

MOBILITY

Strategic Goal:

Shape an accessible, affordable, reliable transportation system for all people, goods and regions.

Mobility, as much as any other factor, defines us as a nation. Our transportation system connects people with work, school, community services, markets – and each other. This transportation system accommodates more than four trillion passenger miles of travel and 3.7 trillion ton miles of freight every year. The system handles the needs of more than 260 million Americans, millions of foreign visitors and more than six million businesses. It relies on common public infrastructure that is maintained on limited national resources – our land, waterways and airspace.

DOT aims to improve the transportation system's structural integrity, physical capacity, operational efficiency, informational base, accessibility and security. Our objective is to optimize capital investment in these public systems and manage them to maximize the benefit to all Americans.

"No matter where you live in the world – no matter if you live in urban, suburban or rural America – transportation is the tie that binds."

Secretary Slater, July 1997

In 1993, President Clinton and Vice President Gore committed to rebuild America, and the Administration has made progress on a number of transportation-related initiatives. During the past eight years, more than 5,000 miles of the National Highway System have been restored to acceptable condition, and more than 100 miles of new rail transit lines have been opened. Annual investments in transportation infrastructure have grown by nearly 75 percent over the commitments that were made between 1990-93.

Maintaining and Improving Our Infrastructure

To maximize the nation's mobility, our highways and bridges have to be in the best shape possible. Rough pavement on roads and structural damage to bridges can inhibit, and in some cases, block travel. Reduced mobility costs America money in terms of lost productivity and it exacts a human cost as well. The Clinton-Gore Administration put a high priority on making investments in improving road and bridge conditions, and these investments have generated visible and tangible results.

The physical punishment that vehicles inflict on the nation's highways increases every year is a major cause of infrastructure deterioration. This is particularly true on the roads that comprise the National Highway System, or NHS. This highway network includes approximately 160,000 miles of road – just 4 percent of the country's total – but it carries about 43 percent all highway traffic miles logged each year.

The nation's strong economy has increased vehicle-mile traffic by more than 2 percent a year during the 1990s on all of America's highways. Heavier and longer trucks also have chipped away at the condition of highway pavement. This has had a devastating impact.

Still, the smoothness of the pavement on the highway system has been improving throughout the Clinton-Gore Administration. From 1993 to 2000, the share of miles in the NHS with acceptable ride quality has increased from 88 percent to 93 percent.

Pavement smoothness can be improved by adopting more effective construction and maintenance methods and applying "best practices" in pavement management. In 1999, the FHWA began a Pavement Smoothness Initiative to research new ways to build and maintain the nation's highways. DOT also has formed an expert task group to promote pavement preservation nationwide and implement a new training course for state highway departments.

The condition of the 114,506 bridges on the National Highway System also is critical to the nation's mobility. These bridges serve major population centers, international border crossings, intermodal transportation facilities and major travel destinations.

DOT data have shown steady progress in reducing the number of deficient bridges. This number decreased from 26.3 percent in 1993 to less than 21.5 percent in 2000. The improvement resulted partly from a reclassification of National Highway System bridges to more accurately reflect the condition of the nation's bridges.

The improvement came about partly due to the conversion of National Highway System data in the National Bridge Inventory. Prior to the National Highway System Act, the FHWA had collected data on the nation's bridges by functional classification. Upon creation of the National Highway System, it was necessary to develop a new code to accommodate the National Highway System in the National Bridge Inventory. All states began using the new code in 1999 and the National Highway System was brought up to date. Improvements also came about through funding of bridge projects. In 1999 alone, the FHWA provided more than \$3.5 billion for the replacement and rehabilitation of deficient bridges in all states.

At the same time, there has been an increase in functional obsolescence, which means that a given bridge's width or load carrying capacity is insufficient for the traffic carried. This increase is partly explained by the number of aging Interstate Highway bridges that are beginning to become functionally deficient.

Managing Highway Congestion

Congestion is one of the main causes of frustration and unhappiness for highway users. Delays on the nation's highway systems produce significant costs to motorists, amounting to \$51 billion annually in lost wages, wasted fuel and other losses. Delays present even more serious consequences for national productivity. Congestion adds to the cost of production, drives prices up and reduces funds available for private sector investment.

"Our world is changing at an extraordinary pace. And, for the 21st century, drivers and passengers will be global communicators. We must ensure that our roads and highways and transit systems are able to keep pace with them."

– Secretary Peña, October 1996

Reducing delays will improve the mobility of the system's users, increase national productivity and enhance the global competitiveness of American firms. Lane mileage has increased an annual rate of 0.3 percent from 1987 to 1997, while highway travel has increased at an annual rate of 2.9 percent for the same period. To the extent that the travel increase occurred at peak periods, increased congestion is a result of this disparity.

Although hours of delay per 1,000 vehicle miles traveled on all federal-aid highways are going down, studies show that mobility in urban areas is getting worse. An analysis by the Texas Transportation Institute shows the average increase in delay per driver for all 68 urban areas studied across the country was 181 percent between 1992 and 1997. Only five urban areas – Brownsville, Texas; Hartford, Connecticut; Honolulu, Hawaii; and the San Francisco-Oakland Bay Area and San Jose, California – showed no increases in delay per driver from 1992 to 1997, but these areas did have increases from 1982.

Snow, rain, fog and other inclement weather contribute to delay by temporarily reducing the capacity of many road systems. The cost of a one-day shutdown due to snow has been calculated at between \$15 million and \$76 million in lost time, productivity and wages. Hazardous driving conditions also increase the number of crashes, further contributing to delay and, more critically, fatalities and injuries.

In past decades, governments at all levels have made strides alleviating highway congestion simply by building new roads and enhancing the physical structure of the highway infrastructure. The focus has shifted to improving the operations and efficiency of the existing surface system other ways – through the use of technology. The FHWA also has developed and distributed work zone management tools to improve efficiency and reduce construction duration as well as the exposure of construction workers and the public to traffic hazards.

Leveraging Technology

Two of the nation's most promising transportation-related technologies use electronic information to manage traffic flows along freeways and pinpoint road locations from space.

Intelligent Transportation Systems are communications networks that extend the capacity of our existing transportation infrastructure. The data that are collected by remote sensing platforms along major highways are used for freeway management, traffic signal control, electronic toll collection, transit management and regional multi-modal traveler information.

DOT established the precursor to the current ITS program in 1991 under the Intermodal Surface Transportation Efficiency Act (ISTEA). ISTEA established a federal program to research, develop and operationally test what were then called Intelligent Vehicle Highway Systems and to promote their implementation. The program later evolved to incorporate modes of transportation beyond highways.

DOT accelerated its efforts in the ITS area in 1996. That year, Secretary Peña launched Operation Timesaver, which set a goal of building an Intelligent Transportation Infrastructure in 75 metropolitan areas within a decade. None of these areas had significant levels of integrated ITS deployment when the Clinton-Gore Administration took office in 1993.

Later in 1996, the Secretary announced plans to create four regional intermodal transportation systems in Seattle, San Diego, Phoenix and New York to showcase ITS applications. A project team led by Lockheed Martin and Rockwell International also completed three years of work on the ITS systems architecture in 1996.

ITS systems have produced wide-ranging benefits. The use of electronic clearance systems is cutting down the time trucks spend at weigh stations. The wider use of electronic transponders in commercial vehicles is saving businesses up to \$8.6 million per year per state. And along Minnesota's Highway 19, newly installed magnetic tape in the pavement directs sensor-equipped snowplows onto snow-covered roads, eliminating the problem of finding the roadbed under several feet of snow.

By 2000, ITS systems were installed in more than 50 metropolitan areas, well on the way toward Operation Timesaver's goal of equipping the nation's 75 largest metro areas with full ITS infrastructures by 2006.

DOT also has led an effort to broaden the use of Global Positioning System (GPS) technology for civilian applications. Developed by the Department of Defense for military uses, GPS is a space-based positioning and navigation system that uses a network of Navstar satellites. It provides precise three-dimensional position and velocity information:

Although GPS was designed primarily to meet military requirements, DOT has provided funding to channel the same technology to transportation users requiring extremely accurate land positioning. These uses include the monitoring of transit buses, navigation for airline aircraft, coastal navigation, the tracking of land vehicles and advanced traffic information for drivers on congested routes.

“The promise of new discovery and new technology has made it possible to renew and strengthen our oldest and most cherished values.”

– Vice President Gore

Employing Innovative Financing Techniques

Even with a 104 percent increase in transportation infrastructure investment since President Clinton took office, the need for new highways, bridges, transit systems and airports still outpaces the availability of public funding. During the 1990s, the Clinton-Gore Administration responded to this shortfall by developing innovative, common sense financing techniques.

In 1994, the FHWA and FTA began an initiative to introduce new flexibility into the financial characteristics of the federal-aid highway program. Using a test and evaluation research initiative known as TE-045, the agencies solicited state proposals for alternatives to conventional pay-as-you-go, grant-based funding strategies.

Throughout this process, the agencies emphasized four overriding objectives: to increase investment, to accelerate projects, to improve the utility of existing financing opportunities and to lay the groundwork for long-term programmatic changes. Two hallmark characteristics of the initiative have been to accomplish these ends through a state-driven process, and to accomplish them without the commitment of new federal funds.

The eight major types of financing tools that states proposed and tested under TE-045 can be generally characterized as investment tools or cash flow tools. These categories respectively reflected the first two stated goals of attracting new sources of funds to the overall pool of funds devoted to transportation investment and of accelerating the construction and completion of projects. The goals were not mutually exclusive, as a number of financing tools could meet both investment and acceleration objectives. Moreover, state transportation officials realized powerful synergies in instances where they combined two or more financing mechanisms to improve an individual project's viability and benefits.

TE-045 and other innovative financing efforts since 1993 have resulted in more than 200 projects valued at close to \$17 billion proceeding more quickly than they would have using traditional financing mechanisms.

Other financing initiatives included the Transportation Infrastructure Finance and Innovation Act (TIFIA), under which DOT can provide direct federal credit to public and private sponsors of certain projects, such as intercity passenger bus or rail facilities. TIFIA's use of credit assistance rather than grants further leverages limited federal funding.

In fiscal year-1999, DOT selected five such projects to receive \$1.6 billion in TIFIA credit assistance to help finance \$6.5 billion in total project costs. Other innovative financing techniques initiated since 1993 include Grant Anticipation Revenue Vehicle (GARVEE) bonds, which can use federal funds to pay off debt financing. Three states have issued GARVEE bonds totaling \$365 million, helping to speed up projects.

Two recent projects to get TIFIA credit are the Washington, D.C., Metrorail system and the Tren Urbano Transit system in San Juan, Puerto Rico, which leveraged \$4 billion in funds with \$900 million in federal credits.

