

Eno

Center for
Transportation

DEPARTMENT OF TRANSPORTATION

Briefing Book

Department of Transportation
Briefing Book

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FEB 25 1966

BRIEFING PAPER
ON
OBJECTIVES OF TRANSPORTATION REORGANIZATION PROPOSALS

The Administration continues to believe that the long term, overall policy objective for transportation should be to place greater reliance on market controls and on business initiative and decision making, less on Government regulation and promotion. When the Federal Government has put its own transportation house in order it can move with greater confidence toward modernization of major national transportation policies. Within this framework the program being proposed by the Administration has the following principal objectives:

1. Coordination and more effective administration of the widely dispersed transportation programs of the Federal Government. All major transportation investment programs, except the water navigation projects of the Corps of Engineers and the mass transit assistance projects of the Department of Housing and Urban Development, will be brought within the Department of Transportation. The efforts of the transportation regulatory agencies will be concentrated upon economic regulation by relieving them of safety and other executive functions which will be reassigned to the Department of Transportation. It is expected that the Secretary of Transportation will direct and inform the heads of his program agencies with a consistent and objective point of view which, for the first time, will place their programs in perspective as part of a total transportation effort and in relation to each other.

2. Improvement and coordination of transportation services. For the first time the various segments of the transportation industry will be provided with a single authoritative source of information and policy advice on national transportation objectives, on the role which the Government

hopes the industry will fulfill in meeting the transportation needs of the economy.

3. Encourage cooperation among all interested parties: all levels of Government, management and labor, shippers and consumers' spokesmen. In addition to the genuine differences of interest and motivation among these groups, often sharply conflicting, there are broad areas of common interest which, with concerted effort, can be developed to the mutual advantage of all. One such area is the dissemination of factual information about the industry and its problems; another is the nature and probable impact of various opportunities for technological advancement, and problems needing but not receiving research and development effort.

4. Identification and solution of transportation problems to the extent that Government transportation policies and programs can contribute to this end. Astonishing information gaps make the full impact of policy reform in many areas difficult or impossible to estimate. It seems probable that, on the basis of systematic scrutiny, many time-honored questions would be shown to be in need of radical restatement. Obviously the correct answers cannot be obtained if the correct questions are not asked. Coordinated research and analysis directed toward identification of policy questions and formulation of alternative solutions can make a major contribution to modernization and redirection of public policy.

5. More systematic and precise evaluation of public investment proposals. As a major area for the investment of public funds, transportation is a primary candidate for across-the-board application of cost/benefit analysis and other objective analytical techniques for program evaluation as contemplated by the system of programming,

planning, and budgeting initiated last year by order of the President.

6. Coordination and reorientation of research and development activities. Federal programs for research and development in transportation are characterized by tremendous differences in effectiveness, reflecting differences in funding and in the number and caliber of personnel engaged. In addition the effectiveness of channels of communication available to bring research findings to the attention of the industry and the needs of industry to research agencies must be expanded and improved.

ESTABLISHMENT OF EXECUTIVE DEPARTMENTS

FEB 28 1966

<u>Name</u>	<u>Year (and Authority)</u>	<u>Predecessor Agency</u>
Treasury	1789 (Act of September 2, 1789)	
State	1789 (Act of September 15, 1789)	Department of Foreign Affairs established under Articles of Confederation.
Interior	1849 (Act of March 3, 1849)	Created from the transfer of the General Land Office, Office of Indian Affairs, Pension Office and other boards.
Justice	1870 (Act of June 22, 1870)	Office of the Attorney General established in 1789.
Post Office	1872 (Act of June 8, 1872)	Postal Service established under Articles of Confederation; Office of Postmaster General established in 1789; non-executive department created in 1792.
Agriculture	1889 (Act of February 9, 1889)	Non-executive department created in 1862 under Commissioner of Agriculture.
Commerce	1913 (Act of March 4, 1913)	Department of Commerce and Labor created in 1903.
Labor	1913 (Act of March 4, 1913)	Department of Commerce & Labor created in 1903. There was also a non-executive department established in 1888 under a Commissioner of Labor.
Defense	1949 (National Security Act Amendments of August 10, 1949)	National Military Establishment created by National Security Act of 1947. The NME consisted of the Office of the Secretary of Defense, the Joint Chiefs of Staff, the Joint Staff, and certain boards.
Health, Education and Welfare	1953 Reorganization Plan No. 1 of 1953; and the Act of April 1, 1953)	Federal Security Agency created in 1939.
Housing and Urban Development	1965 (Act of September 9, 1965)	Housing and Home Finance Agency established by Reorganization Plan on July 27, 1947.

February 21, 1966

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The Formation of Recent Cabinet Offices

As our nation has grown and increased in complexity, Congress has responded by restructuring the executive branch to better meet the demands placed upon it. Progress brings with it the need for positive response to new problems. The formation of Cabinet offices has recognized the increasing importance of certain areas of concern and the need for coordinated policies to best promote the national welfare.

The formation of the Department of Labor in 1913 was a response to the growing importance of wage earners as industrialization rapidly restructured the economic order. Congress felt that in order to best "foster, promote, and develop" the welfare of the nation's growing body of wage earners, a Cabinet level Department was necessary. The formation of the Department coordinated the programs dealing with labor and placed the workers' interests at the highest executive level. The predecessor of the Department of Labor was the Bureau of Labor formed in the Department of Interior in 1884, made independent in 1888, and placed in a new Department of Commerce and Labor in 1903. But the needs of labor were felt to be of sufficient importance and their problems sufficiently specialized to warrant a separate agency of Cabinet level. The 1913 Act forming the Department of Labor transferred to that Department not only the Bureau of Labor (which became the Bureau of Labor Statistics) but the Children's Bureau and the Bureaus of Immigration and Naturalization from the Department of Commerce and Labor. The agencies directly relevant to labor policies were therefore brought under unified administration.

As the nation emerged from World War II into the era of the "Cold War," national security was recognized as being of crucial importance. The experience of World War II had shown the necessity of coordination between the air, sea, and land forces for successful prosecution of military objectives. The National Security Act of 1947 formed the National Military Establishment to effectuate coordination between the Departments of the Army, the Navy, and the Air Force. The 1949 Amendments to the National Security Act established the Cabinet-level Department of Defense. Congress recognized that "integrated policies and procedures" and "coordination and unified direction" in the important area of national security could best be developed by the formation of such a Department.

During the immediate post-war period, the Country began its journey toward unprecedented prosperity. But with increasing affluence came the recognition that human values were an important part of national welfare. A significant number of programs dealing with the health, education, and welfare of the population had been developed during

the 1930's and new efforts in these areas were given increasing priority. Loose coordination of the programs dealing with human welfare had been achieved by the formation of the Federal Security Agency in 1939. Congress recognized, however, that closer coordination and an integrated approach to the development of positive policies was desirable. To this end it passed Reorganization Plan Number 1 in 1953 forming the Department of Health, Education, and Welfare as the tenth Cabinet Department. The new Department took over the functions of the Federal Security Agency and was directed to develop broad new policy approaches to meet the Nation's growing educational, health, and welfare demands.

The Department of Housing and Urban Development was formed in 1965 to "develop and recommend . . . policies" and provide "leadership . . . in coordination" to the growing problems of urbanization. Its formation recognized the growing concentration of our population in metropolitan areas and the significance of the problems developing in urban centers. Congress felt that urban affairs warranted "full and appropriate consideration at the national level." The Act forming this eleventh Cabinet position transferred to the new Department all the functions of the Housing and Home Finance Agency which had been formed in 1947 to coordinate the nation's housing programs. But the Act recognized that housing was only one part of the growing problems of urbanization, and that effective promotion and coordination in all areas of urban affairs could best be prosecuted by a Cabinet-level Department.

This brief discussion of the history of the latest Departments added to the Cabinet points out two primary criteria established by Congress in reviewing the need for reorganization. First, the area of concern must be of primary importance to the national welfare. Second, the need for coordination in programs and the development of new policies must be evident. The existing transportation system and policy meet fully both requirements. Transportation is an essential part of the nation's industrial system, and as such affects directly the economic growth of the nation and the welfare of its population. It provides the population with the mobility necessary to meet both its business and pleasure needs; and it is essential to national defense. Transportation has undergone dramatic changes during this century. The development of new modes, primarily the automobile and the airplane, has increased the systems efficiency and the complexity of associated problems. Present programs dealing with transportation are spread among many agencies and the need for coordination of these programs is of primary concern. Broad new policies are needed to maintain and improve the efficiency of the system and to meet future demands which will be placed upon it. For these reasons there is both historical precedent and compelling need for the formation of a Department of Transportation.

PROPOSED DEPARTMENT OF TRANSPORTATION

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A PROPOSAL FOR A CABINET-LEVEL DEPARTMENT OF TRANSPORTATION CONSOLIDATING VARIOUS EXISTING TRANSPORTATION AGENCIES

MARCH 2, 1966.—Referred to the Committee on the Whole House on the State of the Union and ordered to be printed

To the Congress of the United States:

Two centuries ago the American Nation came into being. Thirteen sparsely populated colonies, strung out along the Atlantic seaboard for 1,300 miles, joined their separate wills in a common endeavor.

Three bonds united them.

There was the cultural bond of a single language.

There was the moral bond of a thirst for liberty and democratic government.

There was the physical bond of a few roads and rivers, by which the citizens of the colonies engaged in peaceful commerce.

Two centuries later the language is the same. The thirst for liberty and democracy endures.

The physical bond—that tenuous skein of rough trails and primitive roads—has become a powerful network on which the prosperity and convenience of our society depend.

In a nation that spans a continent, transportation is the web of union.

The remainder of the President's message from the Briefing Book was not scanned for space considerations.

The text of the President's message can be read here:

<http://www.presidency.ucsb.edu/ws/?pid=28114>

S. 3010

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IN THE SENATE OF THE UNITED STATES

MARCH 2, 1966

Mr. MAGNUSON introduced the following bill; which was read twice and referred to the Committee on Government Operations

A BILL

To establish a Department of Transportation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Department of Trans-
4 portation Act."

DECLARATION OF PURPOSE

5
6 SEC. 2. The Congress hereby declares that the general
7 welfare, the economic growth and stability of the Nation
8 and its security require the development and implementation
9 of national transportation policies and programs conducive
10 to the provision of fast, safe, efficient, and convenient trans-
11 portation at the lowest cost consistent therewith and with

The remainder of the text of the bill from the Briefing Book was not scanned for space considerations.

