

**STATEMENT OF THE
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BEFORE THE UNITED STATES SENATE
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
ON THE REAUTHORIZATION OF THE INTERMODAL SURFACE
TRANSPORTATION EFFICIENCY ACT OF 1991**

FEBRUARY 26, 1997

Mr. Chairman, Senator Baucus, and Members. It is an honor for me to appear before the Senate Environment and Public Works Committee -- the Committee that confirmed me as the Federal Highway Administrator, my first Federal position. I am especially pleased that my first appearance before a Congressional Committee as the Secretary of Transportation is before this Committee. I am deeply honored that the President and you, the Senate, have seen fit to entrust me with the significant responsibilities that come with being the United States Secretary of Transportation -- not the least of which is one of the major transportation bills to be considered this year by the Congress.

The President has challenged all of us to help build a bridge to the 21st Century.

While speaking metaphorically, I believe that this Committee will agree with me when I say that transportation will have much to do in a real and concrete sense with the shape of the next Century.

When the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) was enacted, it was hailed as the most significant restructuring of surface transportation programs since the Federal-Aid Highway Act of 1956. Those of you on the Committee who developed this extraordinary legislation are to be commended, because in concept it was truly a landmark law.

In the years since, we at the Department of Transportation (DOT) have worked tirelessly every day in every way to ensure that the noble objectives of ISTEA were realized in practice and implementation. The Administration, with the support of the Congress, has provided record level investment in transportation infrastructure. We have engaged in the most extensive outreach effort in the history of the DOT to aid our state and local transportation partners in implementing the new planning and the new shared decision-making process outlined in ISTEA. And we have engaged the private sector in ways never before realized. In short, we have worked to make the dream of ISTEA a reality.

During my testimony, I will be talking about the specifics of ISTEA and about the specifics of reauthorization. I want to emphasize, however, that in preparing to meet the transportation challenges of the 21st Century, ISTEA and its successor must be judged not simply by transportation measures--mileage improved, bridges rehabilitated, transit lines operated. Rather, ISTEA and its successor must be judged by how they

affect the lives of our people, the health of our economy, and the welfare of our Nation as we enter a new century.

I believe that transportation plays a central role in our society--central not just to everything we do or will do, but central to the history that has made us what we are today. I look to history as my guide in showing us how transportation has pulled us together as a Nation, how transportation has sustained our dreams, and how transportation has given us the freedom to enjoy the right, as promised by the Declaration of Independence, to "Life, Liberty, and the pursuit of Happiness."

The echoes of history tell us the story.

In 1784, George Washington saw that the mountain barrier separating the seaboard cities of the new United States from the settlements along the Ohio River must be overcome or the settlements would be pulled into economic alliances with the British in Canada and the Spanish along the Mississippi River. The solution, he thought, was in the young Nation's clearest interests, namely: "open a wide door, and make a smooth way for the produce of that Country to pass to our Markets before the trade may get into another channel."

Some years later, in 1806, President Thomas Jefferson would open that wide door by approving legislation to build the National Road linking east and west and eventually

stretching almost to the Mississippi River. In an 1806 message to the 9th Congress, he said that roads and canals would knit what was even then a diverse Nation together in what he called a “union of sentiment.”

This view was reflected in the mission President Jefferson assigned to Captains Meriwether Lewis and William Clark. When they set out to explore the unknown reaches of the Louisiana Purchase, one of their goals was to find a navigable water route to the Pacific Ocean that would allow the United States to bind those uncharted territories to the Nation that now owned them.

President Abraham Lincoln understood. Even while trying to hold the Nation together in war, he took an important step to keep it together in peace. In July 1862, while the Union and Confederate forces were locked in combat, President Lincoln signed the Pacific Railroad Act that made a transcontinental railroad possible. He understood its military value, but he also recognized the importance of transportation in holding a Nation together and in enhancing the lives of the people on both ends of the line.