Making Transportation More Accessible for Disabled Americans

On the 10th anniversary of the Americans with Disabilities Act in July 2000, NHTSA issued a new set of standards to improve the safety of platform lifts used to enter motor vehicles, including buses, motor homes, sports utility vehicles, vans and pickups.

This was the latest in a series of accomplishments during the Clinton-Gore Administration that included increasing the percentage of accessible transit buses from 20 percent to 80 percent, and the issuance in 1999 of new rules requiring that new over-the-road buses be accessible for the disabled. In addition, the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (Air 21), signed by President Clinton in 1999, included improvements in protections for disabled air travelers.

"President Clinton and Vice President Gore have stressed the need for a transportation system that is inclusive to all Americans, and over the past decade we have made major strides in assuring that everyone can enjoy the mobility that our nation's transportation system provides."

– Secretary Slater, July 2000

In 1999, DOT also established a pedestrian access initiative, recognizing that an accessible pedestrian system is the foundation of an accessible transportation system.

Encouraging Public Transportation

Transit ridership topped 9 billion in 1999, representing 43 billion passenger miles, the highest level in more than four decades. This growth stemmed from infrastructure improvements, new vehicles, the improved condition of existing buses and trains, and the 300 miles of new transit service that have opened since 1993.

The Clinton-Gore Administration backed these efforts with record levels of transit funding, increasing total transit appropriations from \$3.7 billion in fiscal year 1993 to \$6.3 billion in fiscal year 2001. Additional growth in ridership is expected as the substantial increases in federal funding under the Transportation Equity Act for the 21st Century (TEA-21) take effect more fully.

During the Clinton-Gore Administration, the FTA has provided more than \$6.17 billion in New Starts funding. New Starts funds are made available for the engineering and construction of major fixed guideway capital transit investments, such as light and heavy rail systems, commuter rail lines and busways. A total of 41 full funding grant agreements, the commitment of the federal government to provide a maximum federal contribution to transit projects, have been signed or recommended in the President's budgets since January 1993.

This growth in mass transit investment will allow communities to provide greater mobility for their residents. It will be evidenced in more than 400 miles of new rail and busway service and 330 stations in 26 metropolitan areas across the United States. These improvements are expected to serve more than 240 million annual riders.

The Clinton-Gore Administration also strongly supported increases in transit benefit programs, through which employers may offer tax-deductible qualified transportation fringe benefits in the form of transit or vanpool benefits. The benefit limit is the tax-free amount that employers can give to employees, or the amount that employees can pay in pre-tax deductions from their paychecks, for transit or vanpool benefits. These benefits are proven spurs to ridership growth. The Clinton-Gore Administration ordered that all federal departments and agencies offer these benefits to all employees and signed legislation that raised the tax-free monthly limit for these benefits from \$65 to \$100 beginning in 2002.

Spurring Greater Use of Amtrak Passenger Rail Service

Intercity rail passenger service helps to reduce highway and aviation congestion in many areas of the U.S. It can help decrease the need for more highway and aviation infrastructure, reduce air pollution, decrease highway injuries and fatalities and decrease our use of energy resources. But passenger rail service is capital intensive, and is difficult to pay for through passenger fares alone. So the Clinton-Gore Administration has continued to supply a subsidy to sustain the operating expenses of Amtrak, which handles the bulk of the country's inter-city rail passenger service.

Amtrak ridership hit a record 21 million in 1999 and could rise to 25 million as early as 2001 as high-speed rail improvements in the Northeast take effect. Amtrak achieved a notable milestone in this effort during November 2000 with the introduction of its Acela Express, the first high-speed rail service in North America, traveling in the Northeast Corridor at a top speed of 150 miles per hour.

The product of a multi-year upgrade of the Boston to Washington rail corridor and advanced technology developed by the manufacturing consortium of Bombardier and ALSTOM, Acela will reduce travel times between New York and Washington to under 2½ hours each way and improve one-way travel between New York and Boston towards the three-hour mark.

The Administration has authorized appropriations for Amtrak through 2002, but the current agreement calls for the service to operate self-sufficiently starting in 2003. DOT is working closely with Amtrak to ensure that it effectively balances the conflicting pressures of generating short-term cash with developing a long-term revenue stream and a plan for restoring its aging infrastructure.

The Amtrak Reform and Accountability Act of 1997 gave Amtrak greater flexibility and the freedom to introduce common-sense business strategies. The legislation also freed \$2.3 billion in capital funds for Amtrak to replace its aging fleet, tracks and equipment. And it gave Amtrak the ability to negotiate a labor partnership that best meets the needs of both the company and its workers.

State and federal officials are also working with Amtrak to expand passenger rail service in three dozen states and to pass legislation that would create 10 high-speed corridors in 28 of those states.

Bolstering Aviation System Capacity

Air travel is growing at a steady pace. The number of passengers has grown 25 percent from 1993 to 1998, and air carrier operations have grown 13 percent during the same period. To prepare for further growth in air travel, the Clinton-Gore Administration has pursued plans to increase capacity at the 50 busiest hub airports.

DOT has provided funding for new runways in Philadelphia, Phoenix, Seattle, Minneapolis and other cities. In addition, computer simulation was completed for each of the 25 largest airports in 1999 and 2000, providing reliable and comparable estimates of annual capacity and the expected increase in capacity where new runways are planned. Between 1993 and December 2000, the FAA's Airport Improvement Program issued more than 9,400 grants for airport planning and development. More than 1,800 different airports received these grants, which totaled about \$13.5 billion.

Modernizing the National Airspace System

During the Clinton-Gore Administration, the FAA adopted a more focused, incremental approach to airspace modernization. After a review of the ambitious Advanced Automation System program in 1993, the agency decided to concentrate on those elements of the project most likely to produce solid benefits. Subsequent achievements included deployment of the Host and Oceanic Computer System and the Display System Replacement, providing greater computer power and more advanced workstations for air traffic controllers at en route centers. The agency also moved ahead with similar upgrades in terminal areas, beginning deployment of the initial version of the Standard Terminal Automated Radar System.

The FAA made progress in developing both wide-area and local systems to augment signals from Global Positioning System satellites for use in landing and air navigation. The agency also launched the first phase of a Free Flight program that applies a variety of advanced technology to enhance the speed and fuel economy of air travel. Among other programs to combat airline delays, the agency expanded the capabilities of the Air Traffic Control System Command Center that provides overall guidance for national air traffic flow.

Helping Airlines Stay on Schedule

Continued growth in the demand for air travel will put more pressure on the system. The 20 most congested airports in the U.S. each have estimated average annual delays of more than 20,000 hours, and commercial airline delays are estimated to cost airlines – and ultimately passengers – more than \$3 billion per year.

DOT has launched programs to keep delays from continuing to grow. During the past eight years it has improved the National Airspace System, upgraded the performance of the weather reporting systems and modernized air traffic control procedures. DOT also has formed a partnership with industry and labor to reduce delays and assure the efficient flow of air traffic.

Airlines have been making progress on the rates of volume- and equipment-related delays. However, when weather delays are included, the number of overall delays per 100,000 flight activities rose in 1998 and 1999 to the highest level in the Administration's tenure. In fiscal 1999, nearly 70 percent of all delays were weather related. While the FAA's initiatives to improve weather prediction and flight routing can enhance safety and reduce delays, the FAA's ability to manage weather delays is more limited.

To further cut down on airline delays and the consumer problems associated with them, Secretary Slater conducted a series of meetings with the major stakeholders in the aviation industry – representatives of airlines, consumer organizations, labor unions, airports, trade associations, travel agencies, consultants and state and local governments.

The meetings focused DOT and the industry on five key issues: being more responsive to customer needs; providing better advance information about delays and cancellations; empowering the front-line employees of the airlines to solve consumer problems; expanding the capacity of airports; and, encouraging more airline competition.

Helping Airline Consumers

The Clinton-Gore Administration backed several initiatives to improve service for airline travelers and to sustain airline service to communities that are far from major routes.

The Essential Air Service program helps to guarantee that more than 700 eligible communities have at least a minimum level of air service. The program, which dates back to the deregulation of the airline industry in 1978, allocates subsidies to a carrier if none is willing to provide the service. By 2000, carriers were receiving subsidies through this program to serve 27 communities in Alaska and 75 localities in the continental U.S., Hawaii, Puerto Rico and the U.S. territories.

Under a 1995 consumer initiative called Travelers First, DOT's aviation consumer office conducts on-site visits to "new entrant" airlines, reviewing all new carrier customer service programs and their compliance with DOT consumer rules.

The end of airport slot restrictions in Chicago and New York, and the increase in round trips in Washington, D.C., will enable new carriers to enter previously restricted markets. In cities dominated by one or two airlines, airports must lay out how other carriers are included in the airport's facility plans, a requirement that will encourage competition.

In 2000, President Clinton signed the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (commonly called Air 21), providing for tough new fines for violations of the rights of air travelers, especially the disabled.

Facilitating Maritime Navigation

More than two billion tons of domestic and foreign commerce is transported through U.S. ports and waterways each year. As large volumes of maritime and recreational vessel traffic squeeze U.S. port capacities, navigation accidents involving commercial vessels can affect cargo throughput, and may even force closure of major waterways. These accidents also may cause serious damage to ships and navigation channels, putting people, other ships and the environment at risk.

The number of navigational accidents – maritime collisions and groundings – exceeded DOT's goals for 1999. The overwhelming majority of these accidents are caused by human error on the part of the ship's piloting. Severe weather can degrade the navigational aids – the lights, whistles and location monitors – that ship operators use as guidance as they maneuver around ports and coastal areas. The Coast Guard maintains these navigational aids, and wants them available 99.7 percent of all days, a goal has not been met in recent years.

The Coast Guard has embarked on a plan to improve the reliability of its aids in order to reduce the human errors in maritime navigation. DOT plans to replace its aging seagoing buoy tenders with state-of-the-art vessels, modernize its waterways aids and establish an automatic identification system for a wide range of boats.

ECONOMIC GROWTH

Strategic Goal:

Support a transportation system that sustains America's economic growth.

- Supporting economic growth and trade is one of the most basic purposes of our national transportation system. Transportation, in fact, is the enabler that facilitates distribution and creates economic value for the producer. One has only to look back at the historic roles of canals, railroads and highways to see the tremendous leveraging effects.

But, while transportation is a critical driver of our nation's economy, there are significant concerns associated with the system. These include delays, fairness and equity issues, regulatory costs and shocks to our economy when routes are disrupted. The Clinton-Gore Administration has launched a wide variety of initiatives to speed up transportation service, build or renovate system components, improve transportation access to all citizens and minimize the number of disruptions to the system.