The text of the introduced bill can be read here:

<https://www.enotrans.org/etl-material/departement-transportation-act-introduced/>

SECTION-BY-SECTION SUMMARY
DEPARTMENT OF TRANSPORTATION

Section 1 provides that the Act would be cited as the Department of Transportation Act.

DECLARATION OF PURPOSE

Section 2 sets forth the basic purposes for the establishment of the Department. Congress would declare that the Nation requires development and implementation of national transportation policies and programs conducive to the provision of fast, safe, efficient, and convenient transportation at the lowest cost consistent therewith and with other national objectives, including the efficient utilization and conservation of the Nation's resources.

Congress would find that a Department of Transportation is necessary in the public interest and to assure the coordinated, effective administration of the transportation programs of the Federal Government; to facilitate the development and improvement of coordinated transportation service to be provided by private enterprise to the maximum extent feasible; to encourage the cooperation of government, industry, labor and other interested parties toward the achievement of national transportation objectives; to stimulate technological advances in transportation, to provide leadership in the identification and solution of transportation problems and to develop and recommend national transportation policies and programs with full consideration

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of the needs of the public, users, carriers, labor, and the national defense.

ESTABLISHMENT OF DEPARTMENT

Section 3(a) would establish a Department of Transportation and provide for a Secretary of Transportation to be appointed by the President, by and with the advice and consent of the Senate.

Sections 3(b) and (c) provide for an Under Secretary of Transportation, four Assistant Secretaries, and a General Counsel. These officials would be appointed by the President, by and with the advice and consent of the Senate.

Section 3(d) provides for an Assistant Secretary for Administration to be appointed by the Secretary under the classified civil service, with the approval of the President.

GENERAL PROVISIONS

Section 4(a) provides that the Secretary shall exercise leadership under the direction of the President in transportation matters and develop national transportation policies and programs. The Secretary would carry them out or make recommendations for their implementation to the President, the Congress, or the transportation regulatory agencies, as appropriate. This would include participation by the Secretary as a party in proceedings before the regulatory agencies. The subsection also provides for the Secretary to promote and develop transportation information and research and development in transportation. Transportation would, of course, include all modes of transpor-

tation, as well as all types of transportation facilities (e.g., airports) and services (e.g., freight forwarding).

Section 4(b) provides that the Secretary shall give full consideration to the need for operational continuity of the functions transferred by the Act, to the need for effectiveness and safety in transportation systems and to the needs of the national defense. This section is intended to prevent undue disruption within the new department of the functions now being performed by the various operating units which would be the foundation of the department in order to help assure that the department will accomplish the stated purposes of the bill.

Section 4(c) would permit the Secretary to provide for emergency medical services, food, quarters, and other specified services, generally on a reimbursable basis, to employees and dependents stationed at remote localities, when such services are not otherwise available. The section is not intended to detract from existing authority in agencies transferred.

Sections 4(d), (e), and (f) would authorize the Secretary to accept gifts and bequests of property to aid the work of the department. Money gifts and bequests would be deposited in the Treasury in a separate fund to be disbursed on order of the Secretary of Transportation. Such gifts and bequests would be considered as gifts to the United States for tax purposes. The Secretary of the Treasury, upon request of the Secretary of Transportation, would be authorized to invest money gifts in United States, or United States guaranteed, securities.

Sections 4(g) and (h) would authorize the Secretary to make special statistical studies in transportation, upon request of any person, firm or corporation, on a cost reimbursable basis.

Section 4(i) would authorize the Secretary to appoint advisory committees. Members would be authorized per diem and travel expense in accordance with existing law.

Section 4(j) would make orders and actions of the Secretary, in the exercise of the functions transferred to him under the Act, subject to judicial review to the same extent and in the same manner as if such orders and actions were issued and taken by the agency from which the function was transferred.

Section 4(k) provides that the Secretary, in the exercise of the functions transferred to him under this Act, shall have the same powers that are vested in the agency originally exercising such functions. These powers include the authority to hold hearings, issue subpoenas, administer oaths, examine witnesses, take depositions, and compel testimony. The section would, for example, provide the Secretary the same authority as the Civil Aeronautics Board has in section 1004 of the Federal Aviation Act of 1958 for use in the exercise of the functions transferred to him from the CAB.

Section 4(l) provides that officers and enlisted men on active duty in the Coast Guard are not precluded from appointment to any position in the Department other than Secretary, Under Secretary, and Assistant Secretary for Administration. Retired officers and enlisted men of the Coast Guard could be appointed to any position in the

Department. The military status of persons appointed under this section would not be affected by the appointment. This section is included so that the military status of personnel of one of the major components of the new Department will not preclude their use in positions within the Department requiring expertise and experience in the fields of transportation, management and administration gained through service in the Coast Guard. The section would not otherwise change the general law applicable to service in a department by members of the armed services.

NATIONAL TRANSPORTATION SAFETY BOARD

Section 5(a) would establish within the Department a National Transportation Safety Board which would exercise the functions transferred to the Secretary by this Act with regard to the determination of cause or probable cause of transportation accidents, and with regard to the review on appeal of the suspension, alteration, modification, revocation, or denial of any certificate or license issued by the Secretary. It is anticipated that the Board would establish criteria specifying the type of cases it will consider or review so as to exclude cases of limited impact on the transportation industry, personnel employed therein and the public.

The Board would be independent of the Secretary and of the operating units of the Department.

Sections 5(b), (c), (d), and (e) generally provide that members of the Board would be appointed with regard to their fitness to perform

the functions of the Board, by the President, by and with the advice and consent of the Senate; that Board members would serve five-year terms and be removable only for cause; and that the President would appoint a Chairman whose duties are prescribed. The Chairman would be compensated at Level V of the Federal Executive Salary Act of 1964 and members would be compensated at grade 18 level. Other details are set forth in the bill.

Sections 5(f), (g), (h), (i), (j), and (k) generally provide that the Board could issue appropriate rules and regulations to carry out its functions; that the Board, its members, and hearing examiners could issue subpoenas, and perform other acts necessary to carry out the functions of the Board; that the Board could delegate its functions subject to the proviso in section 701(g) of the Federal Aviation Act of 1958 which would prohibit the Secretary from participating in determinations of probable cause in air accidents; that the Board could make recommendations concerning transportation safety and rules and procedures for the conduct of accident investigations to the Secretary; that the Board could employ persons under the civil service; and that the Secretary shall provide financial and administrative services to the Board, on a reimbursable basis. Other details are set forth in the bill.

TRANSFERS TO DEPARTMENT

Section 6(a) would transfer to the Secretary of Transportation all of the functions, powers, and duties of the Secretary of Commerce

and other officers and offices of the Department of Commerce under various specified statutes. These transfers are the functions of the Secretary administered by the Under Secretary of Commerce for Transportation, including the high-speed ground transportation program, the aviation loan guarantee program, the aviation war risk insurance program, the Great Lakes Pilotage Administration, the Maritime Administration and the Bureau of Public Roads. The Maritime Administration, among many other maritime activities, has responsibility for operating-differential subsidy and construction-differential subsidy for the U. S. merchant marine and shipping industry. The Bureau of Public Roads, among its many highway activities, is responsible for the apportioning and expending of monies from the Highway Trust Fund for the Federal-aid highway systems.

Section 6(b) would transfer the Coast Guard to the Secretary of Transportation, as well as functions of the Secretary of the Treasury which relate to the Coast Guard. The Coast Guard would be transferred and would operate in the new department as a complete organizational unit. In time of war or when the President directs, the Coast Guard, together with its functions, would be transferred to the Secretary of the Navy, as provided in existing law. Section 6(b)(3) would transfer the functions of the General Counsel of the Department of the Treasury under the Uniform Code of Military Justice to the General Counsel of the new department. This would preserve the plan embodied in existing law wherein the Judge Advocates General of the Armed Forces exercise judicial functions with respect to review and final action concerning

courts martial under the code and the Secretaries of the various departments exercise final approval authority together with such clemency action as they deem appropriate.

Section 6(c) would transfer to the Secretary of Transportation all of the functions, powers, and duties of the Federal Aviation Agency and of the other officers and offices thereof. The Federal Aviation Agency, among its many responsibilities in the field of air commerce, promulgates and enforces safety regulations concerning airmen and aircraft, certifies airmen, aircraft, and aviation schools, and conducts other air safety activities; develops, establishes, maintains, and operates a common system of air navigation and traffic control for civil and military aircraft; provides leadership and direction through the national government industry program for the design and development of a commercial supersonic transport aircraft; and administers the Federal airport program.

Section 6(d) would transfer to the Secretary certain functions of the Civil Aeronautics Board which relate to safety. In general, these functions are to provide for independent review of actions denying or adversely affecting licenses issued under regulations governing air safety and to investigate the facts and circumstances relating to accidents involving civil aircraft and to determine the probable cause of such accidents; and to make recommendations to prevent such accidents in the future.

Section 6(e) would transfer to the Secretary the functions of the Interstate Commerce Commission (ICC) relating to the administra-

tion and enforcement of the various railroad, motor carrier, and pipeline safety laws, and those parts of Part 1 of the Interstate Commerce Act which relate to car service. The car service functions transferred by this Act would permit the Secretary to allocate, for optimum utilization and distribution, railroad freight equipment.

Also transferred would be ICC functions with regard to safe transportation of explosives and other dangerous articles. In addition, the Secretary would be given the ICC's functions of setting geographical limits of standard time zones in the United States.

Section 6(f) would transfer to the Secretary certain specific functions of the Secretary of the Army. These are the authority to prescribe drawbridge regulations, to regulate rates on toll bridges, to control the location and clearances of bridges over navigable waters, to detect and enforce measures to prevent oil pollution, and to regulate the location for ships to anchor.

TRANSPORTATION INVESTMENT STANDARDS

Section 7(a) requires the Secretary of Transportation to develop standards and criteria, subject to Presidential approval, for the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation facilities or equipment, with certain listed exceptions. Provision is made for consultation by the Secretary with the Water Resources Council in preparing compatible economic standards applicable to transportation features of multipurpose water resource projects. Examples of investments excluded

from coverage in the section are those of the Military Sea Transport Service (MSTS), the Military Airlift Command (MAC), the Panama Canal, and AID. Civil transportation investment proposals by the Department of Transportation itself, by the Army Corps of Engineers and by other Federal agencies would be included.

Section 7(b) requires every survey, plan or report formulated by a Federal agency which includes a proposal as to which the Secretary has issued standards and criteria pursuant to subsection (a) to be prepared in accord with those standards and criteria and on the basis of transportation data furnished by the Secretary of Transportation and coordinated by the proposing agency with the Secretary and other government agencies before transmission to the President for appropriate disposition.