When the Federal Aid Road Act of 1916, which created the Federal-aid highway program, reached the desk of President Woodrow Wilson, he said he was happy to sign it because the new law “tends to thread the various parts of the country together”

President Franklin Roosevelt, facing the worst economic catastrophe this Nation has ever experienced, saw transportation as an integral part of our recovery. He saw road building and other public works as a way of providing jobs to the unemployed and creating a revenue stream to help businesses. But he also had a vision of a national network of superhighways that he nurtured throughout his presidency. The earliest report on what became the Interstate System was prepared by the Bureau of Public Roads at his request.

But in the 20th Century, perhaps no President had a clearer vision than President Dwight D. Eisenhower. His vision had been forged by practical experience. In 1919, as a Lt. Colonel, he had traveled across the country as an observer on the U.S. Army's first transcontinental convoy of military vehicles. The convoy took 62 days to get from Washington to San Francisco. During World War II, he had seen the benefits of Germany's autobahn freeway network. As President, therefore, he was committed to creation of a similar network for the United States. His 1955 message to Congress outlining his proposal provided an eloquent explanation of why the Interstate System was so important. He said:

Our unity as a nation is sustained by free communication of thought and by easy transportation of people and goods. The ceaseless flow of information throughout the Republic is matched by individual and commercial movement over a vast system of interconnected highways crisscrossing the country and

joining at our national borders with friendly neighbors to the north and south.

Together, the united forces of our communication and transportation systems are dynamic elements in the very name we bear--United States.

Without them, we would be a mere alliance of many separate parts.

I take my cue from these great leaders, who recognized that the tools of transportation--the concrete, asphalt, and steel of today--are but a means to an end. And that end is the unity of our Nation--and the mobility and prosperity of our people.

It is neither a coincidence nor an accident of history that in the 19th Century, the United States became stronger and our Nation more united as our transportation network spread across the continent, connecting farmers to markets, cities to cities, and coast to coast.

Nor is it an accident that in the 20th Century, the United States built the strongest economy and became the greatest power in the world at the same time our evolving transportation network was making our citizens the most mobile in the history of the world.

Because our country's prosperity and its quality of life are linked inextricably to the strength and efficiency of its transportation system, reauthorization of ISTEA gives us

an opportunity to begin to build that bridge to the 21st Century. The coming debate will be complex, frustrating, and intense, but as we build that bridge to the 21st Century, we must never forget that our future, and that of our children and grandchildren, will depend on how far our transportation system will take us--or not take us.

OUR CHALLENGE:

As we entered the post Interstate era of the 1990s, ISTEA gave us the tools and flexibility to respond not only to the Nation's transportation needs but to many of the economic, social, safety and environmental challenges we faced. It recognized that Federal investment must do more than build roads and mass transit; it must also help strengthen communities, improve productivity, preserve our environment, and protect the safety of all Americans. Under President Clinton, we have made good on ISTEA's promise. Working with the Congress, we have increased transportation infrastructure investment to record levels. These investments have paid off in substantial improvements to the condition and performance of our highways and mass transit systems.

To prepare for the future, Congress and the Department sought views on reauthorization over the past year, through hearings and forums all across the country. The clear message that emerged from these dialogues is that ISTEA is working and working well. The key to this success is that ISTEA is rooted in a strong partnership among all levels of government and with the private sector. These partnerships must

be preserved and strengthened.

New and continuing challenges lie before us in the 21st Century -- challenges to keep our economy competitive, to maintain our quality of life and to ensure a safe and efficient transportation system. As the President said in his State of the Union Address: "we must be shapers of events, not observers...." ISTEA represented that kind of visionary approach. The reauthorization of ISTEA holds the promise of keeping our economy the strongest in the world by providing access to markets, reducing health care costs through safer transport, reviving and empowering poor urban and rural neighborhoods, transporting people from welfare to work, harnessing the powerful forces of science and technology, protecting our environment, and maintaining a mobile and ready military.

