envisions three Big and two Little LEO systems.

"This updated assessment certainly gives us reason to be optimistic about the future of the commercial space transportation industry and about the benefits it provides, both in services and in jobs and economic growth. The Clinton Administration and Secretary of Transportation Federico Peña both strongly support the commercial space program," said Frank C. Weaver, Director of DOT's OCST.

All of the numerous proposed low earth orbit systems utilize varying numbers of evenly-spaced satellites circling the globe so that one is always within reach of earth-bound communications devices. They essentially allow anyone anywhere on earth to communicate with anyone else anywhere else, using a special handheld telephone (Big LEO) or other, non-voice, communications device, like a pager or alphanumeric messaging receiver (Little LEO). The LEO systems are immensely complex and expensive.

The assessment projected that as many as five to ten medium to large commercial launches per year could result from these scenarios during the deployment phases, depending on the system and launch scheme. Eight to 14 small vehicle launches could occur annually for LEO systems maintenance and the launching of remote sensing, microgravity, international, scientific, and other payloads.

The updated market study was released today in connection with the semi-annual meeting of the Commercial Space Transportation Advisory Committee (COMSTAC), the industry advisory group that advises Transportation Secretary Federico Peña on issues affecting the commercial space transportation industry.

The market assessment was compiled from information solicited from sources in the launch and satellite industries and other interested and knowledgeable parties.

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News:

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

FOR IMMEDIATE RELEASE

Wednesday, May 24, 1995

DOT 97-95

Contact: Bill Mosley

Tel.: (202) 366-5580

Peña Reaffirms Goal of Achieving Greater Access to the United Kingdom

Transportation Secretary Federico Peña today told the Senate he continues to seek a more open aviation regime and to secure more rights for U.S. airlines and cities.

Peña told the Aviation Subcommittee of the Senate Commerce Committee, "As long as the expansion of the marketplace represents a balanced movement forward between the United States and our bilateral partner, and it provides progress toward our ultimate goal of liberalization or open skies, we must be willing to move forward."

Peña pointed to numerous Clinton administration achievements in the international aviation field, starting with the breakthrough Canadian agreement. "Estimates of the value of this agreement to our economy have been in the range of \$15 billion per year," he said.

Peña went on to tell of progress in reaching open-skies agreements with nine European countries, "which will allow our carriers unlimited access to provide direct service, either on their own or under a commercial arrangement with the foreign carrier, or indirect service under a code-sharing arrangement with carriers of third countries."

Peña reviewed the strong position in which U.S. carriers now find themselves, having 60% of the market in Central and South America, almost 52% of the total traffic among Europe's three largest markets, U.K., Germany and France and 61% of U.S.-Japan traffic, with this single market accounting for over half of the traffic from the Far East and South Pacific.

Peña said that Clinton administration initiatives are producing results. "Last year more than 555 million passengers flew in the United States, up 8% from the year before. Revenues, traffic and load factors are all up. Unlike when I first came into office, none of our major airlines is in bankruptcy. Most importantly, in the international sector, our industry has turned the corner and reported an operating profit of \$500 million for 1994, and the profit picture is improving further. The U.S. share in the growing international market is up and airline analysts project that 1995 will be a good year."

Peña contrasted his record of accomplishment with the situation that faced him when he came to office. Major problems existed between the United States and foreign aviation partners, with the French renouncing the bilateral aviation agreement and the Germans threatening renunciation of theirs. Japan was indicating that it might take steps to limit future growth in U.S. service. No progress had been made "despite countless rounds of talks with Canada about liberalizing air service in this, our largest international aviation and trade market."

In addition, the U.S. aviation industry was experiencing disastrous financial results with the loss of two major airlines, including Pan American. Three more major airlines were in bankruptcy at the outset of the Clinton administration. In 1992, the U.S. aviation industry recorded its third straight year of huge losses, with an operating loss of \$2.4 billion. The international sector, which accounted for approximately one-fourth of our airline industry's business, was registering over half of this loss, \$1.3 billion.

Peña said the Clinton administration goals of increasing competition and expansion of service are leading to "significant benefits for travelers, shippers and communities, greater general economic development and greater financial rewards for carriers and their employees."

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U.S. Department of
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News:

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Washington, D.C. 20590

FOR IMMEDIATE RELEASE
Friday, May 26, 1995

DOT 98-95
Contact: Linda Lawson
Tel.: (202) 366-4835

SECRETARY PEÑA PRAISES DESIGN AWARD RECIPIENTS

Transportation Secretary Federico Peña today praised the 13 transportation winners of Federal Design Achievement Awards, the highest award in design given by the National Endowment for the Arts.

