

STATEMENT OF THE HONORABLE SAMUEL K. SKINNER
SECRETARY OF TRANSPORTATION

before the
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
SURFACE TRANSPORTATION SUBCOMMITTEE
U.S. HOUSE OF REPRESENTATIVES

concerning the
NATIONAL TRANSPORTATION POLICY AND HIGHWAY, TRANSIT,
AND HIGHWAY SAFETY REAUTHORIZATION

March 8, 1990

Mr. Chairman and Members of the Committee:

We are pleased to have the timely opportunity today to discuss the National Transportation Policy which President Bush released this morning at the White House. This Committee is one that has a major interest in the National Transportation Policy and will have a large share of the responsibility for translating it into national legislation. This is the first National Transportation Policy since 1978.

Today, at your invitation, I have with me three of the Department's key administrators whose programs are encompassed in the Policy -- Thomas Larson, the Federal Highway Administrator; Jerry Curry, the National Highway Traffic Safety Administrator; and Brian Clymer, the Urban Mass Transportation Administrator.

We initiated our National Transportation Policy development process a year ago, feeling that it was time to take a new look at transportation policies. We went out to the American people in more than 100 public meetings. In essence, what we heard was a

call for an improved transportation system -- a system with greater capacity and a sound financial base; a system that supports our national goals in the areas of safety, national security, environmental amenity, and accessibility for all.

The people we heard echoed the words of President Bush that "we are ready to make an investment in America's future." An investment in transportation is an investment in our future economy, in jobs.

The National Transportation Policy we unveiled today provides a strategic framework for that national investment of time, of money, and of commitment. It shapes the movement of passengers and goods in the 1990's and beyond.

Simply speaking, the National Transportation Policy is about using our common sense -- doing the right things with our limited resources -- focusing on systems of national significance and promoting national priorities -- improving mobility, the efficient movement of goods, providing jobs and improving the quality of life for all Americans.

We deliberately structured the policy to be intermodal in nature-- driven by the freedom of the marketplace and focused on moving America toward a transportation system that promotes U.S. competitiveness both at home and abroad. Its long-range strategy

guidelines emphasize increased private sector transportation investment and job-producing economic growth.

The policy has six major themes: one, maintaining and expanding the existing transportation system; two, providing a sound financial base for transportation programs; three, maintaining a strong and competitive transportation industry; four, ensuring public safety and national security; five, enhancing the environment and the quality of life for our citizens; and six, advancing transportation technology into the 21st century.

This document is not the conclusion of a project, but the beginning of a new era and an ongoing process in which you, of course, will have a major role. The Policy has given us a long-term vision for the future and a short-term decisionmaking framework for major initiatives. Let me give you some examples:

One, we soon will be forwarding the Federal Aviation Administration Reauthorization bill to Congress. That bill includes an increase of more than 70 percent for the Federal Aviation Administration's capital and R & D programs over the next five years compared to the last five, and a provision allowing local airports to levy a passenger facility charge to support airport development. And, yes, we are proposing an increase in the aviation user fee to support these increased levels of Federal spending on aviation infrastructure. The Congress' willingness to enact such an increase will be an important demonstration that our

national leadership is committed to meeting the nation's transportation infrastructure needs.

Two, we are using this policy as the basis for preparing our reauthorization proposal for the highway, transit and highway safety programs in 1991 and other near-term legislative initiatives such as eliminating remaining economic regulation of trucking. This policy is also the umbrella for a law enforcement safety summit on April 1, and oil spill initiatives to protect the environment and prevent another disaster such as Exxon Valdez.

Three, we have asked for a budget increase of 17 percent in Fiscal year 1991 for research and development in areas such as maglev as an alternative transportation mode, and intelligent vehicles and highways that use advanced electronic and communications technology to facilitate movement of people and goods.

Four, we have adopted a program that will enable foreign air carriers to provide improved international air service to more cities. Further opening up the skies in international aviation will produce economic growth.