The extensive infrastructure investment of the past two centuries provides a solid platform for the new foundation. Now, in addition to more traditional approaches, we can look to information and communication technologies, intelligent transportation systems, magnetic levitation systems, and other new or improved technologies that promise to transform the safety, efficiency and environmental soundness of travel. As the information revolution continues to change the way we do business, we will continue defining and expanding the transportation information infrastructure to get decisionmakers the right data at the right time and in the right format. The successor to ISTEA must recognize that, once again, America is at a crossroads and that

transportation will play a key role in helping choose our future path.

RESOURCES FOR TRANSPORTATION:

One of our biggest challenges is to provide adequate resources and sufficient flexibility to maintain and improve our surface transportation system within the context of moving toward a balanced budget. The Administration's legislative proposal, the "National Economic Crossroads Transportation Efficiency Act" (NEXTEA), will authorize a total of \$174 billion for surface transportation programs over a six-year period. This is an 11 percent increase over ISTEA funding levels. Our proposal will sustain core programs such as the National Highway System (NHS), maintenance of the Interstate System, and continuation of bridge replacement and rehabilitation, as well as important safety, environmental, and transit programs.

Even so, we recognize that the Federal Government alone cannot provide sufficient funds to meet our Nation's transportation needs. That is why we propose to expand the successful State Infrastructure Banks (SIBs) program to all states and to establish a Federal credit program to supplement current funds and expand opportunities for attracting new public and private capital transportation investment.

Responding to the President's 1994 Executive Order on Infrastructure Investment, the Department launched a broad innovative finance initiative to stretch the Federal dollar and attract new sources of capital. Our Partnership for Transportation Investment,

initiated more than two years ago, cut red tape, produced new financial tools and attracted new funding. Over 70 projects, worth more than \$4 billion, moved to completion ahead of schedule, saving both interest and inflation costs. As impressive as these figures are, we are confident we can do even more by expanding these efforts nationwide.

We propose taking the next step by expanding the amount of seed money available for State Infrastructure Banks (SIBs) and by dedicating \$100 million to a new Federal credit program. Although similar to the SIBs, this program will support multi-state projects of national significance that a single state might not be able to manage on its own. This new initiative will help keep us competitive in the global economy.

Technology provides another strategy for getting more from our Federal investment dollar and maximizing system performance. In many cases, technology can provide needed additional capacity at less monetary and environmental cost than new construction. Therefore, we are proposing a new systems integration incentive program for Intelligent Transportation Systems (ITS) to assure that all technology systems can be integrated in order to deliver smoother service. In addition, we propose making ITS investments eligible under all major investment categories.

ECONOMIC IMPORTANCE OF TRANSPORTATION:

Our economy is rapidly changing and so must our transportation system. By improving

access to markets worldwide through fast, flexible service, we will provide the foundation for American businesses to flourish. As the President said in the State of the Union Address, "America is once again the most competitive nation and the number one exporter in the world." Nations throughout the world are making massive investments in transportation infrastructure, often in an effort to catch up with the United States.

To ensure our continued competitive edge in the global marketplace, we want to retain successful core programs, such as the NHS and the Surface Transportation Program (STP). They provide mobility for people and freight that is so critical to the economic viability in our urban centers, and suburban and rural areas.

The Federal Lands Highway Program will continue to provide needed transportation infrastructure investments vital to Federal lands and in Indian country. We will continue to improve tribal involvement in programs serving Native Americans.

With the success of NAFTA and GATT, we have seen a tremendous growth in trade. To make the most of these opportunities, we are proposing new programs to help improve our border crossings and major trade corridors -- programs that will facilitate our domestic and international trade. In order to ensure the viability and safety of our intermodal transportation system and trade corridors. The Department recognizes the leadership role that Senator Boxer has played in focusing attention on the importance

of these border crossing concerns. We also propose to provide funding to alter and remove highway and railroad bridges that unreasonably obstruct our water highways.

To increase the efficiency of the NHS, we propose to broaden the list of eligible activities for NHS funds. Enhanced flexibility will enable states to make improvements that reduce congestion on the NHS, eliminate bottlenecks, and move people and freight more efficiently to their destinations.

