

Statement of Mary E. Peters
Secretary-Designate, United States Department of Transportation
Before the
Committee on Commerce, Science, and Transportation
United States Senate

September 20, 2006

Chairman Stevens, Co-Chairman Inouye, Members of the Committee, I am honored to appear before you today as you consider my nomination for Secretary of Transportation. I am deeply grateful that President Bush has offered me the opportunity to again serve my country in the field of transportation. I also want to express my gratitude to my family whose love and support have made it possible for me to be here today.

I am especially honored to succeed Secretary Norman Mineta and am grateful for having had the experience of working on his team. Through his outstanding career in public service, Secretary Mineta made an indelible impression on transportation policy. If confirmed, I know I will have quite a legacy to live up to at the Department.

America's continued economic vitality, our ability to compete in a global economy, and our citizens' high quality of life, are all dependent upon dynamic and well-performing transportation systems. And, while the current systems have served our nation well, they must be strengthened to meet even greater challenges ahead.

These challenges are numerous, and they affect every mode of transportation. Our vital transportation infrastructure is showing signs of aging. Traditional transportation programs and their funding sources are no longer able to keep pace with demand. Increased congestion on our highways, railways, airports, and seaports reduces our nation's economic productivity and consumes our citizens' time. Despite the progress we have made, transportation safety and security are a greater concern than ever before.

I do not take lightly the challenges I would face, nor the responsibilities I would accept, should you vote to confirm my nomination to be Secretary of Transportation. I believe my 20-year career in transportation has given me the hands-on experience, technical knowledge, and leadership skills necessary to identify and implement the right solutions for these challenges.

For more than 16 years, I worked for the Arizona Department of Transportation (ADOT), where I gained valuable insight into the ways Federal policy affects real-life aspects of planning, building, and operating transportation systems on local, State, and regional levels. As Director of ADOT for three years, I oversaw highway, transit, rail, and air transportation in Arizona, as well as motor carrier programs, driver licensing and vehicle registration, transportation-related clean air programs, and transportation tax collection and distribution. In Arizona, I learned the economics of developing and maintaining transportation infrastructure, as well as the responsibility and accountability necessary when entrusted with public funds.

I was then privileged to serve as the 15th Administrator of the Federal Highway Administration (FHWA) for nearly four years, and had the honor of working closely with Congress on the development of the important Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) legislation.

As Administrator, I made highway safety my highest priority and worked closely with the Administrators of the Federal Motor Carrier Safety Administration (FMCSA) and the National Highway Traffic Safety Administration (NHTSA) to develop strategies for reducing fatalities and injuries. During the drafting of the Administration's surface transportation reauthorization proposal, I championed an increased focus on, and funding for, safety.

Yet, despite the gains we have made, safety remains an ongoing challenge. We cannot complacently accept fatalities and injuries as the "price we pay" for mobility. If confirmed as Secretary, I will ensure that safety continues to be the Department's top priority and that safety considerations are built into every transportation decision.

While rail accidents have begun to decline as a result of the National Rail Safety Action Plan, which was issued last year in response to several major accidents, we must do even more to reduce the number of train accidents, including those that involve highway-rail grade crossings. If confirmed, I will ensure that the Federal Railroad Administration continues to work with industry to implement new technologies that will create a safer rail system.

This year's incident at Prudhoe Bay demonstrates we also have more work to do on pipeline safety and, if confirmed, I will ensure the Department continues to proactively reach out to stakeholders and other Federal, State, and local agencies to ensure a safe and reliable pipeline infrastructure. If confirmed, I also look forward to working with this Committee on the pipeline safety program reauthorization. This is an important bill that will allow the Department to ensure the continued safety, security, and reliability of our pipeline system.

If I am confirmed, reauthorizing the nation's aviation programs will be a significant priority, and I look forward to working with Congress on crafting a bill that not only improves aviation safety, but also identifies new approaches to modernizing the air traffic control system to meet increased travel demand, improves the environmental review process for airport infrastructure, and addresses the aviation needs of small urban communities and rural areas.

We must continue to promote the use of public transportation and assist States and communities to maximize transit capacity and reliability. Transit is not just a big city concern. Many rural areas are increasingly recognizing the many benefits of transit and, if confirmed, I plan to ensure the successful implementation of SAFETEA-LU's expanded rural transit programs.

The terrorist attacks on the transit systems in Madrid and London have highlighted the importance of transit security in this post-9/11 world. Although the Department of Homeland Security (DHS) has the lead on security matters, if confirmed as Secretary, I assure you the Department of Transportation will continue to work collaboratively with DHS to address the vulnerabilities of our nation's open public transportation systems.