Accessibility to transportation has grown considerably from 1993 through 2000, but there are areas of the country that have urban and rural communities in which accessibility still is limited. DOT has pursued programs to increase accessibility in areas such as Appalachia, Native American lands, the Mississippi Delta and Alaska. President Clinton set a goal of starting a "21st century revolution to open new markets abroad and right here in America" with initiatives to bridge the opportunity divided so that no American is left behind. DOT has helped put the transportation services in place so the country can serve these new markets.

"What I am finding is that around the country, many people believe, as I believe, that transportation is more than concrete, asphalt and steel. It is about people – our mobility, our choices, our lifestyles, our safety, our environment ... And it's about providing economic opportunities so people can benefit from the tourism, and get jobs, and climb the ladder of economic prosperity as well."

–Secretary Slater, July 1997

Strengthening the Airline Industry

The air transportation system is essential to the economic progress for the citizens and businesses of the nation. Without a strong airline industry, the country would be hamstrung in its ability to participate in an increasingly global community and marketplace.

Air transportation makes possible the quick movement of millions of people and billions of dollars worth of goods to markets around the world. The U.S. needs to be able to compete in those international markets, and the growth of the domestic economy is depending more and more on the country's ability to move people and products by air.

In 1993, when President Clinton and Vice President Gore took office, the nation's airline industry was facing its own economic crisis. From 1990 through 1992, U.S. airlines lost more than \$10 billion. Their condition had been weakened by a number of factors, including leveraged buyouts, a struggling economy, the impact of the Persian Gulf War, and, in some cases, management that resulted in more than \$35 billion worth of debt. Well-known names such as Pan-Am and Eastern had suspended business, and other airlines were attempting to reorganize under Chapter 11 bankruptcy protection.

Recognizing the need to stabilize what has become such a critical part of the nation's economic well-being, President Clinton appointed an expert task force shortly after he took office in 1993 and charged it to study the air travel system and recommend changes.

The National Commission to Ensure a Strong and Competitive Airline Industry was created by Congress and President Clinton. The Commission, chaired by former Virginia Governor Gerald L. Baliles, issued a list of recommendations in August 1993 to make the U.S. air transportation system: efficient and technologically superior to foreign systems; financially strong and able to respond to changing conditions; and, able to move people, products and services to markets, wherever they exist.

The report resulted in a wide range of airline reforms. During the Clinton-Gore Administration, DOT streamlined the operations of the FAA, signed open-access agreements with more than 50 foreign countries, equipped air traffic control operations with new technological capabilities, and passed tax policies that encouraged airlines to make investments to become more competitive.

By 2000, the nation's airlines' financial situation had solidified significantly. Although the nation's strong economy in the latter half of the 1990s played an important role, as did the efforts of the airline industry itself, the reforms recommended by the National Commission to Ensure a Strong Competitive Airline Industry and put in place by the Administration helped to lay the foundation for the recovery and to sustain it.

Expanding International Air Service

Since the 1940s, international air transportation has been subject to restrictive bilateral agreements that raise prices and artificially suppress aviation growth. The Clinton-Gore Administration pursued a policy of opening air travel to market forces and removing those antiquated barriers. This was achieved by signing “open skies” agreements with foreign countries.

These agreements permit unrestricted air service by authorized airlines of both countries to, from and beyond the territory of each country, eliminating restrictions on how often carriers can fly, the kind of aircraft they can use, and the prices they charge. This gives both foreign and domestic airlines the ability to increase service, lower fares and promote economic growth.

Between 1992 and 2000, the Clinton-Gore Administration signed agreements with more than 50 nations, from Canada to the Dominican Republic to Tanzania to Qatar. The number of passengers in international markets with open aviation agreements rose steadily throughout the decade to more than 50 million by early in 2000. The Administration affirmed its goal of further opening international air travel at the Aviation in the 21st Century Conference, which brought together senior representatives from 93 countries.

"I challenge other countries to look at what we have done, to see that opening markets is good for all. To be sure there is so much more we can, and will do. But we're on the right track."

Secretary Peña, March 1996

Creating a Marine Transportation System

In 1999 DOT, in partnership with industry, developed a comprehensive assessment of the nation's maritime system. The task force's report to Congress concluded that the U.S. marine transportation system serves the country well and helps it sustain its role as the world's leading maritime and trading nation.

The system itself consists of more than 1,000 harbor channels and 25,000 miles of inland, intracoastal and coastal waterways, with more than 300 ports and more than 3,700 terminals that handle passenger and cargo movements. The waterways and ports link to 152,000 miles of rail, 460,000 miles of pipelines and 45,000 miles of interstate highways. Vessels and vehicles transport goods and people through the system, and the system also includes shipyard and repair facilities crucial to maritime activity.

The U.S. marine transportation system annually moves more than 2 billion tons of domestic and international freight; imports 3.3 billion barrels of oil to meet domestic energy and production demands; transports 134 million passengers by ferry; serves 78 million Americans engaged in recreational boating; hosts more than 5 million cruise ship passengers; and supports 110,000 commercial fishing vessels and recreational fishing boats that contribute more than \$30 billion to state economies. The system, the report concludes, is an "essential element in maintaining economic competitiveness and national security."

The report argues that this system will have a hard time meeting the needs of tomorrow without significant commitments by federal and state governments. The total volume of domestic and international marine trade is expected to double over the next two decades; the number of recreational users is expected to grow by more than 65 percent; and demand for cruise ship tours, high-speed ferry transportation and commercial fishing also will rise.

The report recommended that the nation take steps on a large number of infrastructure projects, including the following: dredging harbor channels, modernizing locks and dams, improving marine terminal capacity and access to railroads, roads and pipelines; investing in computer, communications and navigation technologies; and minimizing conflicts over land uses along the waterfront and at intermodal connections.

The task force set as the country's vision to develop a marine transportation system that is the "world's most technologically advanced, safe, secure, efficient, effective, accessible, globally competitive, dynamic and environmentally responsible system for moving goods and people." This system is a critical economic resource now, and the Department is committed to ensuring that it remains so in the future.

Reducing Barriers to Port Commerce

Ports play an essential role in our economy. Today, 95 percent by volume of America's imports and exports travel by sea. More than two billion tons of goods produced or consumed in the U.S. move through our nation's ports and waterways, and this figure is expected to more than double during the next 20 years.

Landside impediments could create a significant bottleneck in the movement of goods through our port system. Today, 40 percent of the country's deep-water ports and terminals report delays in service related to problems with rail, truck and highway connections. Typical situations involve problems with at-grade rail crossings, inefficient dock-rail access, inadequate street signs and turning radii for trucks, and inefficient highway routes to ports and marine terminals. Without improvements in these areas, the projected increases in port traffic will result in congestion and lost economic opportunity.

Supporting America's Commercial Shipbuilding Industry

Like other industries that depend upon defense contracting, major American shipyards have needed to make the transition from military to commercial production while maintaining a domestic shipbuilding capability sufficient for national and economic security.

Major barriers have impeded the nation's shipbuilding industry from competing in the international market, including substantial shipbuilding subsidies by foreign governments and greater economies of scale and efficiencies in foreign shipyards derived through production of standardized vessels.

The Clinton-Gore Administration's National Shipbuilding Initiative helped place American shipyards and suppliers on a level playing field with their international competitors, helping to revive the nation's maritime industry. The Initiative aims to eliminate foreign shipbuilding subsidies; reform the regulatory process to ease burdens on American shipbuilders and their suppliers; use U.S. marketing programs to help shipyards secure foreign orders; provide federal loan guarantees for American-built ships; and accelerate technology-transfer funding initiatives for shipyard programs.

Ship construction supported by the Maritime Guaranteed Loan (Title XI) was instrumental in assisting shipyards to compete in the international market. During fiscal year 1999 alone, two approved Title XI projects funded the construction of two drill rigs for a Brazilian company at a price of \$300 million, a power barge for a Cayman Islands company for \$50 million, and one multi-purpose supply vessel for a Canadian company for \$24 million.

Since 1993, more than \$6 billion in ship construction and shipyard modernization projects have been supported by DOT, including the first tankers and ships to be built by American companies in nearly a half-century.

Shipbuilding is one of the keys to America's national defense, and helping our shipbuilders succeed commercially is an important goal of defense conversion. This Administration is committed to preserving highly skilled American jobs, and we believe that American shipbuilding can compete – and win – in world markets.”

President Clinton, 1993

Enabling Great Lakes Winter Navigation

The Great Lakes support 15 million tons of regional commerce during the annual ice season, and Great Lakes shipping provides the most cost-effective transportation for many industrial materials, especially those carried in bulk. During the winter, heavy ice that forms on the Great Lakes would stop marine commercial traffic if left alone, increasing transportation costs substantially and potentially overloading other transportation systems.

DOT set a goal of limiting the number of closures in the lakes region to two days in an average winter and eight days in a severe winter. This goal was not met in the winter of 1993-94, which featured some of the harshest weather in the past 35 years. But the goals were achieved during the rest of the decade, limiting closures to seven in the severe winter of 1996 and to zero in each of the comparatively mild years following.

The Coast Guard is the only agency with domestic icebreaking responsibilities, and the Canadian Coast Guard assists with the work. The U.S. Coast Guard coordinates with the Army Corps of Engineers on general navigation and mobility issues in the Great Lakes, with the common objective of keeping winter shipping as efficient as possible.

Supporting Public Transportation

The Clinton-Gore Administration has supported transit not only for its mobility, congestion mitigation, and environmental benefits but also for what it can do to spur economic growth, especially in rural areas and inner cities.

By economic yardsticks, the annual benefits that transit returns to the national economy easily outpace costs (by \$26 billion in 1997) according to a newly published federal study.

During the 1990s, transit returned \$23 billion per year in affordable mobility for households with people who that prefer not to drive, cannot afford a car or cannot drive due to age or disability; \$19.4 billion per year in reduced congestion delays for rush-hour passengers and motorists; \$10 billion per year in reduced auto ownership costs for residents of location efficient neighborhoods; up to \$12 billion per year in reduced auto emissions; \$2 billion savings per year in local human service agency budgets; and a 2 percent boost in property tax receipts from commercial real estate.

Providing Access to Jobs

In 1997 President Clinton signed into law the Personal Responsibility and Work Opportunity Reconciliation Act, fulfilling his commitment to welfare reform. Among other changes, the reform of welfare laws limits the time a person can receive benefits and generally requires recipients to participate in job and training activities. Since its passage, both welfare rolls and unemployment have dropped to the lowest levels in a generation, evidence that reform is working. And one of the keys to its success has been transportation. Transportation, indeed, could be described as the "to" in welfare to work.

Access to public transportation has always been an important issue for lower-income workers who lack their own cars. That same access has been even more critical in recent years for former welfare recipients to get to education and training opportunities, childcare and jobs.

DOT has worked with other Cabinet-level agencies, including the Department of Labor and the Department of Health and Human Services, to support new transit service through existing transportation systems and to generate entirely new transportation options.