SAFETY:

Motor vehicle crashes alone represent a terrible toll in terms of deaths and injuries.

The cost of medical treatment for these injuries is estimated to be more than \$14 billion a year. Our taxpayers pay more than one-quarter of that amount to cover Medicaid and Medicare costs. In addition, the attendant losses in productivity and travel time, place a huge burden on our economy -- over \$150 billion annually. Taxpayers also have to make up for the lost taxes resulting from injuries and fatalities, estimated at nearly \$8 billion a year. But the personal costs in the tragedy to the families and survivors, with the destruction of their hopes and dreams, cannot be measured in dollars alone. We also are concerned about recreational boating safety which is the second largest cause of transportation related deaths. Boating education saves lives. We propose to extend the authority to authorize expenditures from the Boat Safety Account for boating safety grants to the states.

The challenge before us is to improve our safety record even as we face steady increases in travel. To do this, we must encourage and help underwrite improvements on three fronts: driver behavior, vehicle design, and roadway safety. It is all interrelated. And, our proposal does just that -- funding is provided to advance safety on these three fronts.

Safety belt use has grown from 11 percent in 1982 to 68 percent in 1996; alcohol involvement in fatal crashes has dropped from 57 percent to 41 percent over the same period. The fatality rate per hundred million miles driven has declined steadily.

Despite this progress, a look at recent statistics shows that status quo is not good enough. Motor vehicle crashes are still the leading cause of premature death of America's youth. After years of steady decline, highway fatalities and injuries have been increasing since 1992: about 41,500 people died and over 3 million more were injured in 1996 -- a slight reduction from 1995. The easy gains in highway safety have already been made.

And the future will bring new and difficult challenges. The number of teenagers -- an age group with high crash and fatality rates -- is increasing. In 1995, the last year for which we have complete data, the number of alcohol-related fatalities increased for the first time in 9 years. New highway safety messages and programs will have to be created to target these populations and other groups that are harder to reach due to

language or other barriers. New developments create new challenges -- such as higher speed limits and attempts to weaken motorcycle helmet laws. We must strengthen all our safety efforts, especially our campaigns **against** drunk driving and **for** increased use of existing occupant protection systems. Toward that end, following President Clinton's initiative, the Congress last year enacted legislation to encourage zero tolerance for alcohol use by teenage drivers.

This bill meets these challenges by adopting, within the framework of the state and community highway safety program, incentives that add new momentum to the program at the same time that state and local attention is focused on high priority safety needs. Key provisions of our highway safety proposal include increased authorizations for our drunk driving prevention grant program to help states enact and enforce tough drunk driving laws, and two new incentive programs to encourage states to increase safety belt use and enact and enforce tough laws to prevent drug impaired driving. We also are proposing a new state highway safety data improvement grant program. This will help states identify the priorities for state and local highway safety programs. And we are proposing a new research and education program to reduce air bag risks for children and small adults, while still preserving the benefits of air bags for all motorists.

In all safety areas, there will be a new emphasis on performance based management -- with a focus on results. We will provide more money and greater flexibility to shift that money to activities with the highest safety payoffs. I recognize that the demand for

carrier safety exemptions is growing. Although it is premature to recommend any changes now, we are closely monitoring the safety performance of NHS exempt carriers and drivers. We wish to work with you on a solution.

Roadway safety may not receive as much media attention as driver-related factors such as drinking and driving, air bags and child safety seats, but it counts. Lives are saved by good, safety-conscious road design. That is one of the reasons our Interstate System has the best safety record of any roadway in the nation. Single vehicle "run-off-the-road" crashes -- which account for 1/3 of all fatal crashes -- rollover crashes, loss of control on wet or icy pavement, and crossing lanes into on coming traffic are all influenced by roadway design. The recent Dateline Report and Reader's Digest article on roadway safety underscore this fact. Aggressive drivers who speed are especially vulnerable, as are new drivers who do not know how to handle their vehicles. As Baby Boomers age, nighttime visibility-- especially of signs at night and pavement markings-- is growing in importance. Intersection design also is increasingly important as the numbers of aging drivers increase; left hand turns are a common accident configuration among elderly drivers. These are some of the roadway safety problems we face today. Fortunately, countermeasures exist.