"The Clinton administration is committed to making our country a better and more beautiful place to live," Secretary Peña said. "The awards program is a step towards that end.

"Good design helps our transportation system work rapidly, efficiently and safely, and, at the same time enriches our communities and adds beauty to our lives. These award winners have provided us with outstanding examples of the kind of difference good design can make."

The Federal Design Achievement Awards are given every four years as part of the Presidential Design Awards to recognize federal design excellence. This year, 77 projects were selected from 420 entries to receive awards. The award winners are now under review for a Presidential Award for Design Excellence.

The goal of the awards program is to encourage government managers to strive for the best possible design in spending tax dollars.

In a letter to Secretary Peña announcing the transportation winners, Jane Alexander, chairman of the National Endowment for the Arts, congratulated the Secretary and said that "the department is helping to set an impressive standard of design excellence in the federal government."

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The 13 winners are:

From FHWA:

- o Arizona Interstate Rest Area Program
- o Augusta Canal Master Plan, Augusta, Ga.
- o Dorset Campground, Sequoia/Kings Canyon National Park, Three Rivers, Calif.
- o The Double Arch Bridge on the Natchez Trace Parkway, Franklin, Tenn.
- o The Interstate 90 Completion Project, Seattle, Wash.,
- o Maryland Route 450 over the Severn River, Annapolis, Md.
- o River Relocation Project, Providence, R.I.
- o Sentinel Bridge, Yosemite National Park, Calif.
- o Talmadge Memorial Bridge Replacement, Savannah, Ga.
- o Walnut Street Bridge, Chattanooga, Tenn.

From FRA:

- o Amtrak AMD-103 Diesel Locomotive

From FTA:

- o Bi-State Development Agency/Arts in Transit, St. Louis, Mo.
- o Staples Street Station, Corpus Christi, Texas

To further encourage excellence in transportation design and help fulfill DOT's strategic goal of actively enhancing our environment, Secretary Peña established a Design for Transportation National Award Program and issued a call for entries that ends July 20, 1995.

Projects submitted for this program must have made an outstanding contribution to the nation's transportation system by integrating transportation modes, enhancing our environment and putting people first.

"I am proud of today's winners," Peña said. "I want the transportation industry to continue leading the way in demonstrating that the environment we build can be sensitive to its surroundings and to the needs of the traveling public."

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE
Thursday, June 1, 1995

DOT 100-95
Contact: Bill Mosley
Tel.: (202) 366-5571

DOT PROPOSES EXCLUSION OF
MECHANICAL FLIGHT DELAY DATA;
ISSUES CONSUMER REPORTS
FOR JANUARY THROUGH MARCH

Responding to concerns about aviation safety, Secretary of Transportation Federico Peña today proposed to exclude mechanical delays and cancellations from the on-time data filed with the Department of Transportation by the nation's largest airlines.

This change would reinstate the reporting requirements that were in place from September 1987, when on-time reporting began, until January 1995, when the carriers were first required to report delays caused by mechanical problems.

The department today also released three issues of its Air Travel Consumer Report, containing on-time data for the 10 largest U.S. airlines for January through March. The reports also include data on baggage mishandled by the carriers and consumer complaints about airline service for the same period, and on passengers denied boarding, or bumped, for the year 1994, the fourth quarter of 1994 and the first quarter of 1995.

On September 30, 1994, the department issued a final rule requiring the carriers to include mechanical delays and cancellations in their reports beginning in January 1995. In issuing the rule, the department said the additional data would provide more complete information about airline performance, and that there was no evidence that the change would adversely affect safety.

However, at the January 1995 Aviation Safety Conference, representatives of airline pilots and mechanics expressed concerns that the rule might lead to inappropriate pressure on mechanics to maintain on-time performance. In response, Secretary Peña, through his commitment to assuring the highest standards of safety, directed the department to initiate this rulemaking.

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Publication of the Air Travel Consumer Report was temporarily suspended while the department reviewed this issue and prepared the proposed rule to exclude mechanical delays.

According to the Air Travel Consumer Report, the carriers posted an on-time arrival mark of 77.3 percent during the first three months of 1995, a figure which includes mechanical delays and cancellations. January's on-time mark was 73.8 percent, February's was 78.9 and March's 79.3.

