

STATEMENT OF  
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NOMINEE FOR ADMINISTRATOR OF THE  
URBAN MASS TRANSPORTATION ADMINISTRATION  
BEFORE THE  
U.S. SENATE  
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS  
MARCH 24, 1981

Mr. Chairman, Members of the Committee, I am honored to appear before you today as President Reagan's nominee for Administrator of the Urban Mass Transportation Administration. I wish to express my sincere appreciation to both the President and Secretary Drew Lewis for their confidence in recommending me for this position.

I believe that my background, education and experience have uniquely prepared me to be the Urban Mass Transportation Administrator. Pursuant to the Statement for Completion By Presidential Nominees required by this committee, I have submitted a detailed statement of my qualifications. For your convenience I have extracted my response and attached it to this statement for your perusal.

I ask for your support and confidence in me for this position. If confirmed by the Senate, I will work with this Congress and within the framework of this Administration's goals to assure that our programs continue to contribute positively to the provision of mass transportation.

Transit is an important service which provides a level of mobility necessary for the economic health of our communities. We intend to continue to give our support for proven, cost-effective transit systems. However, I recognize that the Federal urban mass transportation program is at a critical crossroad in its history. During the last 20 years we have witnessed a phenomenal increase in the magnitude of the Federal program from a \$25 million authorization in 1962 to \$4.5 billion budget in FY 1981. Most of us supported this expansion. However, there have been drawbacks to this expansion. The program has grown in complexity and in the degree of Federal regulation and intrusion. In most cases, these Federal intrusions have interfered with and diminished local initiatives which could improve the productivity and effectiveness of local transit systems. Subsidies for local operating costs can be counter-productive because Federal requirements drive up costs. Also the intrusive presence of the Federal program and accompanying regulations reduced the ability of transit management to respond to peculiar local situations in labor negotiations, fare policies, service criteria, and routing.

I believe the existing Federal mission must be reexamined. Where Federal involvement has proved effective and beneficial, we should expand efforts. Where Federal involvement has proven counter-productive and ineffectual, we should withdraw. Such analysis requires an examination of all existing

regulations, policies and procedures, as well as a reconsideration of the very nature of our transit assistance programs.

Reexamination of the Federal role should be guided by several important principles:

- o return local service and operational decisions to state and local levels;
- o shift greater financial responsibilities to those that benefit from transit services. (i.e., more appropriate blend of fares, local-state taxes, and participation of local businesses.)
- o minimize prescriptive Federal regulations and procedures concerning acquisition and construction of capital equipment and facilities; and
- o encourage private enterprise participation in local transit systems.

I am keenly aware that the question of the reexamination of the Federal role raises some very real challenges with respect to the programs currently administered by UMTA. However, I do believe that a new Federal approach consistent with the President's Economic Recovery Program will, in the long run, allow communities to develop and operate more efficient transit systems providing better service.

It is important to realize that most studies are showing that the single greatest factor effecting the increasing cost of transit operations is general inflation - not just higher energy and labor costs. Transit agencies, like all businesses, must buy services and equipment. Inflation severely reduces their buying power. All efforts which assist in bringing a halt to the runaway economy in this country, and which assist in bringing our national budget into balance, will have favorable impact on the operations of

our nation's transit systems. Therefore, I believe we must look at changes in the Federal role and in the nature of the Federal program in terms of benefits and opportunities, in a larger sense, and not simply in terms of Federal dollars. I have the confidence that our nation will be able to respond positively and creatively to the local opportunities that a reduced Federal role will provide.

Consistent with the principles that have been stated today, I believe that states and local communities should have responsibility for the operation of mass transportation. At those levels of government the greatest creativity and innovation can be brought to bear. Also, we will continue to expand Federal assistance in support of capital investments. This is an appropriate role for the Federal government and one which can be achieved with minimal Federal intrusion into State and local decision-making. The main focus of this Federal assistance will be on the maintenance and improvement of existing transit systems, which provide essential service for millions of people every year. Thus, this Administration has initiated a number of administrative and legislative actions which will reduce and eliminate Federal regulations that have been time consuming and costly. I intend to initiate efforts to streamline UMTA programs and provide for more effective administration and more local flexibility in using the Federal resources. Also, recognizing the important role that UMTA can play in providing assistance to local properties on many operational subjects, I intend to continue efforts to provide assistance in management and marketing techniques, creative fare policies, and near-term technical improvements.