AMENDMENTS TO OTHER LAWS

Section 8(a) amends the Federal Aviation Act of 1958 (Section 406(b)) by providing that, with respect to subsidy for air carriers, the Civil Aeronautics Board shall take into consideration standards and criteria prescribed by the Secretary of Transportation for determining the character and quality of transportation required for commerce of the United States and the national defense.

Section 8(b) would amend section 201 of the Appalachian Regional Development Act so as to provide that the Secretary of Transportation, rather than the Secretary of Commerce, would be authorized to assist in the construction of an Appalachian development highway system, and

make the determination as to which provisions, if any, of the Federal highway laws are inconsistent with the Appalachian Act. The Appalachian Regional Development Commission would continue to submit for approval its recommendations to one Federal official, the Secretary of Commerce, who would transmit such recommendations as he approves to the Secretary of Transportation for approval. The Secretary of Transportation would be authorized to require participating states to use coal derivatives in the construction of roads. Federal assistance to any construction project could not exceed 50 per centum of the cost, unless both the Secretary of Commerce and the Secretary of Transportation determine that additional Federal funds are required. Appropriations would be made to the Secretary of Commerce who would transfer funds to the Secretary of Transportation for administration of approved projects.

Section 8(c) would include the Secretary of Transportation in the list of those with whom the Appalachian Regional Development Commission shall consult.

Sections 8(d), (e), (f), (g), and (h) would amend various sections of the Interstate Commerce Act and the Fair Labor Standards Act of 1938, and the Federal Explosives Act to make the necessary changes to implement the transfers in section 6(e). The Secretary would receive the same authority as the ICC to administer, execute and enforce the functions transferred to him.

ADMINISTRATIVE PROVISIONS

Sections 9(a), (b), and (c) would authorize the Secretary to appoint personnel under the civil service laws and to hire experts and consultants. The number of GS-16, 17, and 18 positions available within the Federal Government would be increased from 2,400 to 2,445. It is noted that the additional 45 would be in addition to the increases proposed in S. 2393 and H.R. 10498.

Sections 9(d) and (e) would authorize the Secretary to arrange for participation of military personnel in carrying out his functions. Members of the armed forces could be assigned to the Secretary pursuant to cooperative agreements between the Secretary of Transportation and the military departments. These provisions are similar to existing provisions applicable to the Federal Aviation Agency. Members of the armed forces so detailed would not be charged against statutory limitations on grades or strengths applicable to the military departments, and appointment would in no way affect the status of the military personnel so assigned. Persons so assigned would not be subject to the direction or control of the armed forces with respect to the responsibilities exercised by such persons in the Department of Transportation. The Secretary would be required to report annually to the Congress on personnel appointed under subsection (d).

Section 9(f) would authorize the Secretary to delegate his functions and to issue appropriate rules and regulations.

Sections 9(g), (h), and (i) would transfer to the Secretary all

personnel, assets, liabilities, and appropriations which relate to the functions transferred by the Act. The Director of the Bureau of the Budget would have the authority to implement these transfers. Personnel transferred would be protected against reduction in classification and compensation for a period of one year. It is expected that most of the personnel would be assigned responsibilities in the new department comparable to those they presently perform, thus minimizing the likelihood of grade reduction. Personnel transferred, of course, would retain whatever rights and benefits to which they are presently entitled under applicable laws.

Section 9(j) would lapse the Office of the Under Secretary of Commerce for Transportation, the Maritime Administration, the Bureau of Public Roads, the Great Lakes Pilotage Administration, and the Federal Aviation Agency. The Coast Guard would not be lapsed. Any person holding a position in any such agency compensated under the Federal Executive Salary Schedule who, without a break in service, is appointed to a position having duties comparable to those he presently performs, would continue to be compensated at not less than the rate of his present position for the duration of his service in such position.

Section 9(k) would authorize the Secretary to establish a working capital fund, similar to those in other departments, for operating various common administrative services in the Department such as supply, messenger, mail, telephone, space, library, and reproduction services. Details are

set forth in the bill.

Section 9(1) directs the Secretary to adopt a Department seal and provides for judicial notice of the seal.

CONFORMING AMENDMENTS TO OTHER LAWS

Section 10(a) would place the Secretary of Transportation in the line of succession to the Office of President of the United States.

Sections 10(b) and (c) are technical provisions which would extend to the new department the provisions of Title IV of the Revised Statutes, except to the extent inconsistent with the bill. These provisions deal with such matters as departmental vacancies, regulations, duties of clerks, details, and employment of personnel, oaths, subpoenas, and witness fees.

Section 10(d) amends Section 303 of the Federal Executive Salary Act of 1964 by placing the Secretary of Housing and Urban Development and the Secretary of Transportation in Level I of the Federal Executive Salary Schedule; by deleting the Under Secretary of Commerce for Transportation and inserting the Under Secretary of Transportation at Level III; by adding four Assistant Secretaries of the Department of Transportation and a General Counsel of the Department of Transportation at Level IV; and by adding an Assistant Secretary for Administration of the Department of Transportation and the Chairman of the National Transportation Safety Board at Level V. The section also authorizes the President to place one position in Level III and a total of nine additional positions in Level IV and Level V of the Executive Salary

Schedule.

Section 10(e) removes from the Federal Executive Salary Schedule, subject to the provisions of Section 9 of the Department of Transportation Act, reference to the Administrator of the Federal Aviation Agency; Deputy Administrator, FAA; the Associate Administrator for Administration, FAA; the Associate Administrator for Development, FAA; the Associate Administrator for Programs, FAA; the General Counsel, FAA; the Federal Highway Administrator; and the Maritime Administrator.

Section 10(f) amends the Act which makes the vessel operation revolving fund available to pay activation and deactivation cost of ships chartered out by the Secretary of Commerce so as to make it applicable to ships chartered out by the Secretary of Transportation.

Section 10(g) amends the Act which prescribes a criminal penalty for false representations relating to highway projects submitted to the Secretary of Commerce so as to make it applicable to such projects submitted to the Secretary of Transportation.

Section 10(h) implements the provision of section 6(b)(3) of this Act.

ANNUAL REPORT

Section 11 provides for an annual report.

SAVINGS PROVISIONS

Sections 12(a), (b), (c) and (d) provide that orders, regulations and the like, issued and in effect on the effective date of this

section, by any department or agency, functions of which are transferred by this Act, shall continue in effect until modified or changed by the Secretary or other legal authority; that proceedings before agencies at the effective date of the section shall continue before the new department; that court proceedings shall not be affected by this and including provision for appropriate substitution of successor parties; and that references in Federal laws, with respect to functions transferred by this Act, would be deemed to mean the Secretary of Transportation.

SEPARABILITY

Section 13 provides a standard separability clause.

CODIFICATION

Section 14 would direct the Secretary to submit to the Congress within two years from the effective date of the Act, a codification of all laws transferred to the Secretary by this Act.

EFFECTIVE DATE

Section 15 would authorize the President to nominate and appoint the Presidentially appointed officers provided for in sections 3 and 5 of the bill, as provided in those sections, at any time after the date of enactment of this bill. All other provisions of the bill would take effect 90 days after the Secretary first takes office, or on such prior date after enactment as the President prescribes in the Federal Register. Provision is made for compensation of appointed officers and related expenses of their offices, from funds available for the functions to be transferred to the Department under the bill.

TECHNICAL ADDENDUM TO SECTION-BY-SECTION SUMMARY

DEPARTMENT OF TRANSPORTATION

1. All citations in the bill, of course, are intended to refer to the most recent version of the law cited, including all amendments.
2. Language identifying the subject matter being transferred is included in section 6 of the bill. Such language is intended merely for identification and, unless otherwise clear in the bill, is not intended to limit the transfer of the entire act or section of an act which is the subject of the transfer.
3. All citations in the bill are to the original Statutes at Large citation, except where the United States Code is positive law. The following cross reference to citations in the United States Code is supplied for convenience:

Section 4(i): the Administrative Expense Act of 1946 (60 Stat. 808)
(5 U.S.C. 73b-2).

Section 5(e): the Federal Executive Salary Act of 1964 (78 Stat. 416)
(5 U.S.C. 2211);
the Classification Act of 1949 (63 Stat. 954)
(5 U.S.C. 1071).

Section 5(h): section 701(g) of the Federal Aviation Act of 1958
(72 Stat. 782) (49 U.S.C. 1441(g)).

Section 6(a): the Federal-Aid Highway Act of 1962 (76 Stat. 1145)
(no applicable code citation);
the Act of July 14, 1960 (74 Stat. 526) as amended by
the Act of October 4, 1961 (75 Stat. 779)
(no applicable code citation);
the Federal-Aid Highway Act of 1954 (68 Stat. 70) as
amended by the Act of October 13, 1964 (78 Stat. 1092)
(no applicable code citation);
the Highway Revenue Act of 1956 (70 Stat. 387) as
amended by the Act of September 3, 1964 (78 Stat. 897)
(no applicable code citation);
the Highway Beautification Act of 1965 (79 Stat. 1028)
(no code citation as to sections 302-305 and
401-403 of the act);
the Alaska Omnibus Act (73 Stat. 141) (no applicable
code citation);
Senate Joint Resolution 81 (79 Stat. 578)
(no applicable code citation);