In fiscal year 1999, the first year of the Job Access and Reverse Commute program, the FTA selected 179 projects for funding and awarded money to 39 transit systems throughout the country. The program created more than 700 new geographic connections and nearly 1,000 new time-of-day connections, providing access to thousands of workers nationwide.

Successes have been documented in many markets, including Chattanooga, Tennessee and Worcester, Massachusetts.

Training a Transportation-Skilled Workforce

The nation needs an educated, innovative and highly skilled transportation workforce in the 21st century to compete effectively in the global economy and provide its people with a safe and efficient transportation system. This future outcome can be achieved only by investing in the people who will make up our future workforce and in research programs that will develop the tools and techniques that the future transportation system will require.

The Clinton-Gore Administration has taken an active role in developing these tools and techniques. Guided by Secretary Slater's inspiration, DOT established the Garrett A. Morgan Technology and Transportation Futures Program in 1997 to encourage students of all ages to enter transportation careers and to ensure that they have the knowledge and skills to pursue those careers.

This program is named for the African American who invented the traffic signal in the early 1900s. Morgan, the son of former slaves, invented the signal because he saw a terrible crash between a horse and an automobile and wanted to do something to improve the safety of American roadways.

Today, the program named in his honor has reached more than 3 million students, inspiring them to acquire the math, science and technology skills needed to design, build, operate and maintain the advanced transportation systems of the 21st century. These students have learned about opportunities in the transportation field through internships, job shadowing, career days, videoconferences, classroom visits and teacher externships. DOT's goals call for the program to reach more than 8 million students by the end of 2002.

Also through the Garrett A. Morgan Program, DOT instituted a Groundhog Job Shadow Day program for students to visit Departmental offices across the country to learn about the transportation field. DOT has worked with other agencies, including the federal Departments of Education and Labor and the National School to Work Office, to both educate students about the wide range of transportation careers but also to prepare them for the high-tech, high paying transportation jobs of the 21st century.

Building the Appalachian Highway System

For decades, the Appalachian region's economic performance lagged behind that of the nation, partly because of an inadequate transportation infrastructure. The region, comprising areas within 13 states, is geographically isolated from major economic markets and the mountainous terrain further blocks access.

The federal government established a program in 1965 to build a 3,025-mile highway system to serve the Appalachian region. The project has moved along in small increments over the years. But between 1993 and 1999, 350.7 miles of the Appalachian Development Highway System were built, bringing the total miles completed to 81.2 percent.

The Clinton-Gore Administration has worked closely with state departments of transportation in the Appalachian region to develop a vision for intermodal transportation improvements across the region. A competitive grant program designed by DOT to support intermodal planning has been highly successful. The Department considers the effort a model for projects in other regions of the country such as the lower Mississippi Delta.

Rehabilitating Brownfields

Brownfields are abandoned, idled or under-used commercial, industrial and institutional properties where redevelopment and reuse are complicated by light-to-moderate contamination from hazardous substances and wastes. The properties have historically been blights on communities' landscapes and inhibitors to economic activity in the areas. The Clinton-Gore Administration has made the redevelopment of brownfields a top priority, empowering states, communities and the private sector to work together to clean up and reuse contaminated properties.

DOT has recognized that its participation can help to harness the economic potential of brownfield sites. In 1998, DOT reversed a long-standing policy that had called for avoiding contaminated areas whenever possible. The change recognizes that transportation played a major role in creating some of the problems through the disposal of wastes and the abandonment of rail yards and truck maintenance facilities.

"For too many years, the federal government ...discouraged private parties as well as state and local governments from investing in brownfields, instead causing them to invest untold billions of dollars in new infrastructure to serve new development, even as we lost precious open space and farmland."

– Deputy Secretary Downey, October 1998

The Department now aims to be part of the brownfields solution. The new policy provides states, localities and transit agencies the choice to locate transportation projects on brownfield sites and to configure transportation systems to assure that sites slated for redevelopment are well served.

Providing Access for Disadvantaged Businesses

Small disadvantaged businesses and women-owned businesses historically have been underrepresented in receiving federal procurement contracts. For example, women own more than 35 percent of U.S. businesses, yet receive less than 2 percent of federal contracting dollars. Both groups typically do not receive their fair share of government contracts because they face special challenges in raising capital, meeting bonding requirements and working with complex contracting procedures.

The Disadvantaged Business Enterprise (DBE) Program, signed into law by President Reagan in 1983 and continued under Presidents Bush and Clinton, has opened new doors for women and minority-owned businesses. The law requires that state and local transportation agencies act to meet goals for hiring these businesses for federally funded contracts.

DOT, along with the rest of the Clinton-Gore Administration, has made a strong commitment to fair and equitable contracting. In fact, DOT continues to be recognized as one of the leaders in DBE contract awards for direct federal contracting. DOT easily surpassed its Departmental goal of 14.5 percent for small disadvantaged businesses in every year since 1993, hitting a high of nearly 25 percent in 1995. Among federal agencies with more than \$1 billion on procurement expenditures, DOT has consistently ranked at or near the top in the share of contracts awarded to small disadvantaged businesses.

In spite of its bipartisan support and the progress made in creating opportunities for DBEs, opponents of such initiatives challenged DOT's DBE program beginning in 1995. This opposition reached a peak during Congressional debate over the reauthorization of the federal surface transportation programs in 1997-98. In addition, under the U.S. Supreme Court's 1995 decision in *Adarand vs. Peña*, an affirmative action program such as DOT's DBE program must be narrowly tailored to meet specific needs.

DOT responded to these challenges by retooling the DBE program to make it more narrowly targeted and more effective. Ultimately, the program was reauthorized with overwhelming bipartisan support in the 1998 TEA-21 surface transportation legislation.

The progress on DBEs has continued since reauthorization. More than \$2.7 billion of DOT-funded contracts were awarded to DBEs in FY 1999.

Although women-owned businesses' awards fell just short of the 2 percent average late in the decade, DOT efforts proved to be significant. In FY 2000, DOT awarded more than 4.2 percent of its contracts to women-owned businesses, easily surpassing the government wide average of 2.3 percent.

DOT is participating in programs to try to level the playing field further for these groups. The Department's Office of Small and Disadvantaged Business Utilization has conducted extensive outreach and training for small businesses, including disadvantaged and women-owned businesses. The Department also continued its bonding assistance and short-term lending programs to provide easier access to financing.

HUMAN AND NATURAL ENVIRONMENT

Strategic Goal:

Protect and enhance communities and the natural environment affected by transportation.

Transportation is the tie that binds us together as a nation, enhancing the quality of our lives and our society. But transportation can generate unwanted side effects in the form of air pollution and noise pollution, as well as the loss of valuable land and fisheries. The Clinton-Gore Administration recognized the adverse effects that can accompany transportation investments and followed a plan that put a premium on avoiding, mitigating and controlling those effects whenever possible.

The Administration took an aggressive stand toward cleaning up our water and air, instituting programs to restore lost wetlands and preserve open space. The Administration aggressively invested in transit facilities and is making communities more "livable" by linking projects' impacts on the environment with their growth, safety and economic development. Oil spills are down. Fisheries stocks are coming back. Laws passed to lower auto emissions and aircraft noise levels are producing results.

The Administration is proud of its record of advancing transportation initiatives, while at the same time working to integrate comfortably these initiatives with their environment to the greatest extent possible.

"Our land of new promise will be a nation that meets its obligations ... a nation that fortifies the world's most productive economy even as it protects the great natural bounty of our water, air, and majestic land."

– President Clinton, January 1997

Reducing Auto Emissions

Clean air is critical to our lifestyles and our health. Through the Congestion Mitigation and Air Quality Improvement Program, the Clinton-Gore Administration has provided funding for state and local governments to support transit, ridesharing, alternatively fueled vehicles and other programs to reduce traffic and pollution. Mobile source emissions from on-road motor vehicles dropped steadily from 1994 through 2000, down about 20 percent from 1989 levels. This took place in spite of 2 percent annual growth in vehicle miles traveled, a function of the nation's strong economy.

Controlling Greenhouse Gas Emissions

The atmosphere accumulation of carbon dioxide and other greenhouse gases affects the re-emission of absorbed solar radiation, and studies argue that this will have negative consequences for the human and natural environment.

The transportation sector accounts for about two-thirds of national petroleum consumption and is itself 97 percent dependent on petroleum. It is responsible for nearly a third of all carbon dioxide emissions and nearly 40 percent of the energy-related increase in carbon emissions since 1990.

During this century, annual emissions of carbon dioxide from human activity have risen by a factor of ten. During the next half-century, they are projected to grow by a factor of two or more. Transportation currently accounts for about a third of the carbon dioxide emissions, or 27 percent of greenhouse gas emissions, generated by human activity in the U.S.

While the impact of these trends is being studied globally, the Clinton-Gore Administration has taken the lead in promoting efforts to curb greenhouse gas emissions. DOT also established an intermodal Center for Climate Change and Environmental Forecasting in 1999 to offer technical expertise, strategic research, policy analysis and outreach on the issue. The development of vehicles using new energy-efficient technologies such as hybrid-electric propulsion and fuel cells promise to significantly reduce transportation emissions over the next 20 years.

Nurturing Livable Communities

The Clinton-Gore Livable Communities Initiative helps communities use transportation programs to preserve green space, improve safety, ease traffic congestion and pursue "smart growth" strategies, while at the same time supporting continued economic growth. Grants to advance community transit projects are central to this initiative. Several DOT initiatives are under way to support more livable communities.

The Transportation and Community and System Preservation Pilot Program is an essential component of the Clinton-Gore Administration's Livability Initiative. It provides funding for planning, project implementation and research to investigate the relationship between transportation and community and system preservation.

Currently, 199 grants totaling more than \$90 million have been made nationwide under this program. Projects include everything from community-based "visioning" plans and "smart growth" tools to rail station enhancements, bicycle and pedestrian programs and transit projects. The lessons learned from these projects are being shared with other communities around the country.

For the 80 million Americans who do not drive regularly or at all, public transit provides access to school, work, markets, community services and family. Transit lessens highway congestion and helps maintain environmental quality by slowing the growth of automobile traffic. Together, these features help to improve our human environment and make communities better, more attractive places in which to live.

The Administration also has carried out an active agenda of transit-related Livable Communities grants, starting with a planning grant for a Bay Area Rapid Transit System “transit village” in Oakland and extending to every state in the nation.

Protecting Wetlands

Wetlands are a critically important natural resource. They provide natural filtration of pollutants, and they store and slow down the release of floodwaters, thereby reducing damage to downstream farms and communities. Wetlands also provide an essential habitat for biodiversity.