We are proposing a \$500 million Infrastructure Safety Program that replaces and improves upon the current STP safety set-aside. These funds will continue to be used to eliminate highway hazards on public roads other than Interstates and to improve the

safety of highway/rail grade crossings. Hazard elimination funds can be spent only on non-Interstate public roads. That is where the money is needed. Interstates have a fatality rate of only 0.73, whereas two-lane local roads can have a fatality rate nearly five-times as high (up to 3.45 in rural areas). Federal hazard elimination funds can be used for these public roads to redesign intersections, increase visibility, improve pavement markings, and add guardrails. These countermeasures would help prevent some of the crashes, such as those described in last Friday's Dateline show. Grade crossings have received particular public attention since the tragic school bus crash at a crossing in Fox River Grove, Illinois. We have proposed increased flexibility in the use of these funds. For the first time, we will allow states, under certain circumstances, to use some of their highway infrastructure safety funds for behavioral programs.

We also are proposing a new incentive fund -- called the Integrated Safety Fund. It will reward a state that has an integrated safety planning process in place; by providing additional funds it can use for motor carrier safety, infrastructure improvement or driver behavior modification programs.

The programs I have just described are the first part of a three-pronged attack on our roadway safety problems. The other two parts are programs to close the information gap and to facilitate proactive partnering. It is vital to close the information gap between what we know are the best safety practices and what is actually being done by state and local communities. We are also proposing a National Deployment Initiative to

speed up installation of signs and pavement markings with improved visibility and to expand technology transfer and training activities.

Proactive partnering is the third piece. We intend to work closely with the industry, state and local governments and established safety groups as partners. Together we will identify the best practices and make the highway community aware of highway safety needs and opportunities.

We have a big job facing us. Not just a big job for the Federal Government, but a big job for state and local governments as well. The size of the task facing us -- to reduce the growing number of traffic fatalities -- demands that we join in new partnerships to address this problem. Our safety proposal will give us the tools we need to increase highway safety.

I also would like to mention two recent Presidential initiatives. President Clinton directed DOT to work with the Congress, the states and other concerned Americans and report back to him with a plan to increase seat belt use. This report will be delivered to the President and also to the Congress within the next few weeks.

On February 15, 1997, the President announced a major new step in our efforts to protect American children -- a universal system for attaching child safety seats in cars. This system will make child safety seats easier to install and more secure on the road.

This system will save young lives. The DOT proposal is now out for public comment. If approved, the new safety system could be on the market by 1999.

COMMUNITY ENHANCEMENT AND WELL BEING OF THE PEOPLE:

The President has said that we must do more "to revive and empower poor urban and rural neighborhoods." Transportation empowers our neighborhoods by providing access to jobs, to markets, to education and to health care. It also enhances a community's ability to attract businesses that bring employment. Both highways and transit are vital to maintaining our metropolitan areas as viable commercial centers as well as providing essential transportation service in less populated areas. We propose to continue our strong commitment to both. We are proposing even more flexibility for state and local officials to use funds for their highest priority projects. For transit, we propose consolidating programs to make it easier for transportation officials to select options that best improve mobility in their communities. In addition we propose to authorize funds for the Appalachian Development Highway Program which has been found to be so vital to the Appalachian states.

Traffic congestion in the Nation's largest 50 cities costs travelers more than \$40 billion annually. Delays are likely to increase over the next two decades as travel nationwide increases by a projected 60 percent. These delays translate directly into growing costs to businesses, which ultimately are passed along to consumers, who sacrifice leisure time with family and friends.