Section 6(a)
(Continued)

section 525(c) of the General Bridge Act of 1946
 (60 Stat. 847) (33 U.S.C. 525(c));
 the Act of July 26, 1956 (70 Stat. 669) (no
 applicable code citation);
 the Act of December 21, 1944 (58 Stat. 846)
 (no applicable code citation);
 the Act of April 12, 1941 (55 Stat. 140) (no
 applicable code citation);
 the Act of April 27, 1962 (76 Stat. 59) (no
 applicable code citation);
 the Act of September 30, 1965 (79 Stat. 893)
 (49 U.S.C. 1631, et. seq.);
 the Urban Mass Transportation Act of 1964 (78 Stat. 302)
 (49 U.S.C. 1601, et. seq.);
 the Act of September 7, 1957 (71 Stat. 629)
 (49 U.S.C. 1429 nt);
 section 410 of the Federal Aviation Act of 1958
 (72 Stat. 769) (49 U.S.C. 1380);
 title XIII, War Risk Insurance, of the Federal Aviation
 Act of 1958 (72 Stat. 800) (49 U.S.C. 1531, et. seq.);
 the Great Lakes Pilotage Act of 1960 (74 Stat. 259)
 (46 U.S.C. 216, et. seq.);
 the Merchant Marine Act, 1920 (41 Stat. 988)
 (46 U.S.C. 861, et. seq.);
 the Merchant Marine Act, 1928 (45 Stat. 689)
 (46 U.S.C. 891, et. seq.);
 the Merchant Marine Act, 1936 (49 Stat. 1985)
 (46 U.S.C. 1101, et. seq.);
 the Shipping Act, 1916 (39 Stat. 728) (46 U.S.C. 801, et. seq.);
 the Merchant Ship Sales Act of 1946 (60 Stat. 41)
 (50 App. U.S.C. 1735, et. seq.);
 the Maritime Academy Act of 1958 (72 Stat. 622)
 (46 U.S.C. 1381, et. seq.);
 the Act of June 12, 1940 (54 Stat. 346)
 (46 U.S.C. 1331, et. seq.);
 the Act of August 30, 1964 (78 Stat. 614)
 (46 U.S.C. 1401, et. seq.);
 the Act of September 14, 1961 (75 Stat. 514)
 (46 U.S.C. 1126b-1);
 the Act of June 13, 1957 (71 Stat. 73)
 (46 U.S.C. 1177a);
 the Act of June 12, 1951 (65 Stat. 59)
 (46 U.S.C. 1241a);
 the Act of July 24, 1956 (70 Stat. 605)
 (46 U.S.C. 249, et. seq.);

- Section 6(a): the Act of August 9, 1954 (68 Stat. 675)
 (Continued) (50 U.S.C. 196, et. seq.);
 Reorganization Plan No. 21 of 1950 (64 Stat. 1273)
 (5 U.S.C. 133z-15 nt and 46 U.S.C. 1111 nt);
 Reorganization Plan No. 7 of 1949 (63 Stat. 1070)
 (5 U.S.C. 133z-15 nt);
 the Act of August 1, 1947 (61 Stat. 715) (5 U.S.C. 1161).
- Section 6(d): titles VI (72 Stat. 776) (49 U.S.C. 602(b)) and VII
 (72 Stat. 781) (49 U.S.C. 1441, et. seq.) of the
 Federal Aviation Act of 1958.
- Section 6(e): the Act of March 2, 1893 (27 Stat. 531) (45 U.S.C. 1,
 et. seq.) as amended by the Act of August 14, 1957
 (71 Stat. 352) (45 U.S.C. 6, 13);
 the Act of March 2, 1903 (32 Stat. 943) (45 U.S.C. 8-10)
 as amended by the Act of April 11, 1958 (72 Stat. 86)
 (45 U.S.C. 9), and the Act of April 14, 1910
 (36 Stat. 298) (45 U.S.C. 11-16), as amended by the
 Act of August 14, 1957 (71 Stat. 352) (45 U.S.C. 6, 13);
 the Act of May 30, 1908 (35 Stat. 476)
 (45 U.S.C. 17-21);
 the Act of February 17, 1911 (36 Stat. 913)
 (45 U.S.C. 22-29);
 the Act of March 4, 1915 (38 Stat. 1192)
 (45 U.S.C. 30);
 the Act of June 26, 1918 (40 Stat. 616) (45 U.S.C. 24-26);
 the Act of June 7, 1924 (43 Stat. 659) (45 U.S.C. 22-27);
 the Act of June 27, 1930 (46 Stat. 822) (45 U.S.C. 24);
 the Act of April 22, 1940 (54 Stat. 148) (45 U.S.C. 24-34);
 the Act of May 27, 1947 (61 Stat. 120)
 (45 U.S.C. 24 nt, 26);
 the Act of June 25, 1948 (62 Stat. 909) (45 U.S.C. 34);
 the Act of October 28, 1949 (63 Stat. 972) (45 U.S.C. 24);
 the Act of August 14, 1957 (71 Stat. 352) (45 U.S.C. 34);
 Reorganization Plan No. 3 of 1965 (79 Stat. 1320)
 (5 U.S.C. 133z-15 nt and 45 U.S.C. 22 nt);
 the Resolution of June 30, 1906 (34 Stat. 838)
 (45 U.S.C. 35);
 the Act of May 27, 1908 (35 Stat. 325) (45 U.S.C. 36-37);
 the Act of March 4, 1909 (35 Stat. 965) (45 U.S.C. 37);
 the Act of May 6, 1910 (36 Stat. 350) (45 U.S.C. 38-43);
 the Act of September 13, 1960 (74 Stat. 903)
 (45 U.S.C. 38);
 the Act of March 4, 1907 (34 Stat. 1415) (45 U.S.C. 61-64);

Section 6(e): the Act of May 4, 1916 (39 Stat. 61) (45 U.S.C. 63);
(Continued) the Act of June 25, 1948 (62 Stat. 909) (45 U.S.C. 34);
the Act of August 14, 1957 (71 Stat. 352) (45 U.S.C. 63);
the Act of February 23, 1905 (33 Stat. 743)
(49 U.S.C. 1201-1203);
the Act of June 13, 1957 (71 Stat. 69)
(49 U.S.C. 1201-1203);
the Act of March 19, 1918 (40 Stat. 450)
(15 U.S.C. 261-265);
the Act of March 4, 1921 (41 Stat. 1446) (15 U.S.C. 265);
the Act of March 3, 1923 (42 Stat. 1434) (15 U.S.C. 264);
the Act of June 24, 1948 (62 Stat. 646) (15 U.S.C. 264);
the following sections of the Interstate Commerce Act:
1(10) (49 U.S.C. 1(10)), 1 (11) (49 U.S.C. 1(11)),
1(12) (49 U.S.C. 1(12)),
1(13) (49 U.S.C. 1(13)), 1(14) (a) (49 U.S.C. 1(14)(a)),
1(15) (49 U.S.C. 1(15)), 1(16) (49 U.S.C. 1(16)),
1(17) (49 U.S.C. 1(17)), 6(8) (49 U.S.C. 6(8)),
15(4) (49 U.S.C. 15(4)), 15(10) (49 U.S.C. 15(10)),
420 (49 U.S.C. 1020), 25 (49 U.S.C. 26),
222 (49 U.S.C. 325), 1(21) (49 U.S.C. 1(21)),
204(a)(1) and (2) (49 U.S.C. 304(a)(1) and (2)),
204(a)(3), (3a), and (5) (49 U.S.C. 304(a)(3), (3a) and (5)),
1(6) (49 U.S.C. 1(6)), 206 (49 U.S.C. 306),
207 (49 U.S.C. 307), 209 (49 U.S.C. 309),
210a (49 U.S.C. 310a), 212 (49 U.S.C. 312), and
216 (49 U.S.C. 316).

Section 6(f): section 7 of the River and Harbor Act of March 4, 1915
(38 Stat. 1053) (33 U.S.C. 471);
the Act of April 22, 1940 (54 Stat. 150)
(33 U.S.C. 180, 258);
section 5 of the Act of August 18, 1894 (28 Stat. 362)
(33 U.S.C. 499);
the Act of June 21, 1940 (54 Stat. 497)
(33 U.S.C. 511-524);
section 4 of the Act of March 23, 1906 (34 Stat. 85)
(33 U.S.C. 494);
section 503 of the General Bridge Act (60 Stat. 847)
(33 U.S.C. 526);
section 17 of the Act of June 10, 1930 (46 Stat. 552)
(33 U.S.C. 498a);
the Act of June 27, 1930 (46 Stat. 821)
(33 U.S.C. 498b);
the Act of August 21, 1935 (49 Stat. 670)
(33 U.S.C. 503-507);

- Section 6(f): the Oil Pollution Act, 1961 (75 Stat. 402)
(Continued) (33 U.S.C. 1001, et. seq.);
section 9 of the Act of March 3, 1899 (30 Stat. 1151)
(33 U.S.C. 401);
the Act of March 23, 1906 (34 Stat. 84)
(33 U.S.C. 491-498);
the General Bridge Act (60 Stat. 847) (33 U.S.C. 525-539).
- Section 8(a): section 406(b) of the Federal Aviation Act of 1958
(72 Stat. 763) (49 U.S.C. 1376(b)).
- Section 8(b): section 201 of the Appalachian Regional Development Act
(79 Stat. 10) (40 App. U.S.C. 201).
- Section 8(c): section 206(c) of the Appalachian Regional Development
Act (79 Stat. 15) (40 App. U.S.C. 206(c)).
- Section 8(d): sections 12 (49 U.S.C. 12), 13(1) (49 U.S.C. 13(1)),
13(2) (49 U.S.C. 13(2)), 20 (49 U.S.C. 20),
204(a) (49 U.S.C. 304(a)), 204(c) (49 U.S.C. 304(c)),
205(d) (49 U.S.C. 305(d)), 205(f) (49 U.S.C. 305(f)),
220 (49 U.S.C. 320), 222 (49 U.S.C. 322) of the
Interstate Commerce Act.
- Section 8(e): section 212(a) of the Interstate Commerce Act
(49 Stat. 555) (49 U.S.C. 312(a)).
- Section 8(f): section 13(b) of the Fair Labor Standards Act of 1938
(52 Stat. 1067) (29 U.S.C. 213(b)).
- Section 8(g): section 18(1) of the Interstate Commerce Act
(27 Stat. 386) (49 U.S.C. 18(1)).
- Section 8(h): section 3 of the Federal Explosives Act (40 Stat. 385)
(50 U.S.C. 123).
- Section 9(b): section 505 of the Classification Act of 1949
(63 Stat. 959) (5 U.S.C. 1105(b)).
- Section 9(c): section 15 of the Act of August 2, 1946 (60 Stat. 810)
(5 U.S.C. 55a).
- Section 10(c): section 303 of the Federal Executive Salary Act of 1964
(78 Stat. 416) (5 U.S.C. 2211).

Section 10(e): subsections (b)(7), (d)(2) and (e)(12) (13) (14)
(76) (82) and (89) of section 303 of the Federal
Executive Salary Act of 1964 (78 Stat. 416)
(5 U.S.C. 2211).

Section 10(f): the Act of August 1, 1956 (70 Stat. 897)
(46 U.S.C. 1241c).