But highways and the siting, construction and operation of transportation facilities can be significant factors affecting these ecosystems. Many of the nation’s wetlands have been lost to development over the years, before their value to the environment was fully realized. Between 1982 and 1992, the nation lost an estimated 160,000 acres of wetlands per year while only about 75,000 acres per year were being created or restored.

Although wetland impacts are unavoidable in certain cases, such as the construction of bridge crossings, the Clinton-Gore Administration's policies called for wetlands to be avoided whenever possible. In projects where wetlands are affected, the Administration set a goal of replacing lost wetlands at a rate of 1.5 acres for every acre lost to highway construction.

By 1996, the federal-aid highway system's wetlands replacement performance far exceeded all goals. Federal-aid highway projects achieved program-wide average replacement ratios of between 2.3 and 2.6 acres per acre lost from 1996 through 1999, thereby increasing the nation's store of wetlands.

Launching the Lake Tahoe Initiative

Protecting the environmental and economic health of a scenic area such as Lake Tahoe on the Nevada-California border requires cooperation and planning by a large number of federal, state and local government groups. Since transportation needs are central to Lake Tahoe's future, DOT has played an active role in protecting this vital natural resource.

Traffic around the lake is increasing, but all parties with an interest in the lake's future agree that the solution is not to build new roads that would add to air pollution and gasoline and oil runoff. Rather, partners in the planning process called for innovative solutions that use transit, traffic management technology, bike paths and pedestrian walkways.

Toward that end, DOT boosted funding and the Environmental Protection Agency provided technical support for a master plan to upgrade paved roads in the basin. This has improved the vehicle access to the area, helped curb erosion and provided better storm water management.

DOT funded a new joint California-Nevada state plan to use an advanced weather information system to reduce wintertime application of sand, salt and de-icing chemicals, which can enter the lake and hurt water quality. DOT also helped fund the development of a mass transit system, a beachfront shuttle service, a transit center and runway repairs for the Lake Tahoe Airport.

Safeguarding Fisheries

The ocean is a significant economic resource for Americans, providing a livelihood for commercial fishermen, a vast supply of food and recreation for boat enthusiasts. Commercial and recreational fisheries contribute more than \$30 billion annually to the U.S. economy. Protecting this valuable resource has been a priority of the Clinton-Gore Administration.

The Sustainable Fisheries Act of 1996 mandates a reduction in the number of stocks that are classified as over-fished. The Administration put forth plans to increase Coast Guard enforcement of over-fishing and foreign incursions into the U.S. Exclusive Economic Zone, setting a goal of achieving a 95 percent observed compliance rate with federal fisheries regulations. Compliance has risen from 95 percent in 1996 to 98 percent in 1999.

Maintaining fish stocks is a complex management challenge in that there are many factors that influence the viability of fish stocks. The Coast Guard influences just one of these factors through the at-sea enforcement of regulations associated with an approved management plan that is intended to improve fish stocks.

But, while compliance rates are important, the number of over-fished stocks actually rose late in the decade, due mostly to reassessments of fish stock status.

“President Clinton and Vice President Gore are committed to protecting the environment while providing leadership and tools to states and communities to strengthen their planning processes.”

– Secretary Slater, May 2000

Preventing Maritime Oil Spills

The nation's economy is literally driven by oil, and more than half of the oil used in the U.S. today is imported. Tank ships carry most imported oil, and the potential environmental devastation and economic ramifications of an oil spill are enormous. The Exxon Valdez spill in Alaska's Prince William Sound in 1989 demonstrated how a major spill could damage an entire ecosystem.

Implementation of the subsequent Oil Pollution Act of 1990 began in earnest under the Clinton-Gore Administration, and from 1993 to 1999, the amount of oil spilled was reduced substantially, far exceeding DOT's reduction goal in 1999. During the seven-year period between 1993 and 1999, the amount of oil spilled on our waterways showed a marked reduction, from 5.33 gallons per million gallons shipped in 1993 to an estimated level of less than 2.5 gallons per million in 1999.

Through partnerships with international maritime organizations, DOT has been successful in reducing spillage, mainly as a result of environmental protection programs that target both prevention and response.

The oil spill rate has been variable over the long term, rising from 1993 to 1996, but dropping significantly from 1997 through 2000. The number of major spills of more than 10,000 gallons has dropped by 50 percent from pre-1991 levels, and the volume of oil spilled has dropped by about 50 percent. Tank barges and tank ships are the leading sources of large spills, and partnerships with groups such as American Waterways Operators and the International Association of Independent Tanker Owners have helped make significant progress in keeping spill levels down.

Preventing Pipeline Spills

More than 619 billion ton-miles of petroleum and other hazardous liquids move across the country by pipeline. While this is usually the safest and least costly way to transport these bulk cargoes, it also entails some risk. Because of the volume of liquid hazardous materials moved by pipelines, any spill into the environment is potentially a significant one.

Prevention and mitigation of pipeline spills requires improved site-specific knowledge of water and sensitive environmental area to provide tailored actions to first prevent leaks, and, if they do occur, assure that appropriate and timely response is undertaken.

The annual frequency of liquid pipeline spills oscillated throughout the 1990s, with a slight downward trend, but with a slight increase in spill volume. The Administration has supported plans by RSPA's Office of Pipeline Safety to accelerate testing of these pipelines and require operators to produce and exercise response plans and to create a voluntary pipeline mapping system that will be available to the public via the Internet.

Abating Aircraft Noise

Complaints about aircraft noise around airports escalated through the 1990s, even as quieter aircraft technology was being introduced. Aircraft noise is an undesired by-product of our mobility, and the Clinton-Gore Administration has worked to reduce the public's exposure to unreasonable noise levels.

Much of the progress in this area came through a legislatively mandated transition of airplane fleets to newer-generation aircraft that produce less noise. The Airport Noise and Capacity Act of 1990 set December 31, 1999, as the deadline to eliminate older, noisier aircraft weighing more than 75,000 pounds. That phase-out is now complete, and about two-thirds fewer people are exposed to significant aircraft noise around our nation's airports than in 1993.

In addition to purchasing new jets or installing new jet engines on existing planes, some aircraft operators moved to comply with the Stage 2 phase-out requirements by installing FAA-certified, Stage 3 noise "hush kits." These devices reduce noise much like an improved muffler on an automobile. The Administration also freed up funding for other noise reduction initiatives such as the soundproofing of buildings in the vicinity of airports. In addition, the Administration is supporting the setting of noise reduction targets for the next generation of aircraft.

Cleaning Up DOT Facilities

As a lead agency for environmental programs, DOT has a special responsibility to keep its own facilities compliant with the highest standards of environmental conduct in the operation of its facilities, equipment and vessels and with all environmental laws and regulations. DOT has set up a system to identify, investigate and clean up contaminated sites and also has implemented programs to prevent future clean-up needs by avoiding the generation of pollutants in its operations.

The percentage of DOT facilities classified as needing no further remedial action increased steadily throughout the decade, from 45 percent in 1993 to 90 percent in 1999.

"In the past, transportation policies and the environment were too often at odds. This Department of Transportation cares about the environment."

– Secretary Peña, December 1993

Making Environmental Justice A Reality

As stated above, DOT has forged a mission to protect and enhance communities and the natural environment that is affected by transportation, seeking to minimize transportation's impacts on the environment and on all Americans.

On February 11, 1994, President Clinton issued an Executive Order pledging to address "environmental justice" issues in minority and low-income populations. The order directed each federal agency to "make achieving justice part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies and activities on minority populations and low-income populations." DOT issued its own Environmental Justice order in 1997 to incorporate those principles in all of the Department's programs, policies and activities.

Since then, the Department has sponsored presentations at conferences on environmental justice, discussed the subject in community meetings in Atlanta, Los Angeles, Seattle, San Francisco and New York, and formed an internal council to coordinate environmental justice-related efforts by the various DOT agencies.

DOT has provided technical assistance training in more than 40 states in how best to incorporate Environmental Justice principles into transportation planning. Additionally, DOT has developed reference materials and a Web site to provide information and assistance for integrating these principles into the Department's own mission.

The Department also has responded to Atlanta area groups' charges of transportation inequities by undertaking an assessment of all environmental justice issues related to transportation in the Atlanta region. As a result of groups' challenges to transportation decision-making processes, a work plan has been developed to review procedural aspects of the planning process and add more public participation.

ORGANIZATIONAL EXCELLENCE

Goal:

Advance the Department's ability to manage for results and innovation.

Although it first became a distinct DOT goal in the 2000 update to the strategic plan, improving the Department's organization has been among its highest priorities during the past eight years. A more efficient, more effective organization is crucial to DOT's ability to achieve each of its other strategic goals.

DOT has made enormous progress in streamlining its organizational structure, improving service delivery and realigning itself to better reflect the needs of its customers and constituents. This progress merits a separate discussion.

DOT employs about 100,000 civilian and military personnel across the country and around the world. These personnel are employed within the Office of the Secretary of Transportation and the Department's 11 operating administrations, each of which has its own management and organizational structure. These operating administrations range from the FAA to the Coast Guard to the St. Lawrence Seaway Development Corporation (SLSDC), and cover literally every form of transportation.

Throughout the Clinton-Gore Administration, DOT has worked to streamline aspects of its own organization to improve service and control costs. The Department has commissioned studies that explored the impacts of privatization proposals, mergers of various disciplines and reallocations of resources within various offices.

After eight years, DOT is stronger, more disciplined and more cost-efficient than it was when President Clinton and Vice President Gore took office in 1993. The Department is more prepared than ever to tackle the transportation challenges that face the nation in the 21st century.

Transforming DOT: From Reinvention to Strategic Planning

To carry out its strategic goals, DOT put in place internal systems and processes to address the nation's future transportation needs. Several interrelated internal planning mechanisms, including a strategic planning process, guided DOT's activities, resulting in broad organizational goals, major strategies for DOT to undertake to achieve them, and a framework to monitor them.

The Department instituted a "ONE DOT" management strategy to bring a unified, multi-modal approach to problems and programs. ONE DOT activities occur where the unique mandates, expertise and responsibilities of the individual operating administrations overlap, providing a viewpoint across all modes and programs, and is directed toward better program resource management. Within the ONE DOT framework, DOT instituted "Flagship Initiatives" to highlight intended priority areas supported by interagency teams in which it was pursuing specific, shorter-term accomplishments.

These activities depended heavily on the groundwork that had been laid by the National Performance Review, the reinventing government initiative launched by the Clinton-Gore Administration in 1993.

"It is time to radically change the way government operates – to shift from top-down bureaucracy to entrepreneurial government that empowers citizens and communities to change our country from the bottom up."

– President Clinton, Putting People First, 1992

Little more than a month into his presidency, on March 3, 1993, President Clinton vowed to improve the quality of the federal government and to reduce the cost of delivering its services to the American taxpayer.