Intercity passenger rail should be an important component of our nation's transportation network. If confirmed, I look forward to working with Congress to pass a bill that will ensure our nation's passenger rail system delivers maximum benefits to consumers.

Our nation's maritime industry plays an important role in our daily commerce as well as an auxiliary role for security in times of war or national emergency. In today's global trade economy it is vital that we maintain a robust marine transportation system. The backbone of that system is the Jones Act, which I strongly support. We must also continue to work to address congestion at our ports. Innovative technologies such as PierPass at the Port of Los Angeles/Long Beach have made progress in addressing congestion at that facility. If confirmed, I will work with industry and State and local officials to find other novel ways to tackle this problem at our ports.

My experience in transportation management in Arizona, and at the Federal level, made me acutely aware of the need to focus on better overall management and operation of an integrated system, and to identify the appropriate balance of transportation alternatives. I am convinced that the Department of Transportation for the 21st Century must employ a systems approach to managing transportation and support operational strategies with cutting edge technologies. Research will play a vital role and we must define and promote an appropriate national agenda for research and technology deployment.

Small urban and rural transportation needs--air, rail, public transportation, as well as roads--were always important considerations when I served as Director of ADOT. If confirmed, I look forward to working with you to maximize mobility options for all Americans, regardless of where they live.

As Administrator of FHWA, I worked to fulfill a commitment I made at my confirmation hearing to improve and strengthen FHWA oversight and accountability for Federal funds. To improve the accuracy of financial data and assure the Agency fully executed its stewardship responsibilities, I established an Office of the Chief Financial Officer reporting directly to the Administrator, and led the development of FHWA's Financial Integrity Review and Evaluation (FIRE) Program, an important tool for better financial controls. I worked very closely with the Office of Inspector General to increase awareness of transportation fraud and, more importantly, to take action to prevent it. I oversaw implementation of policy and guidance for better management of mega-projects, and worked to eliminate waste, fraud, and abuse in programs administered by the agency.

If confirmed as Secretary of Transportation, I pledge conscientious stewardship for resources and responsibilities entrusted to the Department. The American public and the nation's business community must feel confident that every dollar provided to

transportation is used wisely and well. This confidence must derive from results the public can see, such as reduced traffic congestion, fewer lives lost, seamless delivery of goods, improved livability, and respect for human and natural environments in transportation construction, operation, and performance. Accountability must be the watchword for every Department of Transportation program.

Mobility is one of our country's greatest freedoms, but congestion across all of our transportation modes continues to limit predictable, reliable movement of people and goods, and poses a serious threat to continued economic growth. Congestion no longer affects only roads in larger urban areas, but is spreading across America. After a decline following 9/11, our aviation system is once again nearing capacity, and instances such as severe weather or a security alert can result in gridlock of the system.

The Department of Transportation, under Secretary Mineta's leadership, recently launched a national multi-modal initiative to alleviate congestion in travel and freight movement. The initiative provides a clear plan for Federal, State, and local officials to follow for improving operation of our surface transportation system, encouraging the development and deployment of new technologies and construction methods, and expanding opportunities for private investment in transportation infrastructure. If confirmed as Secretary, I will continue to advance this comprehensive national congestion strategy.

Public-private partnerships can bring much-needed capital to the table, and market-based congestion solutions can provide a means to fund infrastructure improvements and fight congestion. I recognize these methods are not appropriate solutions in every situation, rather they should be among the options available for State and local government to use as they determine appropriate.

We cannot assume that methods of the past, whether for designing, financing, constructing, or operating transportation infrastructure and systems, will necessarily continue to be appropriate in the future. The National Surface Transportation Policy and Revenue Study Commission Congress established in SAFETEA-LU is taking on exactly such issues for surface transportation.

I was honored to be appointed by President Bush to serve on the Commission and believe it affords a great opportunity for historic changes in transportation policy. If you confirm my nomination to be Secretary of Transportation, it will be my goal as Chair to ensure that the Commission produces a comprehensive and timely report to inform the next reauthorization of surface transportation programs.

Mr. Chairman, Senator Inouye, I believe my experience, my understanding of State and local transportation needs, and my commitment to ensuring the continued excellence of the American transportation system will enable me to provide effective leadership for the Department of Transportation in these challenging times. If I am confirmed as the next Secretary of Transportation, I will work closely with Congress, with President Bush and other members of his Cabinet, and with our public and private sector partners to ensure

our nation and the American people are provided a safe, secure, efficient, and effective transportation system now and in the future.

I sincerely appreciate the time you have given me today as you consider my nomination. I will be pleased to respond to any questions you may have.