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THE DEPARTMENT OF TRANSPORTATION

The draft Department of Transportation bill transfers to the Department the following agencies and functions: (Sec. 6)

- Federal Aviation Agency
- Bureau of Public Roads
- Maritime Administration
- Coast Guard
- Office of Undersecretary of Commerce for Transportation
- Great Lakes Pilotage Administration
- rail and motor carrier safety functions of the ICC
- car service functions of the ICC
- safety functions of the CAB
- bridge and toll functions of the Corps of Engineers

In addition, the President will, by Executive order, transfer to the Secretary responsibility for:

- St. Lawrence Seaway Development Corporation
- Alaska Railroad

The bill does not:

- Change existing relationships with the regulatory agencies, except for safety
- Affect the Corps of Engineers, except for a small number of minor functions
- Change existing functions in the urban transportation area

Urban Transportation

The bill contains no provisions with respect to the Mass Transit program of HUD. It is expected that the Secretary of HUD and the Secretary of Transportation will jointly study urban transit problems--including urban aspects of highway development--and make proposals for the appropriate division of functions between the two agencies.

Relations with Regulatory Agencies

The Department provides a focal point for the development of proposed transportation policies and for analysis of Federal investment in all modes of transportation. While existing relationships are not changed, the bill amends the Federal Aviation Act to provide that the CAB in considering the subsidy program shall "take into consideration" standards and criteria furnished by the Secretary of the Department with respect to the character and quality of transportation required by the commerce of the United States. (Sec. 8(a))

Organization

All functions, powers, and duties of the transferred agencies, as well as those newly created, are vested in the Secretary. The Coast Guard is transferred as a legal entity; all other agencies will lapse and no longer have a legal status. However, the Secretary is enjoined to consider the need for operational continuity (Sec. 4(b)). Consequently, the FAA, Maritime Administration, and Bureau of Public Roads will be reconstituted by Departmental order immediately upon creation of the Department.

The Department will have four Assistant Secretaries. They will not be in the line, but will be used primarily by the Secretary for cross-cutting department-wide problems such as long range planning and policy development, international transportation affairs, technology and research, etc.

Size

The Department will have a budget of \$5.9 billion, and 94,317 personnel (33,556 military and 60,761 civilian). It will rank fifth in size (in \$) and fourth in personnel (civilian and military).

Safety Functions

The new Department will carry out safety activities for all modes of transportation. In order to determine the cause of accidents, a new National Transportation Safety Board will be established within the Department. (Sec. 5). The Board will

- Determine the cause of accidents
- Act as an Appeal Board on airman and mariner certificates issued by FAA and Coast Guard

Accidents will be investigated by the appropriate element of the Department and the investigation results reviewed by the NTSB. To insure independence and objectivity in carrying out these functions, the Board will consist of five Presidentially appointed members, with Senate confirmation.

Purpose of the Department

The Department will coordinate government activities in a vital and significant sector of the economy. The Department will provide leadership in developing for all modes of transportation coherent and balanced programs for research and development, safety, and Federal investment. In the investment area, for example, any proposal for a Federal investment in transportation

facilities or equipment will have to be in accord with standards and criteria established by the Department. (Sec. 7). The Department will also provide basic transportation data and economic analysis for use by agencies in making such investment proposals. In the case of multi-purpose water resource projects, requirements are set forth for appropriate consultation with the Water Resources Council and for compatibility of the various criteria for economic evaluation to be used.

Previous Proposals for a Department

Proposals for a Bureau or a Department of Transportation have been made since 1874. The most important of those in recent years include:

- (1949) First Hoover Commission Task Force Report.
(Full Commission recommended a Department of Commerce and Transportation)
- (1961) President Eisenhower in his outgoing Budget Message
- (1961) U. S. Senate Committee on Commerce staff report the so-called "Doyle Report"

In each of the past several sessions of Congress bills to create a Department have been introduced by Senator Case and Representative Younger.

THE DEPARTMENT OF TRANSPORTATION
AGENCIES INCLUDED AND EXCLUDED

February 28, 1966

Background

Departmental status for the principal transportation agencies and functions of the government will provide the framework for the development of fast, safe, efficient, and convenient transportation services for the public. While these activities represent the preponderance of government money and personnel concerned with the transportation field, they do not include the activities of all of the 35 principal Federal agencies with transportation responsibilities.

Agencies Included

Federal transportation promotional programs will be represented in the new Department by the Bureau of Public Roads and the Federal Maritime Administration. Also included are the Office of the Undersecretary of Commerce for Transportation and its Office of Emergency Transportation of the Commerce Department.

Transportation safety functions will be carried out by elements transferred from the Civil Aeronautics Board and the Interstate Commerce Commission (including car service). Also transferred are the Coast Guard and the Federal Aviation Agency. Specialized units will include the Alaska Railroad (Interior), Great Lakes Pilotage Administration (Commerce) and the St. Lawrence Seaway Development Corporation (remaining independent, but under the direction and supervision of the Secretary of Transportation rather than the Secretary of Commerce.) Those functions of the Corps of Engineers dealing with anchorages, bridges, and tolls will also be included in the new Department.

Achievement of the principal purposes of the Department -- development and implementation of national transportation policies and coordination of Federal transportation programs -- is dependent on the inclusion of these 12 agencies or functions. Their activities are more closely related to the major purpose of the new Department than they are to their present organizational bases.

Agencies Excluded

The same cannot be said of the agencies excluded. Of the 26 agencies (or parts thereof) with transportation responsibilities remaining outside of the Department, most are more closely related to supporting the principal purpose of their present parent agency than to developing the Nation's transportation system.

For instance, those agencies related most immediately to the national security include:

Office of the Assistant Secretary of Defense (Installations and Logistics)

Army Transportation Agency

Military Sea Transport Service

Military Airlift Command

All of these are principally involved in moving military personnel and supplies.

Those agencies pursuing civilian programs with transportation elements which complement their basic objectives have also been excluded:

Forest Service (roads and trails)

National Park Service (roads, parkways)

Bureau of Transportation and International Services, Post Office Department (freight rates)

Bureau of Customs (depository for shipping papers, travelers)

District of Columbia Government (roads)

General Services Administration (vehicle fleets, shipping rates, equipment standards)

National Aeronautics and Space Administration (aeronautical research)

Agencies involved in multi-purpose programs have also been excluded. For agencies such as the Corps of Engineers (civil functions), the TVA, the Appalachian Regional Planning Commission, and the Office of Emergency Planning, transportation is only one among many inter-related elements which they consider in the course of their activity. The Corps, for example, is concerned with multipurpose projects that involve reclamation, recreation, irrigation, as well as navigation.

A number of agencies are concerned with aspects of the transportation industry but their connection to other industries, institutions, or to the public in general mitigated against their inclusion in a department devoted solely to transportation. These include:

Environmental Science Services Administration, Department of Commerce (principally the Weather Bureau and the Coast and Geodetic Survey)

U.S. Travel Service, Department of Commerce (promoting tourism)

Public Health Service (traffic safety research)

National Mediation Board (railroad labor problems)

The regulatory agencies dealing with transportation have historic quasi-judicial and quasi-legislative economic functions which require a degree of independence from other executive branch organizations. Thus, economic regulation performed by the Federal Maritime Commission, (ocean shipping), the Federal Power Commission (pipelines), the Civil Aeronautics Board (airlines), and the Interstate Commerce Commission (motor carriers, railroads, water carriers, freight forwarders, pipelines, etc.) will continue to be done by these agencies. Safety functions of the CAB and ICC and the car functions of the latter, as noted above, however, will be transferred to the new Department.

There are two agencies which, but for more pressing considerations, might have been logically included in the new Department: the Panama Canal Company and the National Capital Transportation Agency. Both are agencies in transition whose future status will depend on negotiations currently being conducted. Their inclusion in the Department of Transportation at this time would serve only to confuse these negotiations. Finally, the Office of Transportation, Department of Housing and Urban Development deals with urban mass transit problems. The relationship of urban interests and transportation interests will be the subject of intensive discussions between the two Secretaries. It is expected that some transfers of functions will be proposed after these discussions are held.

Conclusion

It should be noted that agencies, even though they remain outside of the Department, will be expected to adhere to standards and criteria established by the Secretary of Transportation for the investment of Federal funds in transportation facilities and equipment. The exceptions to this rule are limited to defense transportation features, inter-oceanic canals, and to purchases for agency use. Finally, like all major departments, future additions or deletions of functions will be considered when appropriate to more efficient and effective government.

GENERAL TRANSFERS OF AUTHORITY TO DEPARTMENT HEADS

Various reorganization plans and statutes have transferred generally to the heads of executive departments the functions vested in other officers, agencies, and employees of their departments. Those acts, which also generally authorized the delegation of the functions transferred, are listed below together with the exceptions to the general transfers of functions contained therein. In all cases, with the exception of the Department of Defense and the Department of Health, Education, and Welfare, all functions, except as noted, are vested in the Secretary who is authorized to delegate these functions within the department.

State. The Secretary may promulgate rules and regulations necessary to carry out his functions and those of the Department and he may delegate the authority to perform those functions (5 U. S. C. 151c); he may also prescribe duties for Assistant Secretaries and other employees of the Department and make changes and transfers therein (5 U. S. C. 154). The Secretary is authorized to administer, coordinate and direct the Foreign Service and the personnel of the Department, and the authorities vested in various officers with respect to the Foreign Service and Department personnel were transferred to the Secretary by the Act of May 26, 1949 (22 U.S.C. 811a).

Treasury. Reorganization Plan No. 26 of 1950 effected a general transfer of authorities to the Secretary. The Plan, which was effective July 31, 1950, excepted from the transfer functions vested in hearing examiners by the Administrative Procedure Act and functions vested in the Comptroller of the Currency; the Plan was also subject to the provision of the Act of January 28, 1915, requiring the Coast Guard to operate as part of the Navy in time of war or when the President so directs.

Justice. Reorganization Plan No. 2 of 1950 effected a general transfer of authorities to the Attorney General. The Plan, which was effective May 14, 1950, excepted from the transfer functions vested in hearing examiners by the Administrative Procedure Act, functions vested in Federal Prison Industries, Inc., the Board of Directors and officers of Federal Prison Industries, Inc., and the Board of Parole.

Post Office. Reorganization Plan No. 3 of 1949 effected a general transfer of authorities to the Postmaster General. There were no exceptions to the Plan which was effective August 20, 1949.

Interior. Reorganization Plan No. 3 of 1950 effected a general transfer of authorities to the Secretary. The Plan, which was effective May 24, 1950, excepted from the transfer functions vested in hearing examiners by the Administrative Procedure Act and functions vested in the Virgin Islands Corporation, its Board of Directors and officers.

Agriculture. Reorganization Plan No. 2 of 1953 effected a general transfer of authorities to the Secretary. The Plan, which was effective March 25, 1953, excepted from the transfer functions vested in hearing examiners by the Administrative Procedure Act, functions vested in the Department's corporations and the boards of directors and officers of those corporations, functions of the Advisory Board of the Commodity Credit Corporation and functions vested in the Farm Credit Administration, its agencies, officers and entities.