Our proposal continues and improves upon the planning provisions of ISTEA. ISTEA initiated a transformation in the role of planning and the planning process by focusing on the key linkages among modes, investment decisions and community impacts, transportation options and community needs, and transportation efficiencies and economic competitiveness. We have simplified, yet strengthened, both the metropolitan and statewide planning provisions. Language has been added in the statewide planning provisions to bolster the consideration of rural concerns in the development of both transportation plans and transportation improvement programs. The proposed amplified metropolitan and Statewide planning continues requested considerations of the relationships between planned transportation and the economy, the environment, and the revitalization of communities and needs of low income household, disable, and elderly persons.

One of the most important problems we face as a Nation is the decline of our inner cities. In our mass transportation proposal, we intend to reverse this trend by strengthening the influence of state and local decision makers. While we propose to replace operating assistance with increased capital funding for large urbanized areas over 200,000 in population, we have expanded the definition of capital projects to include maintenance, intelligent transportation systems, and intercity passenger facilities which will give these areas more control over how they spend their Federal transit money.

We propose allowing rural and small urbanized areas under 200,000 in population to spend their Federal transit money for any eligible transit purpose. The recipient can choose, for example, how much Federal assistance to use for operating assistance. This decision will be based on the recipient's own needs, rather than a programmatic formula.

This Administration remains committed to mass transportation. To ensure that state and local governments have a predictable amount of Federal transit funding from year to year, we have combined the Fixed Guideway Modernization and Bus Discretionary Programs into the Urbanized Area Formula program. We have streamlined various formula programs by adopting simpler and more flexible program-wide definitions of eligible capital costs, matching ratios, and grant requirements.

Our proposal promotes joint economic development, which would particularly benefit inner cities. We are proposing the creation of a new \$100 million program to provide access to jobs and training, administered by the Federal Transportation Administration and cooperatively supported by the Federal Highway Administration. This new initiative will help relate the transportation contribution to welfare reform. We hope this program will act as a catalyst, uniting local governments, mass transportation providers, and social service providers in working toward a common goal of helping people who do not own cars improve their lives not only by finding a job, but by being able to get regularly to that job. DOT will work with other Federal agencies to achieve

the maximum from this important initiative. In addition, we are proposing to reauthorize our Disadvantaged Business Enterprise Program, which has provided billions of dollars in Federal-aid contracts to businesses owned by minorities and women.

ENVIRONMENT:

Transportation, like all human activity, also affects the natural environment. Efforts to mitigate environmental impacts and improve air and water quality, to protect open space, wetlands and wildlife habitat, revitalize brownfields and urban areas and to support other options that reduce the need for travel, such as pedestrian-friendly developments, must be continued and strengthened in NEXTEA.

The United States continues to be the world's largest producer of greenhouse gases-- both absolutely and on a per capita basis--and transportation accounts for 32 percent of U.S. carbon dioxide emissions, the key emission from anthropogenic sources. This is of ongoing concern because, as vehicle miles traveled and single-occupancy vehicle rates continue to increase, transportation is the fastest growing sector for greenhouse gas emissions. The threat posed by global climate change must continue to be addressed through efforts to encourage travel in higher occupancy modes such as mass transit and carpools, to help reduce the growth in vehicle miles traveled.

Transportation planning decisions should also take into account efforts to redevelop "brownfields," particularly urban areas that have been abandoned or underutilized due

to contamination risks.

We have made progress. In 1990, 140 million people were living in areas that violated the ozone standard. Today, that number is down to 64 million. Although that progress is commendable, we still have environmental challenges, not just to improve the air but to enhance our communities while meeting transportation needs. We also are pleased with successes in funding wetlands mitigation, restoration and planning under both the National Highway System and the Surface Transportation Program. Preservation of natural habitat also will be eligible in connection with projects funded under NHS and STP.

ISTEA created two major and successful environmental programs, the Congestion Mitigation and Air Quality Improvement Program (CMAQ) and Transportation Enhancements Activities (TEA) funding, which increased state and local officials' ability to target funds to projects that help their communities. They responded enthusiastically to increased flexibility. CMAQ has proven to be one of ISTEA's most flexible programs. Our proposed changes to this program will make it easier for areas that do not meet particulate matter standards to receive CMAQ funds.