"Our goal is to make the entire federal government both less expensive and more efficient, and to change the culture of our bureaucracy away from complacency and entitlement toward initiative and empowerment," the President said. To this end, the President asked his cabinet to organize "reinvention teams" to work within their agencies, and to establish "reinvention laboratories" where experiments in new ways of doing business could begin immediately. In a departure from earlier endeavors, the National Performance Review invited federal workers to analyze their workplace critically.

"...If implemented, these recommendations will revolutionize the way the federal government goes business. They will reduce waste, eliminate obsolete functions, improve services to taxpayers and create a smaller but more productive government."

*– Vice President Gore's National Performance Review, From
Red Tape to Results, 1993*

Secretary Peña officially launched the Transportation Department Performance Review on April 26, 1993. Under Deputy Secretary Downey's leadership, DOT played an outstanding role in carrying out the President's initiative.

Several employees served on government-wide teams and more than 100 served on crosscutting teams and operating administration teams. DOT activities included a town meeting with Vice President Gore, other town meetings in Washington and Chicago, and a daylong orientation session for DOT's team members.

"We have to change our approach to government. It's not going to be easy, but we have to do what so many in private industry have done: join the quality revolution."

– Vice President Gore, DOT Town Meeting, June 1993

Employees also participated in focus groups and manned a Departmental hotline to identify programs, regulations and processes that they could improve or eliminate. In addition, safety, rulemaking, delivery of grants, administration, environment and field office issues were addressed.

Released on September 7, 1993, the National Performance Review's final report, *From Red Tape to Results: Creating a Government that Works Better & Costs Less*, contained more than 200 recommendations – some that applied to all government agencies and others to individual agencies, including 23 that were DOT-specific.

These recommendations reflected a genuine commitment to cut red tape, put customers first, empower employees to achieve results and get back to basics in serving the American public. The report maintained that, "if implemented, these recommendations will revolutionize the way the federal government does business. They will reduce waste, eliminate obsolete functions, improve services to taxpayers and create a smaller but more productive government."

This report did not end the work of the National Performance Review. As Secretary Peña concluded in a subsequent memorandum to the Department's employees: "The issuance of the National Performance Review is not the end of the process of 'reinventing government,' it is the beginning ... The process of making government more responsive to the American people, simpler and more 'transparent' to deal with, will continue. We aim to pare away the waste and bureaucracy that so often stifle federal workers' creativity, baffles citizens and makes your own work frustrating."

Vice President Gore himself asserted, "Reinventing government has become a way of life." In an effort to keep personnel motivated, the Vice President presented "Hammer Awards" to those employees and offices whose reinvention efforts best exemplified the NPR's goals. The Vice President understood that, traditionally, little or no recognition had been given to good work within the government and that recognition was a much better motivator than the fear of sanctions.

With smarter, more efficient operations, the President and Vice President anticipated reducing the executive branch work force by 252,000 employees by fiscal year 1999. In keeping with this goal, the President directed federal departments and agencies to begin streamlining their organizations. "We still have a Government that's largely organized on a top-down, bureaucratic, industrial model when we're in an information age," said the President. "The Vice President and I are going to work with the Cabinet to find ways to make the Government more responsive and to implement this report."

At DOT, streamlining meant redefining organizational missions, reengineering work processes, eliminating the duplication of effort, providing managers with the flexibility to develop alternate approaches to their jobs, and reducing layers of management, thereby simplifying internal administrative processes and eliminating unnecessary controls.

DOT provided senior leadership for this effort by answering the NPR's call for a departmental chief operating officer. The appointed Deputy Secretary, the second-ranking official in DOT, filled this role and served in that capacity throughout the Clinton-Gore Administration. The Deputy Secretary also was a member of the President's Management Council.

Throughout the Department, managers identified areas where they could effect significant improvement to work processes, organizational structure, supervisory staffing ratios and employment levels. Within DOT, each operating administration developed a streamlining plan best suited to its unique organizational needs.

The 1994 Strategic Plan

In order to better focus its efforts, the Department crafted a Strategic Plan, which Secretary Peña unveiled on January 24, 1994. The Strategic Plan delineated the Department's mission and enumerated seven broad strategic goals ("pillars") to carry it out. As Associate Deputy Secretary of Transportation Michael Huerta maintained, the Strategic Plan was "a statement of a unifying vision, mission and goals that we must all work together to meet . . . a summary of the initiatives that, together, point toward a vision of the transportation system we would like to see in the future."

DOT's mission was to "'tie America together' with a safe, technologically advanced, and efficient transportation system that promotes economic growth and international competitiveness now and in the future, and contributes to a healthy and secure environment for us and our children."

"What we are all about is: building bridges, not bureaucracy; picking real priorities, not pork; moving people, not paper; and above all, ensuring travelers' safety. It's ... about continuing the crusade that President Clinton and Vice President Gore have led so well – to make this government work better and cost less."

– Secretary Peña, April 1994

Secretary Peña maintained that, in a season of budgetary restraint, DOT needed to distribute monies for transportation more efficiently and strategically.

To fulfill its mission and to meet the nation's needs, he challenged DOT employees to focus on the plan's seven strategic goals: "tying America together" through an effective intermodal transportation system; investing strategically in a transportation infrastructure; creating a new alliance between the nation's transportation and technology industries, to make them both more efficient and internationally competitive; promoting safe and secure transportation; actively enhancing the environment through wise transportation decisions; putting people first in the nation's transportation system; and transforming the Department by empowering employees in a team effort.

In many respects, these were National Performance Review goals, and they would essentially become ONE DOT goals as well.

For the moment, however, restructuring was the result. When President Clinton proposed a middle-class tax cut on December 18, 1994, he proposed to fund it, in part, by cost savings to be achieved by restructuring several federal departments and agencies, including the Department of Transportation.

The next afternoon at the White House, Secretary Peña outlined a wide-ranging plan to restructure DOT that would save taxpayers \$6.7 billion and cut employment levels at the Department in half by the end of the decade.

The next day, Secretary Peña announced a general framework for restructuring the Department, based on consolidating its operating administrations from 10 to three, streamlining the various grant, loan, and subsidy programs and downsizing the work force. The Clinton-Gore Administration also redoubled its efforts to transfer 40,000 air traffic control employees out of the FAA and into a new government corporation, which accounted for the largest number of employees affected by the downsizing.

"This is a defining moment in our Department's history. My vision of change for DOT will position it for leadership in the 21st century. We will give more authority and flexibility for transportation investments to governors and mayors and increase total transportation investment by leveraging federal resources through partnerships with local government and the private sector."

– Secretary Peña, January 1995

Following a month and a half of workshops and discussions with members of Congress, the public, and Departmental employees throughout the country, on April 6, 1995, Secretary Peña, with former Secretaries James Burnley and Andrew Card at his side, announced a bold and comprehensive plan to restructure the Department.

Pending Congressional approval, three operating administrations – the Coast Guard, the FAA, and a new Intermodal Transportation Administration – would replace the then total of 10 agencies.

A much smaller Office of the Secretary would provide strategic direction for the Department, counsel for the Secretary, research and technological leadership, policy coordination, resource management and allocation, and international relations.

Services that had been covered by the Working Capital Fund would be spun off into a new organization, the Transportation Administrative Services Center. The 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 toward ensuring modal coordination and improving transportation service and efficiency."

By January 1996, Congress had failed to enact legislation to implement the Administration's proposals for streamlining DOT. This proposal ultimately failed because of concerns about the ability of large organizations to meet the needs of diverse constituencies. For example, some transit and rail advocates believed that a large surface transportation agency would neglect their interests. Given concerns both in Congress and in the industry, the proposal as drawn up had little chance of passage.

However, Secretary Peña's proposal laid the foundation for a series of smaller changes that, cumulatively, have reshaped the Department and made it more responsive to changing conditions and demands.

The 1997 and 2000 Strategic Plans

Congress enacted the Government Performance and Results Act (GPRA) of 1993, to highlight comprehensive strategic planning, goal setting, and performance evaluation beyond those areas that the Chief Financial Officers Act of 1990 had covered.

GPRA envisioned increased strategic planning in government to achieve program objectives, improved internal management, better management of program performance, better measurements of program performance, a new focus on results, service quality and customer satisfaction, greater public accountability and program effectiveness, increased information for congressional decisionmaking, and heightened public confidence.

Executive agencies were to submit to the Office of Management and Budget a strategic plan that covered program activities for at least a five-year period, including a comprehensive mission statement, goals and objectives, resources and program evaluations to assess progress.

The 1997 strategic plan, covering fiscal years 1997-2002, was created to meet the GPRA requirements, but at the same time provided the key decisionmaking architecture for DOT. The product of consultations with DOT's partners in government and industry, with its customers and with the public, the plan was submitted to Congress on September 30, 1997. It was later ranked by Congress as the best in government, together with the resulting performance plan.

The plan focused on realizing Secretary Slater's aspiration of a visionary and vigilant department leading the way to transportation excellence in the 21st century. It articulated DOT's mission of ensuring a fast, safe, efficient, accessible and convenient transportation system that met the nation's vital interests and enhanced Americans' quality of life.

The strategic plan set forth five strategic goals to help the Department achieve this mission:

- Safety (Promote the public health and safety by working toward the elimination of transportation-related deaths, injuries and property damage);
- Mobility (Shape America's future by ensuring a transportation system that is accessible, integrated, efficient and offers flexibility of choices);
- Economic Growth and Trade (Advance America's economic growth and competitiveness domestically and internationally through efficient and flexible transportation);
- Human and Natural Environment (Protect and enhance communities and the natural environment affected by transportation); and,
- National Security (Advance the nation's vital security interests in support of national strategies such as the National Security Strategy and National Drug Control Strategy by ensuring that the transportation system is secure and available for defense mobility and that our borders are safe from illegal intrusion).

The DOT annual performance plans and performance reports, which translate these goals into specific programs and initiatives, describe what the Department has done to achieve its goals in the year just past and plans to do in the year ahead. The first performance report was issued for fiscal year 1999, during which the Department met or saw good trends in 77 percent of its goals.

DOT updated its strategic plan in July 2000, updating it and extending it to cover fiscal years 2000-2005. The revised plan continued the focus on five strategic goals, with some alteration in the goals to reflect changes during the preceding years:

- **Safety:** Promote the public health and safety by working toward the elimination of transportation-related deaths and injuries;
- **Mobility:** Shape an accessible, affordable, reliable transportation system for all people, goods and regions;
- **Economic Growth:** Support a transportation system that sustains America's economic growth;
- **Human and Natural Environment:** Protect and enhance communities and the natural environment affected by transportation; and,
- **National Security:** Ensure the security of the transportation system for the movement of people and goods, and support the National Security Strategy.

The 2000 plan also added an organizational excellence goal focused on advancing DOT's ability to manage for results and innovation.