Commerce. Reorganization Plan No. 5 of 1950 effected a general transfer of functions to the Secretary. The Plan, which was effective May 24, 1950, excepted from the transfer functions vested in hearing examiners by the Administrative Procedure Act and functions vested in the Civil Aeronautics Board, the Inland Waterways Corporation and the Advisory Board of the Inland Waterways Corporation.

Labor. Reorganization Plan No. 6 of 1950 effected a general transfer of functions to the Secretary. The Plan, which was effective May 24, 1950, excepted from the transfer the functions of hearing examiners under the Administrative Procedure Act.

Health, Education, and Welfare. No general transfer of functions has been effected. Reorganization Plan No. 1 of 1953, which created the Department, made the Department subject to administration under the supervision and direction of the Secretary. The Plan, which was effective April 11, 1953, vests in the Secretary the functions of the Federal Security Administrator, authorizes him to prescribe the functions of the Under Secretary, Assistant Secretaries and Commissioner of Social Security, and authorizes him to establish central administrative services. However, no professional or substantive functions may be removed from any officer in connection with the establishment of such central services. The Plan transferred the agencies of the Federal Security Agency to the Department together with their respective functions and resources.

Defense. No general transfer of functions has been effected. The National Security Act of 1947 placed the Department under the direction, authority and control of the Secretary, and it authorized the Secretary to prescribe the powers and duties of the other officers and employees of the Department of Defense. The Act authorizes the Secretary to (1) assign and reassign the development and operational use of weapons systems; (2) provide for the carrying out of common supply or service activities by one agency; and (3) transfer, reassign, abolish and consolidate functions or take other steps to improve the operations of the Department, provided that, if the action affects a function established by law, the Secretary shall first report thereon to the Armed Services Committees and the action may be barred within 40 days by resolution of either House of Congress. The Act further provides that each military department shall be separately organized under its own Secretary but shall function under the direction, authority and control of the Secretary of Defense. Reorganization Plan No. 6 of 1953 transferred to the Secretary the functions of the Munitions Board, the Research and Development Board, the Defense Supply Management Agency, the Director of Installations and the approval of the selection of the Director of the Joint Staff.

Housing and Urban Development. The Act of September 9, 1965, creating the Department, vests all of the functions, powers, and duties of predecessor agencies in the Secretary.

DEPARTMENT OF COMMERCE
UNDER SECRETARY OF COMMERCE FOR TRANSPORTATION

1. Mission and Programs. Serves as the Secretary's principal advisor on all transportation policies of the Federal Government and helps to establish and maintain the Department's position with respect to the establishment of an integrated transportation program for the Department and the development of overall transportation policy within the executive branch of the Government, including mobilization aspects. He has responsibility for coordination of inter-departmental transportation and decision making in assigned areas and responsibility for policy level research in such areas as Federal investment in transportation improvements affecting the public interest.

He exercises policy direction and general supervision over the Maritime Administration and the Bureau of Public Roads, the St. Lawrence Seaway Development Corporation and the Great Lakes Pilotage Administration. He also administers the Aviation War Risk Insurance Program and the Aircraft Loan Guarantee Program. (See attached sheet for description of functions of the staff offices of the Under Secretary.)

2. <u>Funding.</u>	<u>FY-1966</u>	<u>FY-1967</u>
NOA	\$21,709,000	\$27,771,000
Carryover	\$ 1,299,000	\$ 263,000
Revolving Funds: Capital Value	\$ 47,000	\$ 37,000
Profit/Loss	\$ -7,000	\$ -10,000

3. Personnel.

Actual Employment 12-31-65:

Full-time Permanent	79
Full-time Equivalent of Part-time	<u>11</u>
Total	90

Authorized Staffing:

	<u>FY-1966</u>	<u>FY-1967</u>
Full-time Permanent	111	127
Full-time Equivalent of Part-time	<u>18</u>	<u>20</u>
Total	129	147

4. Executive and Special Positions.

No. Authorized 12-31-65

F.E.S.A. Positions (Level III)	1
P.L. 313 Positions	1
GS-18	2
GS-17	3
GS-16	3

Elements of the Under Secretary for Transportation's Staff

OFFICE OF TRANSPORTATION POLICY DEVELOPMENT develops over-all transportation policies, plans, and programs to assure the balanced development of the Nation's transportation system in carrying out these functions:

Reviews Government policies affecting transportation, identifies major transportation problems, proposes research or other actions, develops policy and program positions.

OFFICE OF TRANSPORTATION PROGRAMS provides staff support to the Under Secretary for Transportation in the exercise of policy direction, supervision and coordination of organization units of the Department. Administers the Aviation War Risk Insurance Program and Aircraft Loan Guarantee Program. Assists in coordination of transportation program responsibilities exercised by the Department to insure that implementation of over-all transportation programs within the Government is consistent with the objectives of National transportation policy. Coordinates the development and execution of a comprehensive National highway safety program.

OFFICE OF EMERGENCY TRANSPORTATION The Office of Emergency Transportation prepares National plans for the centralized control of transportation and for the proper allocation of the civil transportation capacity to meet civil and military needs in an emergency. Develops and updates long range programs designed to meet mobilization requirements for the use of all means of National and International transportation including air, ground, water, and pipe lines.

OFFICE OF TRANSPORTATION RESEARCH conducts directly or through contract transportation research projects; gathers and interprets research information needed to help the Under Secretary for Transportation formulate and recommend National transportation policy.

OFFICE OF HIGH-SPEED GROUND TRANSPORTATION plans and carries out a program of research, development, and demonstration in high-speed ground transportation.

OFFICE OF TRANSPORTATION DATA SYSTEMS plans and carries out a program for the collection, collation and dissemination of data, statistics and other information on transportation.

BUREAU OF PUBLIC ROADS

1. Mission and Programs. The Under Secretary for Transportation exercises policy direction and general supervision of the Bureau. The major long-range goals and objectives of the Bureau are: (a) to maintain the schedule for completion of the Interstate System simultaneously in each of the several States in accordance with the legislation; (b) to continue the improvement of the Federal-aid primary and secondary systems; (c) to mount an accelerated Highway Safety Program; (d) to determine whether all projects to be programed by each of the States in urban areas with a population of 50,000 or more are based on continuing comprehensive transportation planning process; (e) to develop a study of future highway needs which will forecast the growth and distribution of population and economic activity over the next 20 years; (f) to implement the Highway Beautification Act of 1965; and (g) to continue the construction of the Appalachia Development Highway System and access roads in the Appalachia area.

2. <u>Funding.</u>	<u>FY-1966</u>	<u>FY-1967</u>
NOA: (General and Trust Funds)	\$4,173,055,000	\$4,449,750,000
Carryover: (General and Trust Funds)	\$2,371,218,000	\$2,281,165,000

3. Personnel.

Actual Employment 12-31-65:

Full-time Permanent	4,520
Full-time Equivalent of Part-time	196
Total	4,716

Authorized Staffing:

	<u>FY-1966</u>	<u>FY-1967</u>
Full-time Permanent	5,370	5,378
Full-time Equivalent of Part-time	345	377
Total	5,715	5,755

4. Other Significant Assets (current).

Real Property	\$ 2,733,000
Personal	\$11,945,000

5. Executive and Special Positions.

F.E.S.A. Positions (Level V)
P.L. 313 Positions
Special Positions
GS-18
GS-17
GS-16

No. Authorized 12-31-65

1
1
1
1
6
22

MARITIME ADMINISTRATION
DEPARTMENT OF COMMERCE

1. Mission and Programs. To assure adequate shipping services for the United States as economically as possible; to assure the size of the U. S. Fleet is adequate for emergencies; to increase efficiency and competitiveness of the U.S. Merchant Fleet. Programs include: (a) Financial. Subsidy of U.S. ship construction and operation, ship construction loan and mortgage guarantees, special tax benefits; (b) Operational. Operating of ships in emergencies (actual operation is through agreement with shipping companies; 86 Government-owned ships now being operated to supply services to Military Sea Transportation Services); promoting use of U.S. flag liner ships; providing technical and research and development services; preserving of 1,435 ship merchant reserve fleet of which 870 are for mobilization use, training cadets to become merchant marine officers (Merchant Marine Academy, Kings Point, N. Y.) and assisting state academies; providing insurance against war and certain marine risks for ships, cargo, and crew.

2. <u>Funding.</u>	<u>FY-1966</u>	<u>FY-1967</u>
NOA: Operations, Subsidies, R&D	\$350,071,000	\$299,395,000
Carryover	\$ 83,290,000	\$ 44,399,000
Revolving Funds: Net Worth	\$ 34,480,000	\$ 37,386,000
Profit/Loss	\$ 2,450,000	\$ 2,906,000

3. Personnel.

Actual Employment 12-31-65:

Full-time Permanent

2,075

All Other

3,119 a/

Total

5,194

a/ Includes 3,054 seamen on contract ships, which are not MARAD employees.

Authorized Staffing:

Full-time Permanent

FY-1966

FY-1967

2,400

2,325

Full-time Equivalent of Part-time

91

8

Total

2,491

2,333

4. Other Significant Assets (current value).

Owned Vessels

\$393,034,055

Loans and Accounts Receivable

111,890,150

Equipment and Facilities (including Land)

70,331,644

Other Miscellaneous

16,193,521

5. Executive Positions.

No. Authorized 12-31-65

F.E.S.A. Positions (Level V)

1

P.L. 313 Positions (R&D Scientific & Engineering)

2

GS-18

1

GS-17

2

GS-16

11

6. Miscellaneous.

There are 1,435 merchant-type ships in the Maritime Administration.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

1. Mission and Programs. The Corporation was authorized by statute to construct, operate, and maintain a deep-water navigation works in the International Rapids Section of the St. Lawrence River, together with necessary dredging in the Thousand Islands Section. The Corporation works with its Canadian counterpart in construction, maintenance, and operation of the Seaway. Secretary of Commerce supervises the Corporation through the Under Secretary for Transportation.

2. Funding. The Corporation is self-supporting through tolls assessed shippers using the Seaway facilities. All operating costs are paid from toll revenues and net operating income returned to the Treasury in payment of interest and principal. The Corporation is authorized to borrow \$140,000,000 from the U.S. Treasury. Approximately \$124,000,000 in revenue bonds has been issued to the Treasury. Cumulative gross revenue to 12-31-64 - \$23,462,000. Cumulative operating expenses to 12-31-64 - \$8,280,000.