The carriers recorded a mishandled baggage rate of 5.63 complaints per 1,000 passengers for the first quarter of 1995, much better than the 6.50 rate for the same period in 1994. The carrier's rate for January was 6.57 complaints per 1,000 passengers, compared to 5.19 for February and 5.16 for March.

Consumers filed 1,722 complaints about airline service between January and March with the Department of Transportation, down from the 2,027 filed during the same period last year.

The airlines posted a bumping rate of 1.27 involuntary denied boardings per 1,000 passengers for 1994, not as good as the 1.13 rate for 1993. However, the bumping rate for the last three months of 1994 was 1.07, down from the 1.15 rate for the last quarter of 1993. For the first quarter of 1995, the carriers' bumping rate was 1.07, identical to the previous quarter but well below the 1.50 rate for the first quarter of 1994.

The department plans to issue its next Air Travel Consumer Report next week. This issue will contain flight delay, mishandled baggage and consumer complaint data for April.

Consumers may file their complaints with the Aviation Consumer Protection Division, U.S. Department of Transportation, C-75, 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. This information is available on the computerized reservation systems used by these agents.

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News:

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

FOR IMMEDIATE RELEASE
Wednesday, June 7, 1995

DOT 104-95
Contact: Bill Mosley
Tel.: (202) 366-5571

FEWER PASSENGERS COMPLAIN ABOUT AIR SERVICE IN APRIL, DOT SAYS

Complaints filed with the Department of Transportation about airline service dropped significantly in April, while the largest U.S. carriers improved their on-time arrival and baggage handling marks.

According to the department's monthly Air Travel Consumer Report, consumers registered 424 complaints in April, down more than 45 percent from March's total of 774 and 27 percent below April 1994's 582 mark.

The 10 largest U.S. carriers posted an on-time arrival rate of 81.3 percent in April, up from their 79.3 percent record for March. Delays caused by mechanical problems are included in the data.

The carriers compiled a rate of 4.58 reports of mishandled baggage per 1,000 passengers in April, an improvement over both March's rate of 5.16 and April 1994's 4.80 mark.

Consumers may file their complaints with the Aviation Consumer Protection Division, U.S. Department of Transportation, C-75, 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. This information is available on the computerized reservation systems used by these agents.

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE
Wednesday, June 14, 1995

DOT 110-95
Contact: Bill Mosley
Tel.: (202) 366-5571

TRANSPORTATION MINISTERS TOUR DENVER INTERNATIONAL AIRPORT

Denver -- Secretary of Transportation Federico Peña, joined by transportation ministers from Asia-Pacific economies, toured the new Denver International Airport (DIA) today, touting the facility as the nation's most advanced, and calling it a gateway to the Pacific Rim.

The Secretary said that the airport, opened in February, will enhance Denver's status as a gateway from the Rocky Mountains and the east coast to the Asia-Pacific region and support the export of U.S. products and technology.

Secretary Peña and the other ministers arrived this morning from Washington, where they had participated in this week's Asia-Pacific Economic Cooperation ministerial meeting. Discussions at the conference ranged from transportation infrastructure and technology to market access and developing a work plan to improve transportation in the Asia-Pacific region.

Secretary Peña said the interdependence of the economies of the Pacific Rim means that "the growth of these economies is essential to our own future prosperity."

After the Denver visit, Secretary Peña and the ministers will tour transportation facilities in Seattle and San Francisco.

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**U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE
Thursday, June 15, 1995

DOT 113-95
Contact: Roslyn Kaiser
Tel.: (202) 366-5571
FHWA: Andy Paven
Tel.: (202) 366-0660

**PEÑA SENDS CONGRESS
BILL TO HELP D.C. COMPLETE
HIGHWAY PROJECTS**

To enable the District of Columbia to proceed with critical highway improvements, Secretary of Transportation Federico Peña today sent to Congress proposed legislation that would permit waiver of the local matching share for certain highway projects for fiscal years 1995 and 1996.

This would enable the District to put \$82 million in previously apportioned federal money to work. Otherwise, the authority to spend the funds would be lost on Aug. 1, 1995.

Secretary Peña said, "The District's budget imbalances have created an emergency situation that has delayed the progress of critical transportation projects, because the District's 20 percent share of funds for federal-aid roads is not available. This is a major problem, requiring swift action.