Like its predecessor, the 2000 strategic plan reflected the contributions not only of the Department's leadership but also its stakeholders and its employees. This ensures that the plan accurately reflects the real needs of those it is meant to serve and that its strategies benefit from the experience of those who will implement them.

Drafting a Blueprint for Success

When the Department of Transportation was created in 1967, it included 35 disparate government agencies under a single umbrella. Since then, Presidents and Secretaries of Transportation have proposed a number of steps to make DOT more efficient and responsive...generally by "moving the boxes around."

Under Secretary Slater, the Department moved ahead with a strategy called ONE DOT that takes a different approach. ONE DOT emphasizes and encourages synergies within agencies rather than wholesale reorganizations. Secretary Slater understood that the Department had been a holding company with "stovepipe agencies," each with its own mission, history and constituency. His plan was to make these agencies work better together – to emphasize collaboration and a common mission.

The management strategy creates an environment that encourages collaboration across modes and agencies at all levels; rewards efficiency and creativity; and instills in each employee that they represent their operating administration, as well as the Department and the national transportation system.

The progress of projects and initiatives related to are aimed at improving and delivering coordinated service to DOT's internal and external customers, and are focused toward accomplishing the goals and mission of the strategic plan.

As a result of the ONE DOT initiative, the Department has embraced program initiatives that have cut across all of its modes. The successes of "Safe Communities," "Moving Kids Safely" and the Garrett A. Morgan Technology and Transportation Futures Program illustrate how agencies can work together to accomplish common goals.

The Department's strategic plan entering the 21st century incorporates ONE DOT principles and raises the bar of performance for the organization. It intends to articulate a vision and set future direction; provide top-quality customer service; achieve results by empowering employees to realize their full potential; improve services and processes through the use of innovation, new technologies and proven management techniques; and accelerate the use of new transportation technologies.

"Our intent is to create a climate in which good ideas will flourish and mature. Our meaning is to foster ONE DOT innovation and resist modal tradition when that tradition constrains efforts to cooperate and collaborate."

– Deputy Secretary Downey, October 1998

Reforming the FAA's Organization

The Clinton-Gore Administration embarked on a series of efforts to improve the nation's air transportation system. The 1993 report by the National Commission to Ensure a Strong and Competitive Airline Industry urged the administration to establish the FAA as an independent government corporation removed from the federal budget process. It recommended a fundamental restructuring so the FAA could take advantage of new technologies, issue long-term bonds for capital repurchases and exercise sufficient management control to attract and retain high-caliber workers.

This and other studies were the basis for a series of administrative and legislative moves that have reshaped the operations of the FAA over the course of the decade. As part of its program to reinvent government, the Clinton-Gore Administration reformed the FAA's organizational structure. Although the Administration's initial proposal for an air traffic control corporation did not result in legislation, Congressional action during 1995 authorized greater flexibility for FAA in personnel and procurement.

Further legislation in 1996 specified safety as the FAA's highest priority and established a Management Advisory Council (MAC) for the agency. During 2000, Congress added a MAC subcommittee and a chief operating officer position, both with responsibility for air traffic services.

DOT implemented a sweeping reorganization in the FAA that saved taxpayers millions of dollars and focused the agency's resources in areas where it would best serve the public. The reorganization eliminated 5,000 non-safety positions and reduced the FAA's expenses by \$600 million, advancing the Administration's goals of balancing the national budget.

Moving the Office of Commercial Space Transportation to the FAA

The U.S. commercial space transportation industry is comprised of aerospace companies and entrepreneurial businesses that provide launch services to foreign and domestic customers and the U.S. government.

The Office of Commercial Space Transportation (OCST) was established in 1984 to ensure safety, promote the development of new markets and customers for U.S. space products and maintain U.S. technological leadership in space transport. OCST licenses and regulates U.S. commercial launch activities to ensure that they are conducted safely and responsibly, and it promotes and facilitates commercial space transportation.

Housed within the Office of the Secretary of Transportation, OCST supported the nascent industry's growth after the first licensed commercial space launch in 1989. However, the safety licensing activities of the OCST for launch vehicles and operation of spaceports shared a common safety objective with the FAA's aircraft, airspace and airport safety regulatory activities.

In order to increase efficiency and reduce duplication as part of Vice President Gore's effort to streamline government, Secretary Peña moved the OCST from the Office of the Secretary to the FAA in 1995, making it the FAA's seventh "line of business."

Shifting to Performance-Based Organizations: The Seaway

"This new approach to government management, offering greater accountability, is an example of President Clinton's commitment to better and more responsive government."

– Secretary Slater, May 1997

The concept of a performance-based organization, or PBO, focuses on improving the customer service and performance of government agencies. The concept seeks to strengthen the relationship between the PBO and its customers to ensure that it is delivering the services that they value most.

In March 1996, Vice President Gore identified the Saint Lawrence Seaway Development Corporation as one of eight candidate federal agencies to be restructured as a PBO under the National Performance Review. He concluded that certain government organizations, such as the Seaway Corporation, could be more effective and responsive to the public by becoming "performance-based" with more flexibility and stability in areas such as management, procurement, personnel and funding.

Secretary Slater announced a proposal in 1997 to establish the Saint Lawrence Seaway Development Corporation as a PBO within the Department of Transportation. The Secretary sought to enable the Seaway Corporation to increase the efficiency of its operations, with a long-term goal of increasing international trade through the Great Lakes Seaway System.

Based on customer input, the Seaway Corporation initially proposed four primary performance measures: safety; long- and short-term reliability; trade development; and management accountability, including customer service and fiscal performance. It would employ performance measures, flexible management practices including performance incentives, and a stable, performance-based funding mechanism to ensure continued good customer service to Seaway users.

The Administration's proposal to convert the Saint Lawrence Seaway Development Corporation to a PBO, submitted to Congress on several occasions, has not yet been enacted, but many of its principles have been adopted under the Seaway Corporation's current corporate structure.

Preparing the Coast Guard for the Future

On March 25, 1999, President Clinton signed Executive Order 13115 establishing the interagency Task Force on Coast Guard Roles and Missions. Sixteen senior members of the Clinton-Gore Administration undertook this effort of stewardship to provide advice on appropriate roles and missions for the Coast Guard in 2020, particularly in the deepwater operating area. The effort consisted of research, field trips, review of stakeholder comments and debate. The Task Force Report made a series of recommendations in a report signed on December 3, 1999.

The task force concluded that the Coast Guard's roles and missions support national policies and objectives that will endure into the 21st century, and that the nation will continue to need a flexible, adaptable, multi-missioned, military Coast Guard to meet national maritime interests and requirements well into the next century.

In order to hedge against tomorrow's uncertainties, the task force recommended that the Coast Guard should be rebuilt so as to make it adaptable to future realities and that, in keeping with its well-deserved reputation as one of federal government's most effective and efficient organizations, the Coast Guard should continue to pursue new methods and technologies to enhance its ability to perform its vital missions.

Finally, the task force determined that the recapitalization of the Coast Guard's deepwater capability was a near term national priority, and that the deepwater acquisition project was a sound approach to that end.

Shifting to Performance-Based Organizations: The FAA

A second Administration proposal for a PBO is having greater success. Our nation has the safest air transportation system in the world, but air travel is no longer as efficient as it is safe. The recent, explosive growth in air travel is straining the limits of the air traffic control system operated by the FAA as well as the runway capacity at key airports. Flight delays and cancellations have soared, costing passengers and airlines billions of dollars and contributing to widespread passenger frustration and anger.

To address this problem, President Clinton has long wanted the FAA to be structured to manage the high-tech, high-demand operations of a 21st century air traffic control system. As 24/7 service provider, the air traffic system in some respects is more like a business than a typical government activity and should operate with a clear mission, measurable performance goals and identifiable users.

The Clinton-Gore Administration worked with the Congress to provide the building blocks of a more efficient air traffic control system, including flexibility from federal personnel and procurement rules.

In December 2000, President Clinton built on these steps by creating a distinct management unit for the air traffic system – an air traffic organization – and giving it the incentives and tools to operate more flexibly and efficiently. The President issued an executive order directing the FAA to create a performance-based organization to manage air traffic control services and make them more efficient. The new PBO will be located within the FAA, but will be separate from, and overseen by, the FAA's safety, regulatory and enforcement arm.

The new organization will be devoted exclusively to its "core business" – the delivery of air traffic control services. In collaboration with its customers, the airlines and other air traffic control users, the organization will set clear performance goals, which will be spelled out in a performance agreement. Using agreed-upon indicators, customers can measure the organization's performance and hold it accountable.

Creating the Office of Aviation and International Affairs

During the course of the Clinton-Gore Administration several new DOT offices and agencies were created to meet new needs. In 1994, the Office of Aviation and International Affairs, headed by the newly created position of Assistant Secretary for Aviation and International Affairs, was created within the Office of the Secretary in recognition of the growing importance of global transportation initiatives.

The Office of Aviation and International Affairs carries a broad portfolio of responsibilities covering domestic and international aviation, international trade and a range of other international cooperation and facilitation issues. The Office has three primary goals: liberalizing international air services; ensuring the benefits of a deregulated, competitive domestic airline industry; and, expanding transportation and trade opportunities for U.S. companies around the globe.

The Office seeks to achieve these goals by working to reduce trade barriers and facilitating the export of domestic transportation goods and services; promoting competition, and supporting deregulation in the international aviation markets; promoting competition and supporting economic deregulation in domestic aviation markets; developing policies to improve air service and/or access to the commercial aviation system for small and rural communities; and, facilitating new-market entry and, at the same time, continuing to improve monitoring of the ongoing economic fitness of the nation's airlines.

Creating the Surface Transportation Board

Created by the Interstate Commerce Commission Termination Act of 1995, the Surface Transportation Board was established in January 1996 as an independent, bipartisan, adjudicatory body housed within DOT, with jurisdiction over certain surface transportation economic regulatory matters.

Passage of this legislation represented a further step in the process of streamlining and reforming the federal economic regulatory oversight of the railroad, trucking and bus industries that was initiated in the late 1970s and early 1980s. Specifically, the ICC Termination Act ended the ICC and eliminated various functions it performed, transferred licensing and certain non-licensing motor carrier functions to the FHWA and transferred the remaining functions to the Surface Transportation Board.

Today, the Surface Transportation Board arbitrates disputes and regulates interstate surface transportation through various laws pertaining to the different modes. Generally, this includes railroad rate and service issues, rail restructuring transactions (such as mergers, line sales, line construction and line abandonments) and selected rail labor matters.

The Board's responsibilities also include certain trucking company, moving van, and ocean shipping company rate matters; certain intercity passenger bus company structure, financial and operational matters; and certain pipeline matters.