Revolving Funds:	<u>FY-1966</u>	<u>FY-1967</u>
Capital Value/Net Worth	\$119,845,000	\$118,080,000
Profit/Loss	-\$ 2,690,000	-\$ 2,565,000

3. Personnel.

Actual Employment 12-31-65:

Full-time Permanent	159
Full-time Equivalent of Part-time	<u>2</u>
Total	161

Authorized Staffing:

	<u>FY-1966</u>	<u>FY-1967</u>
Full-time Permanent	161	161
Full-time Equivalent of Part-time	<u>1</u>	<u>1</u>
Total	162	162

4. Other Significant Assets (current value, 12-31-64).

Plant, Property, and Equipment	\$122,868,058
--------------------------------	---------------

5. Executive and Special Positions.

No. Authorized 12-31-65

F.E.S.A. Positions (Level V)	1
GS-17	1
GS-16	1

6. Miscellaneous.

There are 22 marine craft in the Corporation (Gate Lifter, Tug Boat, Barges, Work Boats, Floating Docks, Floats, Motor Boats).

Eno

Center for
TransportationGREAT LAKES PILOTAGE ADMINISTRATION1. Mission and Programs.

The Great Lakes Pilotage Administration, a constituent unit of the Office of the Under Secretary of Commerce for Transportation, administers the Great Lakes Pilotage Act of 1960 which provides for the establishment of an effective system of regulated pilotage on the Great Lakes. The responsibilities include the registration of United States pilots, the regulation of pilotage pools, and the establishment of rates and charges for pilotage services. The Administration is further authorized to enter into arrangements with Canada for reciprocal pooling, equitable participation by United States and Canadian pilots, and the establishment of joint or identical rates and charges.

2. Funding

	<u>FY 1966</u>	<u>FY 1967</u>
NOA	\$82,000	\$97,000

3. Personnel.

Actual employment 12/31/65:
Full-time permanent

5

Authorized Staffing:

FY 1966FY 1967

Full-time permanent

5

6

4. Other Significant Assets.

Negligible

5. Executive and Special Positions.

None

FEDERAL AVIATION AGENCY

1. Mission and Programs. Established by the Federal Aviation Act, P.L. 85-726, 85th Congress, August 23, 1958, with the primary functions of: (a) regulation of air commerce to best promote its development and safety, and fulfill the requirements of national defense; (b) promote, encourage and develop civil aeronautics; (c) control navigable airspace, and regulate both civil and military operations in the interest of safety and efficiency for both; (d) consolidation of research and development for air navigation facilities, and their installation and operation; and (e) develop and operate a common system of air traffic control and navigation for both military and civil aircraft.

Under these guides, programs carried out include: safety regulation; registration of aircraft and recordation of rights in aircraft; research and development; civil supersonic transport development; establishment and operation of air navigation facilities; airspace control and air traffic management; Federal-aid airports program; encouragement of civil aviation abroad.

2. <u>Funding.</u>	<u>FY-1966</u>	<u>FY-1967</u>
NOA	\$868,361,000	\$957,986,000
Carryover	\$297,173,000	\$244,475,000

3. Personnel.

Actual employment 12-31-65:

Full-time Permanent	43,156
Full-time Equivalent of Part-time	758
Total	43,914

Authorized Staffing:

	<u>FY-1966</u>	<u>FY-1967</u>
Full-time Permanent	44,189	43,702
Full-time Equivalent of Part-time	615	530
Total	44,804	44,232

4. Other Significant Assets (Current).

Land, Structures, Equip., and Inventories	\$1,400,000,000
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5. Executive and Special Positions.

No. Authorized 12-31-65

F.E.S.A. Positions (Level II Administrator; Level IV Deputy Administrator; Level V General Counsel and Associate Administrators for Administration, Programs, and Development)	6
P.L. 313 Positions (R&D Scientific and Engineering)	20
Special Positions	23
Supergrade Positions:	
GS-18	9
GS-17	34
GS-16	103

6. Miscellaneous.

There are 105 FAA-owned aircraft.

UNITED STATES COAST GUARD
DEPARTMENT OF TREASURY

1. Mission and Program. Established by the Act of January 28, 1915, the Coast Guard is a military service, and a branch of the Armed Forces at all times. Except when operating as a part of the Navy in time of war or when the President directs, the Coast Guard is a service within the Treasury Department. When operating under the Treasury Department the Commandant reports to the Secretary of the Treasury, through the Assistant Secretary who has immediate supervision. Top representation in the Executive Branch is afforded by the Secretary of the Treasury. When operating under the Navy Department, the Coast Guard has status as a Service. The Commandant then reports to the Secretary of the Navy and the Chief of Naval Operations. The primary functions are to provide search and rescue services; develop and administer a merchant marine safety program; maintain a state of readiness for military operations in time of war or national emergency; provide a comprehensive system of aids to navigation for the Armed Forces and marine commerce; carry out an effective port security program; enforce or assist in enforcement of Federal laws on the high seas or waters subject to United States jurisdiction; conduct an oceanography program; maintain ocean stations; provide icebreaking services, train a force of officer and enlisted reservists.

		<u>FY 1966</u>	<u>FY 1967</u>
2. <u>Funding.</u>			
NOA: General Funds		\$473,432,000	\$493,478,000
Trust Funds		42,000	10,000
	TOTAL	\$473,474,000	\$493,488,000
Carryover		\$ 24,367,000	\$ 21,706,000
Revolving Funds: Capital Value/Net Worth		\$ 18,403,000	\$ 18,639,000
Profit/Loss		- 42,000	- 8,000

3. Personnel.

Actual employment 12/31/65:

Military	33,464
Civilian: full-time permanent	5,017
full-time equivalent of part time	146
TOTAL	38,627

Authorized Staffing:	<u>FY 1966</u>	<u>FY 1967</u>
Full-time permanent: Military	34,999	35,339
Civilian	5,573	5,803
Full-time equivalent of part-time: Civilian	63	78
TOTAL	40,635	41,220

4. Other Significant Assets (acquisition cost) as of June 30, 1965

Land and Improvements	\$242,499,000
Equipment	\$744,823,520
Other	\$ 38,636,677
TOTAL	\$1,025,959,197

5. Executive and Special Positions

Supergrade Positions: GS-16

3

6. Miscellaneous.

There are 338 ships, 2,400 small boats and 160 aircraft in the Coast Guard.

THE ALASKA RAILROAD
DEPARTMENT OF INTERIOR

1. Mission and Programs. The Alaska Railroad was built pursuant to the Act of March 12, 1914, which authorized the President to locate, construct and operate railroads in the then Territory of Alaska. Primary objectives are to stimulate settlement, and the industrial and agricultural development of Alaska by providing transportation and developing areas along the lines of the railroad; and to provide transportation for national defense. The railroad operates 482.7 miles of line. The railroad owns and controls, through a lease arrangement, a tug and barge line. It owns and operates docks and terminals, and provides limited dormitory and mess facilities for a few employees.

2. Funding.
- | | <u>FY-1966</u> | <u>FY-1967</u> |
|-----|------------------------|----------------|
| NOA | \$ 4,100,000 <u>a/</u> | - |

(NOTE: Finances are obtained through the Alaska Railroad revolving fund from revenues of the transportation and other receipts. Except for the appropriations for disaster recovery totaling \$25.4 million, it has not been necessary to seek direct appropriations since 1956. No appropriation is being requested for 1967. It is estimated that at the end of the FY-1967 there will be a Treasury balance of \$3,291,000, of which \$2,402,000 will be unobligated. Based upon the present revenue outlook and forecasts of operating expenses, deficits from operations should amount to \$1 million for each of the years 1966 and 1967.)

a/ For repair, reconstruction, rehabilitation, or replacement of facilities and equipment, damaged or destroyed as a result of the Alaska earthquake, to remain available until expended.

	<u>FY-1966</u>	<u>FY-1967</u>
Carryover	\$10,874,000	\$ 1,940,000

	<u>FY-1966</u>	<u>FY-1967</u>
Revolving Fund: Capital value/net worth	\$137,025,000	\$135,995,000
Profit/Loss	- 1,000,000	- 1,000,000

3. Personnel

Actual employment 12-31-65:

Full-time permanent	808	
Full-time equivalent of part-time	114	
Total	922	

Authorized Staffing:

	<u>FY-1966</u>	<u>FY-1967</u>
Full-time permanent	900	880
Full-time equivalent of part-time	60	50
Total	960	930

4. Other Significant Assets (Current Value) 6-30-65:
Land, buildings, structures, facilities, equipment, and non-operating property

\$102,253,647

5. Executive and Special Positions

GS-18	1
GS-17	1
GS-16	5

Alaska Railroad positions are not subject to the Classification Act. The Appropriations Act authorizes these pay levels.

BUREAU OF SAFETY
CIVIL AERONAUTICS BOARD

1. Mission and Programs. Established by the CAB to carry out its responsibilities set forth in Title VII of the Federal Aviation Act of 1958, to investigate accidents involving civil aircraft occurring in the United States and its territories (the CAB has, by Public Notice 16, authorized the FAA to investigate non-fatal accidents involving fixed-wing aircraft); to recommend to the Board (or to determine in accordance with delegation) the probable cause of all aircraft accidents regardless of who investigates; to make public reports on aircraft accidents and probable causes; to make recommendations which will tend to prevent similar occurrences; and to ascertain what will best tend to reduce or eliminate the possibility of aircraft accidents.

2. Funding.

	<u>FY-1966</u>	<u>FY-1967</u>
NOA	\$2,924,000	\$3,409,000

3. Personnel.

Actual employment 12/31/65:

Full-time permanent

170

Authorized staffing:

Full-time permanent

FY-1966
176

FY-1967
186

4. Other Significant Assets.

(Negligible)

5. Executive and Special Positions.

No. Authorized 12/31/65

Supergrades: GS-18
GS-17
GS-16

1
1
4

BUREAU OF RAILROAD SAFETY AND SERVICE;
PORTIONS ONLY OF THE BUREAU OF OPERATIONS
AND COMPLIANCE AND OF THE BUREAU OF ENFORCEMENT
INTERSTATE COMMERCE COMMISSION

Eno

Center for
Transportation

1. Mission and Programs. Established by the Act to Regulate Commerce, February 4, 1887 (with subsequent legislation to strengthen and broaden its scope), the Interstate Commerce Commission was created for the general purpose of regulating common carriers subject to the Act, who are engaged in transportation in interstate commerce, and in foreign commerce to the extent that it takes place within the United States. The functions being considered for the Department of Transportation include: Preparing, administering, and enforcing regulations and emergency orders regarding railroad trains, locomotives, cars and other vehicles used in the transportation of property; promoting safety of employees and travelers on railroads as relates to trains, locomotives, safety appliances, signal systems, safety devices, acts of heroism and inspections to determine that locomotives are in proper condition and safe to operate; determining that required inspections of locomotives, signal systems and power or train brakes are made by carriers and that defects are repaired; administering safety regulations concerning qualifications and maximum hours of service of employees, safety and operation of equipment for rail carriers and for common, contract, and private carriers by motor vehicle (including carriers of migratory workers, and including pipelines except natural gas); prescribing regulations for the safe packing and transportation of explosives and other dangerous articles; investigating serious accidents; inspecting carrier equipment, operations, and records; requiring carriers to file reports; and enforcement of the above requirements.