"By eliminating the matching requirement, we are meeting President Clinton's commitment to assist the District in any way possible and to keep the city a vibrant, attractive place for residents and visitors alike. In addition, it enables us to help the city without adding to the federal deficit.

"I urge immediate enactment of this legislation to help alleviate the dire economic situation in our capital city," Peña added.

The proposed legislation would permit the District to move \$82 million in highway construction projects forward. Under existing law, the District must commit \$16.4 million before these federal funds would become available. To complete the projects, the bill would let the District use funding already made available by Congress under the federal-aid highway program. Additional appropriations would not be required.

"The Administration, the Congress and the public are concerned with the emergency situation in the District. We recognize the need to prevent further deterioration of the highway and transportation infrastructure," Peña said, pointing out that the District has not planned any new highway projects for this year and has not solicited bids for 18 months because of the lack of funds for the local matching share.

Rodney E. Slater, administrator of the Federal Highway Administration, said "Immediate waiver of the matching share would allow contracts to be let by the District during the current construction season. This legislation will put people to work, which is good for the District, good for local industry and good for the people of Washington."

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U.S. Department
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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE
Friday, June 16, 1995

DOT 114-95
Contact: Bill Mosley
Tel.: (202) 366-5571

DOT ISSUES REPORT ON HIGH DENSITY RULE

The Department of Transportation today released a comprehensive report on the High Density Rule (HDR). Based on the report, the department concludes that the projected costs to consumers, airlines and communities of eliminating or modifying the rule currently outweigh the benefits, and that it would not be in the public interest to initiate a rulemaking on this issue.

Lifting the rule would produce net dollar benefits at only Chicago O'Hare among the four flight-restricted airports, the report shows. However, these benefits would be accompanied by an expected doubling of flight delays at O'Hare. Delays also would increase at each of the other three flight-restricted airports if the rule were lifted. The study also points out that the increased delays and congestion at the high density airports could lead to delays at other airports.

The HDR limits daily takeoffs and landings during certain periods at four of the nation's busiest airports: Washington National, Chicago O'Hare, and New York's LaGuardia and Kennedy International.

This report is the first comprehensive review of the rule since its adoption over 26 years ago. It provides a thorough examination of the issues and concerns raised by Congress, which mandated the study in the Federal Aviation Administration Authorization Act of 1994.

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U.S. Department of
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News:

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

FOR IMMEDIATE RELEASE
Monday, June 19, 1995

DOT 115-95
Contact: Bill Mosley
Tel.: (202) 366-5571

DOT PROPOSES SANCTIONS AFFECTING JAPANESE CARGO AIRLINES

Citing Japan's failure to honor its commitments under the U.S.-Japan bilateral aviation agreement, Secretary of Transportation Federico Peña today proposed sanctions affecting Japan Air Lines and Nippon Cargo Airlines.

The proposed sanctions would prohibit Japan Air Lines and Nippon Cargo Airlines from carrying on their scheduled all-cargo services from Japan to the United States any cargo that was carried to Japan from certain Asian markets on any Japanese carrier.

The markets involved will be selected later and will consist of one or more of the following places: Hong Kong, Indonesia, Singapore, Taiwan and Thailand. There is sufficient alternative cargo aviation capacity to ensure the flow of goods between these places and the United States.

The U.S. cargo carrier services which have not been approved by Japan involve flights by Federal Express between Japan and Subic Bay, Philippines, as well as other Asian points, that were scheduled to begin May 1. The U.S. government formally requested Japanese approval of these operations last February. Despite extensive efforts by officials of both countries to resolve this matter, Japan continues to withhold approval of these flights.

"We have tried to resolve this dispute through negotiations," Secretary Peña said. "But the Japanese government's failure to approve Federal Express' services, which are clearly provided for by the bilateral agreement, leaves us no other course of action.

- more -

"The United States will honor its commitments, and we expect our aviation partners to do the same," Secretary Peña added. "At the same time, we will vigorously defend the rights of U.S. carriers abroad, and act accordingly whenever these rights are denied."

This action will be taken through a show-cause order, in which interested parties will be invited to show cause why the proposed sanctions should not be made final.

The department's order calls for comments on the proposed sanctions by July 7 and reply comments by July 14. DOT will review these comments and anticipates promptly issuing a final decision.