The Board is charged with facilitating commerce by promoting substantive and procedural economic regulatory reform and with providing an efficient and effective forum for the resolution of disputes. It also continues to strive to develop, through rulemakings and case disposition, new and better ways to analyze unique and complex problems, to reach fully justified decisions more quickly, to reduce the costs associated with regulatory oversight and to encourage private-sector negotiations and resolutions to problems.

Enhancing the Bureau of Transportation Statistics

The Intermodal Surface Transportation Efficiency Act (ISTEA) established the Bureau of Transportation Statistics (BTS) for data collection, analysis and reporting and to ensure the most cost-effective use of transportation-monitoring resources.

BTS acts to increase public awareness of the nation's transportation system and its implications and improve the transportation knowledge base of decisionmakers. BTS supplements the data collection programs of other agencies and serves as the lead agency in developing and coordinating intermodal transportation statistics. It is unique in that it is the only federal agency to combine statistical analysis, mapping and transportation analysis under one roof.

Although created in 1991, BTS' operations were comparatively small in scale until the Clinton-Gore Administration took office in 1993. Additional staff and resources enabled it to act on its commitment to quality, accessibility, usability and objectivity in transportation statistics. It has produced such products as the American Travel Survey, the Commodity Flow Survey and other transportation databases and analyses that guide decision makers in all sectors of transportation.

Restructuring the FHWA

In keeping with President Clinton's priorities to create a government that works better and costs less, the FHWA launched a comprehensive evaluation of the agency's organizational structure in May of 1997. The evaluation focused on changing the FHWA's structure to better deliver quality services, respond more quickly to customer needs and improve how the agency worked with its transportation partners.

The review looked at ways to streamline the FHWA's field organization and enhance the program delivery role of its division offices, which operate in each state, the District of Columbia and Puerto Rico.

The first stage of the resulting reorganization took place in October 1998, when the FHWA closed its nine regional offices, eliminating a layer of decisionmaking and empowering its state division offices by giving them more authority and resources. The FHWA established four "resource centers" to leverage its technical expertise and further support the division offices through training and other support services.

The second stage focused on the FHWA's Washington headquarters. Analyses identified five core businesses, which focused on the agency's strategic goals: motor carrier and highway safety; planning and environment; infrastructure; operations; and federal lands highways. Together with eight crosscutting service units (policy; counsel; public affairs; civil rights; corporate management; research, development and technology; professional development; and administration), these provided the foundation of the agency's operations. In February 1999, the FHWA's headquarters operations were restructured along these lines. (When the motor carrier safety unit was incorporated into the new FMCSA in 2000, a new unit was created to continue the focus on the remaining safety functions.)

The FHWA's reorganization, considered a model in government, pushed decision-making closer to the agency's customers, increased flexibility and emphasized key priorities instead of continuing to operate on outmoded lines.

Expanding Coordination Among Agencies

Beginning in 1996, DOT began developing metropolitan offices to co-locate FHWA and FTA staff members at a single urban site. Intended to improve customer service, the action also reduced costs by reducing redundant office space. Customers, primarily state and local transportation providers and agencies, reported improved collaboration between the two agencies, increased accessibility and greater cooperation and coordination. Offices have opened in Los Angeles, Chicago, Philadelphia and New York. A fifth office is slated to open in Washington, D.C., early in 2001.

Establishing the Federal Motor Carrier Safety Administration

The newest of the 11 DOT operating administrations, the Federal Motor Carrier Safety Administration (FMCSA) was established in 2000 by the Motor Carrier Safety Improvement Act of 1999.

The FMCSA was created in response to rising concern about the growing number of truck-related highway deaths. Although NHTSA addressed general highway safety issues and the FHWA housed a motor carrier safety office, President Clinton and Congress determined that creating a separate agency dedicated to truck safety was the best means of giving this issue the attention and resources it needed.

The FMCSA's primary mission is to prevent commercial motor vehicle-related fatalities and injuries. It focuses on strong enforcement of safety regulations, targeting high-risk carriers and commercial motor vehicle drivers; improving safety information systems and commercial motor vehicle technologies; strengthening commercial motor vehicle equipment and operating standards; and increasing safety awareness.

Among the FMCSA's programs is the Motor Carrier Safety Assistance Program, which provides grants to states for roadside inspections and other commercial motor vehicle safety initiatives. The FMCSA also handles commercial vehicle licensing duties formerly the responsibility of the defunct Interstate Commerce Commission, oversight of the Commercial Driver's License, collection and analysis of motor carrier safety data, research of new safety strategies and technologies and enforcement of regulations for the shipment of hazardous materials and household goods.

Founding the Transportation Administrative Service Center

In order to increase efficiency and reduce costs, Secretary Peña and Deputy Secretary Downey acted to create the Transportation Administrative Service Center in January 1996. TASC, as it became known, was designed to provide a wide range of administrative services to DOT operating administrations as well as to other government agencies. These services, provided under fee-for-service contracts, include personnel and procurement operations, employee wellness activities, building and space management, information and technology services, learning and career development activities, security services and automated systems development and operations. Governed by the Secretary's Management Council, TASC has helped to reduce costs and improve service.

Placing Renewed Emphasis on the Volpe National Transportation Systems Center

The Volpe National Transportation Systems Center is based in Cambridge, Massachusetts, one of the nation's leading centers of intellectual excellence. The Center champions transportation from a systemwide perspective, providing proactive and rapid responses to assist transportation decisionmakers in defining problems and pursuing solutions to complex transportation issues. It continually works with other federal agencies, industry and business and academia to ensure better use of limited research and development resources in order to support technological and institutional innovation.

On September 18, 1990, the Department's primary internal source of research and development was renamed in honor of the late Secretary of Transportation, Federal Highway Administrator and Massachusetts Governor John A. Volpe, a strong supporter of research initiatives.

Establishing the Intelligent Transportation Systems Joint Program Office

The Intelligent Transportation Systems Joint Program Office manages, supports and coordinates a wide range of activities inside and outside of DOT to promote the development and operation of intelligent highways, transit systems and other advanced technologies.

The ambitious and challenging ITS program compelled DOT to reexamine the way it traditionally does business. The national ITS program, which will use advanced technology to improve the efficiency and safety of the nation's surface transportation system, addresses both information- and infrastructure-based approaches to achieving its goals. The program has an intermodal nature – incorporating highways, transit and rail – thus requiring unprecedented cooperation among diverse groups of public and private stakeholders. ITS also has significance beyond transportation, due to its potential to stimulate and revitalize the United States technology base.

To successfully guide this “multi-modal, information- and infrastructure-based” national program, DOT had to evaluate its management approach. During the program’s inaugural years, 1991 to 1993, efforts were coordinated through DOT’s operating administrations. For example, the FHWA handled roadway-based research and testing, NHTSA coordinated ITS safety programs and the FTA supported transit applications.

A review by outside experts coordinated during 1992-93 by the Volpe National Transportation Systems Center determined that the most efficient way to promote these activities was through a central, coordinated office with the authority to approve Departmental-wide ITS budget requests and expenditures.

Created in February 1994, the JPO, as it became known internally, coordinates Departmental efforts to promote the use of intelligent transportation technologies and their application to vehicles, roadway and traffic monitoring and control devices, communications systems, system-wide controllers and operators, collision avoidance systems and traveler information networks.

Establishing the Office of the Chief Information Officer

The Clinger/Cohen Act (formerly known as the Information Technology Management Reform Act) of 1996 directed federal agencies to establish a comprehensive approach to managing the acquisition, use and disposal of information technology. Information technology investments must support the strategic operational goals and delivery of services to the public. The Clinger/Cohen Act holds the Chief Information Officer of each agency responsible for developing, maintaining and facilitating the implementation of a sound and integrated information technology architecture.

Like most organizations, DOT increasingly relies on advanced information and communications technologies to carry out its mission. The Department invests more than \$2.5 billion each year on information technology to help it in carrying out its mission and programs. This investment in information technology is growing as DOT works to create a transportation system that meets the Department's strategic goals.

In order to coordinate and maximize the impact of this technology investment, in 1997 Secretary Slater created the Office of the Chief Information Officer, or CIO. The CIO is responsible for providing advice and guidance on how to best use information technology resources and ensuring that the investments the Department makes in technology are sound.

In addition to managing the Department's technology investment, the CIO played an indispensable role in helping DOT successfully respond to the demands of the Y2K computer crisis in 1998-2000.

E-Government

At DOT, E-Government means transforming the way business is done by using technology and the Internet to conduct all business processes with the public and staff. The goal is to provide better, more efficient services, make it easier to do business with the Department and increase productivity.

Some examples of progress to date are:

- Do-It-Yourself Web site makes it easy to make online payments using credit cards;
- Docket Management System lets the public review and comment on items on the Department's docket, such as pending rules and regulations;
- The FMCSA Web site provides real-time, up-to-date information contained in their Licensing and Insurance database; and,
- NHTSA has put its vehicle and component recall information online.

The Office of the Chief Information Officer within the Office of the Secretary has an E-Government Division that is responsible for providing leadership throughout DOT for the transition to digital government. The goal is to create the synergy to bring E-Government ideas to life. The office's role is to foster, encourage, promote and facilitate the transformation to becoming a truly electronic department.

The private sector has already made substantial progress in using Web technology in streamlining internal and external business processes. DOT hopes to inspire similar efficiencies internally through its own Intranet. Similarly, the Department envisions the DOT Internet site becoming a leading online platform for the conduct of business with the public anytime, anywhere.

Science and Technology

The Clinton-Gore Administration recognized the importance of science and technology programs as a driver for the national economy and put a heavy emphasis on harnessing these programs to help support broader national goals. To this end, President Clinton established the National Science and Technology Council (NSTC) by Executive Order on November 23, 1993. DOT was an active participant in the NSTC from its earliest days.

This cabinet-level council, chaired by the President, is the principal means to coordinate federal research and development. The NSTC seeks to establish clear national goals for federal science and technology investments in areas ranging from supporting information technology to improving transportation systems to strengthening fundamental research. The Council prepares research and development strategies that are coordinated across federal agencies to form an investment package aimed at accomplishing multiple national goals.

The NSTC formulates these strategies through its five committees, including a Committee on Technology that addresses, among other priorities, transportation research and development. Deputy Secretary Downey chaired this Committee for more than three years. He also chaired the earlier transportation research and development committee. Working through the NSTC, DOT played a leadership role in developing the first-ever government wide strategy for transportation research and two implementation plans. This activity helped focus some \$58 billion spent by seven agencies to address national transportation problems.

Within DOT, an existing coordinating committee was energized and retooled into the Department's Research and Technology Coordinating Council. The Council helped put in place a formalized strategic planning process for DOT's transportation research and development and was the vehicle for developing the first ever Department-wide, transportation research and development plan. The effectiveness of this process was underscored by the Congress, which approximately doubled the size of the Department's research budget during the eight years of the Clinton-Gore Administration.