There is one last area that I would like to touch upon before I close my remarks -- namely the private business sector. As the Federal role has grown over the last two decades the role of the private sector has contracted. I am not only referring to private operations of transit systems, but to participation of the business community in the decision-making process and incentive programs which are essential to the development and operation of transit systems. I believe the business community is now an untapped resource ready to be involved. The economic health of most of our cities is dependent on transportation -- both in terms of work force mobility and the mobility of customers, goods, and services. Public transportation in most communities is an essential element of this mobility. We have already seen evidence of the private sector's willingness to participate through vanpool programs, and other forms of private incentives to encourage public transportation usage. As Administrator, I pledge that I will work toward strengthening this essential partnership between State and local governments and the private sector.

I believe that all of the actions which I have outlined will aid the President, the Secretary, and this Congress, in fulfilling the Federal mandate of assisting State and local governments, and the business community, in providing for the public transit needs of this country. Thank you. I will now be happy to respond to your questions.

## QUALIFICATIONS

I believe that my background, education and experiences have uniquely prepared me to be the Urban Mass Transportation Administrator. The Federal transit program needs an Administrator who has the training and experience to shape the transit program and policy so that we can achieve the dual goals of restraining inflation and maintaining capital investment in our current transit systems. As the leader of both the Department of Transportation Transition Team for the Office of the President-Elect and a National Director for the Reagan-Bush Campaign, I have had the opportunity to participate in the development of the Reagan Administration's transportation policy. These assignments put me in direct contact with many of the major issues and people currently assigned to formulate and reformulate our national transportation policy. For the last two months, I have served as the Senior Policy Consultant to the Secretary (DOT) for UMTA matters. Personally, I am truly committed to and support this Administration's transportation policies.

In addition to this specific transit transportation experience, I have worked for many years on the legal and political issues that confront this country. I was the Chief Author and Staff Director for the State of Florida constitutional initiative to revise the corporate tax and finance provisions of the State Constitution. These provisions were designed to provide an appropriate response to the taxation dilemma that Florida businesses were facing. These provisions were supported by the Chamber of Commerce and the business community across the State. I have served as a Consultant to the United States Department of Labor on labor-management issues. I have served as the Principal Advisor to the Secretary of the Florida Department of Administration in the development of an approach to balance human resources policies and merit principles. I have also worked to solve the problems of urban areas in my capacity as a Member of the Tallahassee Mayor's Advisory Council. My private law practice has offered me numerous opportunities for involvement in public affairs issues from both the national and State levels. I believe that I have developed a keen understanding of the intricacies and complexities of government issues. As a private citizen, I have worked closely with numerous community organizations in efforts to offer solutions to some of the problems faced by the wage earner, the economically disadvantaged, and the underprivileged citizens of our nation. I believe this broad background gives me a context to thoughtfully consider the overall transit program structure.

During my brief association with the UMTA program, I have participated in the identification and solution of the many recurring management challenges within UMTA. I firmly believe we simply must do better with less; an Administrator with proven managerial background can make that happen. I believe that my background and education have prepared me to assume this management challenge.

I served for over nine years in the United States Army as a Regular Officer. This included a tour as Company Commander of a unit in combat and later a tour as Senior Aide-de-Camp and Special Private Counsel to the Commander. I believe my experiences as Senior Aide-de-Camp and Special Private Counsel to the Commanding General of the Army's elite XVIII Airborne Corps at Fort Bragg have provided me with the unique insights and management experiences that will be very helpful in identifying problems and offering remedies uniquely suited to agencies within our Federal Government. My experiences in general as a member of the legal profession and in particular as a military Chief Prosecutor in the Republic of Korea have offered me a firsthand opportunity to fully appreciate and accept the legal process.

My awards and decorations include a Bronze Star for Valor, a Bronze Star for Service, a Purple Heart, Air Medal with Clusters, Cross of Gallantry (RVN), Army Commendation Medal, Meritorious Service Medal, Airborne and Ranger training, as well as numerous other citations. My military record reflects that I have fully and honorably served my country.

If I am confirmed by this Committee, I look forward to working with you to shape an aggressive Federal transit program that will respond to the people's mandate and this Administration's commitment to reduce Federal spending and Federal red-tape. Together, I firmly believe that this can be done.