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News:

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

FOR IMMEDIATE RELEASE
Wednesday, June 21, 1995

DOT 116-95
Contact: Roslyn Kaiser
Tel.: (202) 366-5571
BTS: Timothy E. Carmody
Tel.: (202) 366-9059

DOT MOVES AIRLINE STATISTICS OFFICE TO BUREAU OF TRANSPORTATION STATISTICS

The U.S. Department of Transportation today announced that the Office of Airline Statistics has been transferred to the Bureau of Transportation Statistics (BTS) from the department's Research and Special Programs Administration.

Dr. T. R. Lakshmanan, Director of BTS, noted that "This action reflects the Clinton Administration's and Transportation Secretary Federico Peña's commitment to reinventing government by streamlining operations. BTS, established in December 1992 as a multi-modal statistical agency, is a natural location for the airline statistical functions."

The office will be renamed the Office of Airline Information (OAI) to emphasize its role in providing accurate data, data analysis and customer services. Dr. Lakshmanan said, "The transfer comes at a time of tremendous change, due to deregulation of the airline industry and the information revolution. This creates new challenges and opportunities for the office, which must provide data for new needs in a manner that matches the current state of technology."

OAI collects and analyzes airline passenger, cargo, traffic and financial data. This information provides the government with consistent and comprehensive economic and market data on individual airline operations and is used in negotiating international bilateral aviation agreements. It also is valued greatly by the aviation, travel and tourism communities for such things as measuring on-time performance, denied boarding information and market analysis of trends.

Timothy E. Carmody has been named acting director of the new BTS office, located in Room 4125, K-25, BTS, Department of Transportation, 400 7th Street, S.W., Washington, D.C. 20590-0001. The transfer became effective May 28, 1995.

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U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE
Thursday, June 22, 1995

DOT 118-95
Contact: Bill Mosley
Tel.: (202) 366-5571

OPEN-SKIES AGREEMENTS WITH EIGHT COUNTRIES COMPLETED

Secretary of Transportation Federico Peña today said that recently-concluded open-skies agreements with eight European countries will significantly increase transportation options between these countries and the United States.

Agreements were signed in June with Austria, Denmark, Finland, Iceland, Luxembourg, Norway, Sweden and Switzerland.

"These agreements mark an important milestone in our effort, which we outlined last November, to create a free market for aviation services with a number of like-minded European countries," Secretary Peña said. "These countries share the U.S. vision that open-skies agreements provide substantial benefits for travelers, shippers and communities as well as the economy of each country." He reiterated his desire to negotiate open-skies agreements with any other like-minded European country.

Secretary Peña added that "each of these open-skies agreements gives the airlines of both countries the right to operate air services from any point in one country to any point in the other, as well as to and from third countries. Moreover, the agreements give airline management full flexibility to respond to market demand for air services by allowing, among other things, pricing freedom, unlimited airline capacity and a variety of different services tailored to the needs of the consumer."

The Secretary noted that under these new agreements, U.S. airlines will have new opportunities to participate in the globalization of air services, and U.S. communities will have new opportunities to attract international air services. These agreements, along with the liberal aviation agreement concluded with Canada in February, represent by far the largest deregulation of airline services in more than 15 years, Secretary Peña said.

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U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE

Tuesday, June 27, 1995

DOT 120-95

Contact: Bill Mosley

Tel.: (202) 366-5571

Peña Directs FAA to Review Air Turbulence Safety Rules

Transportation Secretary Federico Peña has directed the Federal Aviation Administration (FAA) to review all recent incidents -- including two this week -- in which turbulence has resulted in commercial airline passenger injury, and to determine whether the rules concerning seat belt usage require strengthening.

"In light of these incidents, a good hard look to see if we are taking all sound and reasonable measures in the interest of passenger safety is well warranted," said Secretary Peña in announcing his directive.

Currently, airlines are required by FAA regulations to strongly advise passengers to wear seat belts whenever they are seated. Additionally, airlines must enforce passenger compliance with overhead lighted warning signs and instructions to wear seat belts during aircraft taxi, takeoff and landing.

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U.S. Department of
Transportation

News:

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

FOR IMMEDIATE RELEASE

Friday, June 30, 1995

DOT 122-95

Contact: Sam Vass

Tel.: (202) 366-2009

DOT'S INSPECTOR GENERAL SEMIANNUAL REPORT SHOWS RECOMMENDED SAVINGS OF \$592 MILLION

A semiannual report of the Department of Transportation's Office of Inspector General (OIG) shows recommended savings totaling \$592 million; management commitments to save \$198.5 million; and fines, restitutions, recoveries, and cost avoidances totaling \$49.8 million.