Under the TEA, states have carried out projects that help transportation facilities fit better into communities, by preserving historic transportation facilities, building bicycle and pedestrian paths and mitigating storm water runoff. We are recommending

codifying the requirement that these activities have a direct link to surface transportation.

Under these two categories, ISTEA has stimulated hundreds of successful projects that prove that transportation can enhance the environment. For example, the Ferry Building improvement project in San Francisco establishes a significant public space for the city's residents while providing the opportunity to increase ferry ridership which will help alleviate automobile congestion and improve the region's air quality. In New York City, the CMAQ program provided the funds for establishing barge service to ship freight across the Hudson River, avoiding truck trips across the Verrazano Narrows Bridge, reducing congestion, and improving air quality.

Through CMAQ, we funded an innovative truck-rail transfer facility in Stark County, Ohio, and projects in Portland, Oregon and Seattle, Washington designed to unsnarl traffic and improve rail and truck access to the commercial waterfront. Improved freight movement between New York and New Jersey ports as a result of the Red Hook Barge increases the marketability of that area to importers and exporters. In Boise, Idaho, the city is using CMAQ funds to replace 28 of its outdated diesel buses with a fleet of small and medium-size buses powered by compressed natural gas. These projects are success stories not only in the direct, tangible results they produced, but also because they brought citizens to the table to make a positive impact in their communities.

Our reauthorization proposal includes Scenic Byways and the Recreational Trails programs, incorporating them into Title 23 and continuing to provide contract authority. Routes designated as All-American Roads or National Scenic Byways will be given highest priority for scenic byway funding.

RESEARCH AND DEVELOPMENT:

We rarely think about how our transportation came into existence--as if it sprang full blown into reality for our convenience. In truth, our transportation network is the work of several centuries of innovation and creativity.

As our Nation began, we depended on natural transportation--the Atlantic Ocean and the rivers and streams that Nature provided to us in abundance. Soon, early trails allowed freight to be shipped on pack mules, but soon innovation overcame the packtrains in the form of the great Conestoga wagons and Concord stagecoaches. They, in turn, gave way to each new state-of-the-art in succession: the steamship, the canal, and then the mode that transformed the 19th century, the railroad.

By the end of the century, the humble bicycle had become so popular that it seemed ready to revolutionize personal transportation--it certainly inspired the good roads movement of that era. However, its true revolutionary aspect was that many of the early bicycle mechanics became the automobile makers of the 20th century. And two bicycle mechanics, Orville and Wilbur Wright of Dayton, Ohio, learned from their work

with bicycles the key innovation that allowed them to fly and, more important, control an airplane.

This evolution of transportation innovations has made the United States the most mobile Nation in history. One thing is clear from this brief history. We cannot afford to stand still, whether from complacency or a false sense of economy.

Research and development is the key to finding effective and innovative solutions to new and emerging transportation challenges. We recognize the need to foster cooperation in research and technology planning among government, academia and industry in addressing the nation's transportation goals. In a time of resource constraints, we must strive to increase the impact of our investments rather than the size of our budgets. By institutionalizing a planning process that includes other Federal entities involved in transportation research, we can coordinate transportation planning at all government levels, encourage innovation, and ensure global competitiveness. Consistent with the proposal to adopt a strategic approach to research planning, we seek to establish an Intermodal Transportation Research and Development Program to support long-term, higher-risk, inter- and multi-modal research that will ensure our ability to continue the steady advances in transportation technology necessary to meet the demands of the 21st Century. Such a program will augment programs and support the essential research that gives us the tools to improve both the quality and efficiency of our transportation system.

Our proposal includes a national Technology Deployment Initiatives program which will focus on the application of new and innovative technology that will address “customer-driven” technology goals. The Professional Capacity Building and Technology Implementation Partnerships proposal will support the delivery of new and innovative technology as well as development of knowledge and skills needed to apply that technology. The Long-Term Pavement Performance and Advanced Research element will commit a stable funding source for other long-term research efforts.