Among the 169 guidelines and 65 legislative, regulatory and program objectives in the policy are long-term goals that will help to preserve transportation facilities currently in place; expand essential capacity; close the gaps in the transportation network; promote effective connections between rural and urban

areas, between ports and inland points, and between modes; maintain the integrity of the trust funds, and ensure that all transportation user fees are spent for their intended purpose -- to improve transportation; and promote sounder management of our transportation systems.

Finally, the policy urges greater flexibility for state and local governments to raise revenues -- for example, collecting tolls on highways; and encouraging greater private investment in transportation.

The policy supports certain goals: We must eliminate remaining economic regulation of trucking and strive for uniformity of state regulations. We must remove inequitable labor requirements that limit productivity in the railroad industry. We must strive to maintain a high level of safety at all times in all modes. In aviation safety, in highway safety, in boating safety, and the transportation of hazardous materials, the policy provides a framework for action.

In my mind, there is no question that improved transportation will improve our productivity as a nation -- that an investment in infrastructure is an investment in jobs. I know that today is the kick-off of your Committee's hearings on the reauthorization of the federal-aid highway, transit and highway safety programs. Inadequate maintenance and inefficient use of the transportation infrastructure reduce the capacity of the system and contribute to

congestion. Expanding capacity will certainly be necessary in some areas; in many other areas, we must make better use of existing transportation facilities. For example, with low-occupancy automobiles playing such a large part in traffic congestion in urban and intercity travel, we must take greater advantage of the potential of bus, rail and ridesharing if we are to reduce crowding, delays, and "gridlock."

Your Committee is interested in "proposals to meet the transportation needs of Commerce in the 1990's and the 21st century" and a "fresh perspective" on the transportation program at the end of the interstate highway construction program. We trust that our National Transportation Policy will meet your expectations. Now let me briefly outline the Policy's principles that we intend to encompass in the Surface Transportation Reauthorization proposal.

Regarding highways and highway safety, the new program would:

- o Make use of the Highway Trust Fund to address critical highway infrastructure requirements.
- o Focus the Federal-aid highway program on systems and projects of national significance.
- o Provide Federal funding incentives for preservation of highways of national significance.
- o Require sound infrastructure management programs as a condition for Federal-aid.
- o Increase the State and local share on Federal-aid projects.

- o Allow greater flexibility in the use of Federal trust funds for highway and transit purposes.
- o Allow greater use of toll financing for Federal-aid highways.
- o Devote additional resources to research and development, including programs to improve highway safety through human factors research, and seed money for private sector or State and local research on new transportation technologies, such as intelligent vehicle/highway systems.
- o Improve highway and motor carrier safety by targeting Federal financial support and technical assistance to promote enactment and more effective enforcement of laws governing speed limits, driving under the influence of alcohol or drugs, truck driver qualifications and vehicle maintenance, and use of safety belts, child safety seats, and motorcycle helmets; and increase public awareness in those areas.

Regarding mass transit, there are changes that should be made in the current mass transit assistance program, and the policy will lead us toward them: increased emphasis on formula distribution and less reliance on discretionary allocation to permit more confident planning at the local level; an enhanced local commitment to mass transit; flexibility between highway and transit programs in a number of categories; and an appropriate emphasis on research, technology and training to facilitate the development of the latest techniques and best trained people to

provide safe, efficient, attractive, comfortable and convenient mobility for everyone.

To implement the national transportation policy for mass transportation, the Administration will develop legislation consistent with the following principles:

- o Restructure the Federal mass transportation assistance programs to improve effectiveness and reduce reliance on the General Fund.
- o Eliminate barriers to private sector participation in financing and operating mass transportation systems.
- o Allow greater flexibility in the use of Federal trust funds for highway and transit purposes.
- o Increase the State and local role in managing and administering Federal funds.

President Bush spoke about the National Transportation Policy in his State of the Union message last month, stating that "it's time to act." He emphasized "that it's time to act together." Suffice it to say that I am very pleased to end an exciting day in the presence of this Committee. Today is the culmination of a lot of hard work and study by the Department's staff. We are eager to share our early thoughts about the task that lies ahead for all of us.

My colleagues and I will be pleased to answer your questions at this time and I look forward to working closely with all of you as we "act together."

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