During this six-month period, the OIG made significant contributions toward identifying programs and operations that need improvement in the department, and will help prevent fraud, waste and abuse.

As a result of the OIG's audit reports, departmental officials have agreed to seek recoveries, or to more effectively use resources, amounting to savings of \$198.5 million. The OIG's inspections and evaluations office saw its workload continue to increase, with 18 projects completed and 22 projects underway. In addition, the OIG's investigations resulted in 66 indictments; 55 convictions; and a total of \$49.8 million in fines, court-ordered restitutions/civil judgments, and federal and state recoveries.

The OIG issued significant audit reports during this period. Financial statement audits identified material discrepancies and noncompliance issues prompting over \$9.1 billion in account balance adjustments. As a result of audit reports issued on the Essential Air Service (EAS) Program, Secretary Peña agreed with the OIG recommendation to cancel the EAS Program. Funding for the EAS Program has been eliminated from DOT's proposed fiscal year 1996 budget. Two audit reports were issued as part of an on-going review of the Federal Aviation Administration's (FAA) Advanced Automation System (AAS) Program, as directed by Congress in 1993. An audit issued as part of a President's Council on Integrity and Efficiency initiative showed that the Workers' Compensation Program in DOT needs to be improved.

Over the past three years, the OIG has reviewed the adequacy of FAA oversight of airport revenue generation and use of these revenues at 36 airports. The audits identified prohibited diversion of airport revenue at 15 of the 36 airports. However, the OIG found that the FAA had not effectively implemented special provisions enacted by Congress in the department's fiscal year 1994 and 1995 Appropriations Acts, which would allow the FAA to impose sanctions on these airports in order to achieve the statute's intended results.

If the special provisions had been effectively implemented, any identified prohibited diversions would have resulted in the revocation of all assistance and grants that would otherwise have been available to that state or municipality through fiscal years 1994 and 1995. The potential magnitude of the penalty for diversion is one reason the special provision has not been enforced.

In the area of inspections and evaluations, the OIG completed a significant review concerning the validity, relevance and accuracy of airline financial and statistical data contained in the Research and Special Programs Administration's (RSPA) Airline Data Collection and Reporting Program. This review was performed in response to complaints from airline companies to the department concerning the validity, relevance and accuracy of airline financial and statistical data.

The OIG's review indicated that there were problems impacting the program's ability to efficiently and effectively meet its mission, such as lack of a plan for validating the accuracy and consistency of data submitted, and a lack of adequate internal controls. Recommendations to correct these deficiencies have been made to RSPA. At this time, however, management corrective actions have not been finalized.

In 1993, the Secretary of Transportation requested that the OIG conduct a major investigation regarding non-technical training conducted at the FAA's management training facility in Palm Coast, Fla. The completed investigation identified at least 15 areas of complaints and controversies involving a contractor. Allegations were raised regarding the contractor's training techniques, relationship with the FAA and the department, personal relationships with FAA employees and training conducted at the FAA facility.

The investigation disclosed contracting violations, serious lapses in FAA's management of its executive training program, and an ethical breakdown in the relationship between the contractor and a number of senior FAA officials. The OIG's investigation culminated in the issuance of a report containing more than 600 pages with 17 recommendations to the Secretary and the FAA Administrator. By memorandum to the OIG, the Secretary and the FAA Administrator agreed entirely, or in substance, with nearly all of the OIG's recommendations. Appropriate corrective action was taken immediately by the Secretary of Transportation and the FAA to implement a number of the recommendations.

The OIG also continued to investigate numerous allegations of suspected unapproved parts in the aviation industry. In addition, investigative activities in the areas of motor fuel excise tax evasion and transportation of hazardous material remained top priorities with increased activity in those areas.

During its oversight of DOT, the OIG also identified department programs and operations that work well. For example, DOT complied with anti-lobbying certification and lobbying disclosure statements; operating administrations' internal controls were adequate to prevent fraud and abuse in processing applications for workers' compensation; FAA sponsors complied with federal letter of credit requirements for program eligibility and maintained financial management systems which met the standards for funds control and accountability; FAA had an effective aviation industry drug testing program; two FAA regions (Eastern and New England) had adequate controls over approving and authorizing aircraft rentals; and the Coast Guard's automated time and attendance system improved its ability to monitor overtime.