As we prepare to meet the challenges of the 21st Century, we must look ahead to prepare our existing workforce and our young people for the growing number of high-paying transportation jobs that will be created as the result of our progress.

Recognizing the need for a diverse cadre of transportation professionals who are prepared to design, deploy, operate and maintain the transportation systems of the 21st Century, we propose to continue the university transportation centers program and encourage states to continue their transportation training programs.

STREAMLINING:

States, MPOs, and local governments have stressed the importance of finding ways to streamline project delivery -- to reduce the paperwork, speed up project delivery, and eliminate “one size fits all” requirements.

We propose to remove a limitation on project charges for construction engineering, so that actual costs can be reimbursed. And we propose to allow states to get credit toward their matching share when property owned by the state or local government is donated to a Federal-aid project. We recognize, however, that while we cut red tape and streamline transportation programs and projects, we must be careful not to erode workers' labor standards, civil rights, or employee protective arrangements.

APPORTIONMENT FACTORS:

In recognizing the need to replace outdated apportionment factors, we have proposed apportionment formulas that we believe are fair to all states, yet relate well to our Nation's transportation objectives -- the safe, efficient, and environmentally sound movement of people and freight. The basic program formulas we propose are simple, easily understood, and relevant to the Federal programs they affect. They rely on information that is current and recognized as valid and reliable. It is easy to gather and can be readily updated. We recognize that sudden changes in formulas could be disruptive to many state programs, so we have proposed certain equity adjustments to ease the transition to the new apportionment formulas.

In presenting these factors for your consideration, we understand that there will be considerable debate over formulas. We will be pleased to work closely with you in the

development of new distribution formulas.

Our legislative proposal builds on the philosophy, principles and strengths of ISTEA. And it proposes changes and refinements to meet the new challenges we face -- challenges to improve safety, enhance the environment and foster new technologies and approaches for the demands of the 21st Century.

We look to the 21st Century, and we see state and local transportation agencies advancing toward state-of-the-art and state-of-the-practice in all areas, including planning, design, finance, use of new materials, systems management, and construction practices.

We see the Federal Government as a coordinator, working with state and local transportation agencies and with the public to enhance transportation.

We see increasing privatization of transportation systems and more private investment in public transportation facilities.

We see growing acceptance of the need to manage existing transportation systems in an efficient manner by providing flexibility and choice to the states.

We see the Modal Administrations within the Department of Transportation cooperating

to help each mode of transportation do the work it does best--and ensuring that these modes link up into a whole that is greater than the sum of its parts.

We see increased intermodal shipments pulling modes more closely together out of mutual interest, not government intervention.

We see the National Highway System tying the Nation's transportation system into a seamless web of efficiency and safety that supports productivity increases and enhances competitiveness in international marketplaces.

We see safety consciousness continuing to reduce the number of fatalities and injuries from transportation incidents. We see the importance of an efficient and effective intermodal transportation system that includes all transportation elements.

We see transportation in the 21st Century serving the same role as the Civil Rights Movement of the 1950's--empowering minorities, women, and immigrants to achieve the freedom that is only possible with full mobility.

We see roads without potholes, bridges that can bear the traffic crossing them, highways without congestion.

And we see an America poised to make the 21st Century another American Century.

Can we achieve this vision? In response I remind you of something Dr. Martin Luther King, Jr., said on March 25, 1965, when he addressed the throngs on the Alabama Capitol steps who had just concluded the four-day, 52-mile march for voting rights from Selma to Montgomery. He said:

The road ahead is not altogether a smooth one. There are no broad highways to lead us easily and inevitably to quick solutions.

For the Department of Transportation, there are no broad highways to easy, quick solutions. But I hope that I can help us reach not just for the easy and the quick, but for the solutions that will make a difference in the long run, for the solutions that appear, but are not really, just beyond our reach.

There are significant challenges ahead. I look forward to working with this Committee on reauthorization of these important surface transportation programs. Clearly, I believe, we can all agree that investment in our Nation's transportation infrastructure is vital to preserving our competitive advantage throughout the world and maintaining the well being of our people.

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