During that time, the Federal Highway Administration (FHWA) ensured that the Alaska Department of Transportation and Public Facilities constructed and operated ferry vessels in accordance with applicable laws and regulations; FHWA Region 6 provided excellent technical assistance to states in the Disadvantaged Business Enterprise Program; FHWA Region 4 and a state highway administration had adequate controls to ensure that appraisal reports were accurate and provided for market-value determinations; and FHWA Region 4 had adequate internal controls to assure that the states selected noise mitigation alternatives that measurably reduced the impact of highway traffic noise and that the alternatives selected were cost effective. In addition, the National Highway Traffic Safety Administration established adequate controls to ensure that the objectives of the tire testing program were met.

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U.S. Department of
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News:

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

LOS ANGELES AIRPORT LANDING FEES LARGELY VALID, DOT SAYS

The increased landing fees charged at Los Angeles International Airport are for the most part not unreasonable, the Department of Transportation ruled today after an examination of complaints from airlines that the new fees were unreasonable.

DOT said that Los Angeles' decision to use fair market rental value rather than historical cost for valuing the airfield land was contrary to pre-existing law and policy and the practices followed by other airports, as well as the department's recently-adopted policy statement on airport rates and charges. The department asked for further comment on the precise amount of the refund that should be required, tentatively concluding that the city must refund about \$20 million to the carriers, about one-fourth of the increase collected over the past two years.

In its final decision on a complaint filed by the Air Transport Association and 16 airlines, the department affirmed the May 24 recommended decision of DOT Chief Administrative Law Judge John J. Mathias. While most of the increase was not unreasonable, the city overvalued the land under the airfield, and may be planning to impose excessive charges on the carriers for services such as police and fire protection, DOT found.

The department said that the airlines had failed to show that the fee increase was unreasonable in other respects and rejected their call for a larger refund. The airlines had claimed that the new fee -- \$1.56 per thousand pounds landed weight for most passenger airlines -- was too high by \$1. DOT added that when the city determines its charges to the airport for emergency services, it must allocate those expenses on a justifiable basis.

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This is the first finding under new rules for handling such disputes which were published by the department in February. Those rules implement a statute enacted last August which directs the department to use expedited proceedings to resolve disputes about whether new or increased airport fees imposed on airlines are reasonable.

Los Angeles adopted the new landing fees in July 1993, tripling fees for most carriers. At that time, the airlines challenged the fees in court and refused to pay the increases. When the city then threatened to bar those carriers refusing to pay the higher fees from the airport, Secretary of Transportation Federico Peña and other DOT officials helped to negotiate an interim agreement in December 1993.

Under that agreement, the airlines agreed to pay the fees under protest while challenging their legality, and Los Angeles agreed to refund any part of the fees that might be found unlawful. On Aug. 24, 1994, Congress enacted the Federal Aviation Administration Authorization Act which gives airlines the opportunity to obtain an expedited decision in such disputes. On March 2, 1995, the carriers asked the department to review the increase, and on April 3, the department announced that it would examine the complaint.

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

AGREEMENT REACHED TO REDUCE IMPACT FROM STATUE OF LIBERTY AIR TOURS

An agreement between the federal government and New York air tour operators will enhance safety and reduce the impact of noise around the Statue of Liberty and Ellis Island, Secretary of Transportation Federico Peña announced today.

Under the agreement, tour operators will fly no closer than 500 feet from either Ellis or Liberty islands. In addition, the Department of Transportation's Federal Aviation Administration, the Interior Department's National Park Service and the tour operators will work together to remedy future noise and safety problems if they arise.

"The noise from aircraft flying above two of the nation's most treasured historical sites has diminished the experience for many visitors," Secretary Peña said. "This agreement balances the needs of air tour operators and their customers while allowing everyone to enjoy these monuments."

The agreement, signed June 26, primarily affects tours operated by National Helicopter Corporation of America and Liberty Helicopters. "I recognize and appreciate the willingness of these tour operators to address the concerns of the Park Service in such a cooperative manner," Secretary Peña said.

DOT and the Interior Department have worked together to reduce noise impacts from overflights of national parks since December 1993, when they formed an interagency working group on this issue which first focused on flights over the Grand Canyon. Several major operators subsequently entered into a voluntary agreement to limit the number of flights over the canyon. In March 1994 the departments announced that they would work jointly to develop measures, both voluntary and regulatory, to reduce the impact of overflights at the Grand Canyon and other national parks. The agreement with the New York operators is a result of that initiative, Secretary Peña said.

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