2. Funding.

	<u>FY-1966</u>	<u>FY-1967</u>
NOA	\$5,981,000	\$6,052,000

3. Personnel.

Actual Employment 12-31-65:	467	
Authorized Staffing:	<u>FY-1966</u>	<u>FY-1967</u>
Full-time Permanent	501	497

4. Other Significant Assets.

None.

5. Executive and Special Positions.

No. Authorized 12-31-65

GS-17	1
GS-16	1

CORPS OF ENGINEERS (Certain Functions)

1. Mission and Programs. Corps of Engineer functions to be transferred to the Department of Transportation are these:

- (a) Designation of certain areas as anchorages;
- (b) Establishment of regulations regarding drawbridge operations;
- (c) Determination of whether existing bridges are unreasonably obstructive to navigation and Government participation in the cost of necessary alterations;
- (d) Review of bridge tolls to determine reasonableness if controversy arises;
- (e) Policing of oil and chemical pollution; and
- (f) Determination of proper vertical and horizontal bridge clearances over waterways.

2. Funding.

	<u>FY-1966</u>	<u>FY-1967</u>
NOA	\$500,000	\$500,000

(NOTE: These are estimated amounts of a larger dollar amount used for the Corps total purposes. These amounts can and do vary substantially among years; e.g., about 50% of the half million concerns alteration of obstructive bridges--this item alone could jump to several million for a given year.)

3. Personnel.

Actual employment 12/31/65:

Authorized staffing:

Full-time permanent

FY-1966

51 ^{a/}

FY-1967

51 ^{a/}

^{a/} These are estimates of equivalent totals, because they represent parts of jobs of many people scattered throughout the organization.

4. Other Significant Assets.

(None)

5. Executive and Special Positions.

(None)

March 17, 1966

Eno

Center for
Transportation

BRIEFING PAPER

Reasons for Bringing Together in DOT All Safety Functions in Transportation

Safety is an operational responsibility and therefore one of the primary functions that must concern an executive Department of Transportation. Coordination of transportation systems and problems would be incomplete without inclusion of an operational aspect as important as safety.

To do the job effectively, the Department's information and views on safety must be as complete and comprehensive as possible. One of the major tools that makes this possible is the investigation of all types of transportation accidents and safety problems. The Department must be completely equipped to find out what is involved and what has happened when accidents occur.

Accidents in various forms of transportation have many common elements. Since transportation involves motion and the movement of people in vehicles of different types, many accidents vary in accordance with degree of impact and other deceleration forces involved. Similarly, the construction of vehicles, the type of materials used, as well as structural techniques, and the nature of effective restraining devices, both for the vehicle and the passenger, relate directly to the nature of injuries and the possibility of preventing injuries. Other common elements of transportation systems include navigation facilities, and their effectiveness and their responsiveness.

These few examples illustrate that many common elements exist among many modes of transportation. A common effort to identify them and their bearing on safety in all modes of transportation, as well as their utility for such purposes, will spread the benefits of improved safety practices much more rapidly than would otherwise be possible. It should also be possible as a result of a single Department to consolidate research into the many common facets of accidents, not only those involving structures and materials, but particularly those involving the human factor and the strain on the human body in conditions of stress and danger.

Additionally, since so many common elements are involved, there will be a greater opportunity to improve investigative techniques and procedures by applying the lessons learned in one mode to problems in another. These benefits will be more readily realizable and coordinated more effectively if all of the investigations are conducted under unified direction of a single Department. The same beneficial results follow when the circumstances involved in all accidents are reviewed by a single safety board whenever such investigation is necessary.

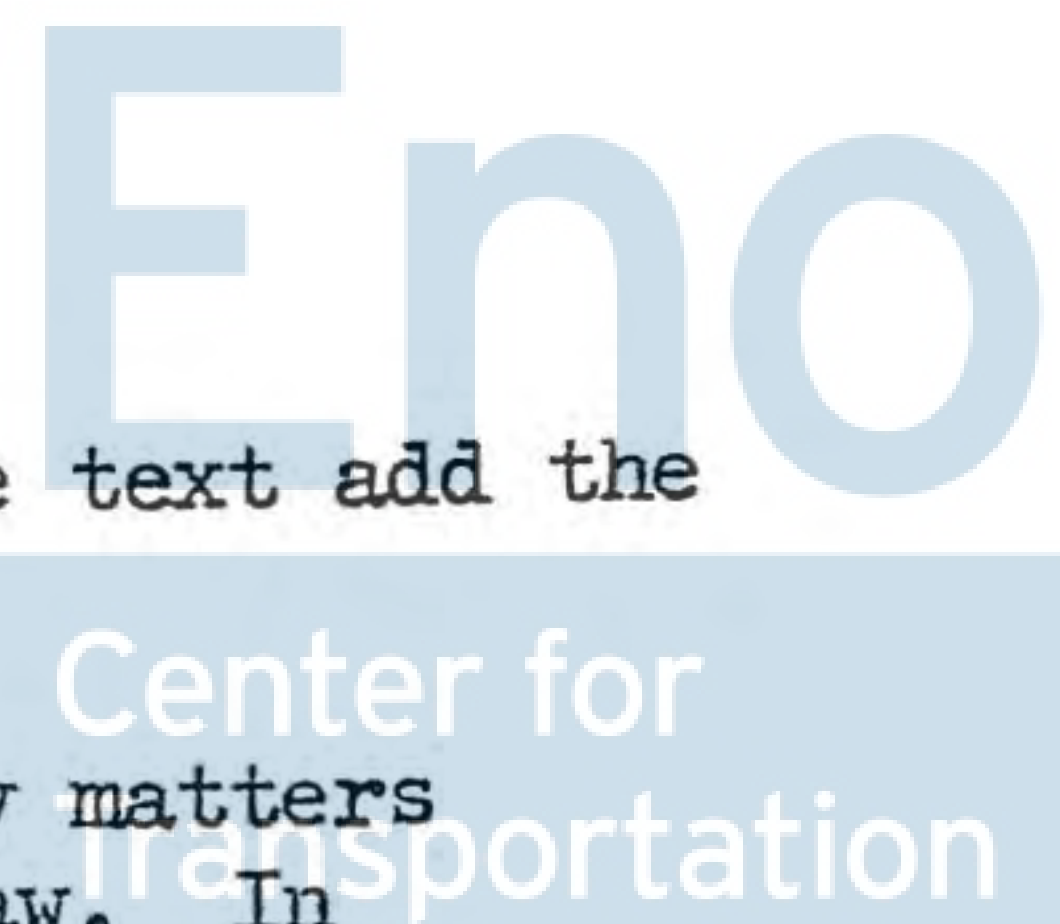
The assignment of responsibility for determining the cause of all accidents to a National Transportation Safety Board would create finally in the history of Government a single body concerned exclusively with safety

matters. This is not to suggest that safety does not today receive the attention it requires, but there can be no denying the fact that it is conducted by officials who have other and sometimes more important functions, such as those in the CAB and the ICC which relate to economic regulation. Safety no longer can be incidental to other work. The toll of human lives and the economic consequences of accidents are so great that the Government must recognize its responsibility to provide this area the attention it deserves, in the hope of eliminating some of the human tragedy and economic waste.

By creating the NTSB, the Government will concentrate attention on safety in a body to which no other functions will be assigned. It will also develop a much higher degree of expertise, if only by freeing those involved in safety from the responsibility of discharging other functions that demand their time and attention. The determination of cause in today's highly technological environment frequently calls for patient technical exploration and deep technical expertise. It normally calls for painstaking inquiry and to accomplish this purpose effectively it should be free from distracting, partisan or proprietary influences that are often present when cause must be determined by the same body that is responsible for operations, rule making, surveillance, or investigation. The Board would provide operational efficiency; it would also give effect to the doctrine of separation of functions by separating the judgment of cause from the investigation of the events leading up to accidents.

It follows from the requirement that safety functions be vested in the Department of Transportation that they all be included. The benefits in such a combination cannot be realized otherwise. No particular gain will follow from leaving one mode of transportation to supervision by other agencies of the Government. To do so would be to destroy the very possibility of benefits in improvement and coordination that the Department is being organized to achieve.

DEPARTMENT OF TRANSPORTATION
Briefing Book
Errata Sheet Tab 12



1. At the end of the first paragraph on page 2 of the text add the following language:

The Board would occupy the same position in safety matters as does its corresponding element under present law. In the determination of cause of aviation accidents, a member of the Board will preside as chairman of accident investigative hearings assisted by a panel which he will designate as is CAB practice today. In other modes, the NTSB might assign a member to participate in accident investigative hearings but would more probably continue present practice in the Coast Guard and the ICC and act on the record of hearings conducted by the agencies.

2. On page 2 of Table 1 in the column captioned "Department of Transportation" at the caption "Hearing" substitute the following:

Formal hearings will be held in the same circumstances as they are held under present law and procedure in agencies whose functions are being transferred. NTSB member would preside in major air accident investigative hearings and might participate in hearings involving marine, rail and highway accidents.

3. On page 2 of Table 1 in the column captioned "Department of Transportation" at the caption "Record" add the following:

NTSB regulations will provide for the manner in which reports of formal hearings will be prepared and handled in proceeding in which the Board participates.

4. On page 3 of Table 1 in the column captioned "Department of Transportation" at the caption "Report" add the following:

NTSB regulations will cover procedures where NTSB member presides at investigative hearings as in major aviation accident cases. NTSB will be able to require further investigation in situations where other information is needed to supplement or support record prepared at investigative hearing as well as any other information needed by the Board for the conduct of its functions.

FEB 25 1966

SAFETY FUNCTIONS TRANSFERRED TO DOT AND ROLE OF THE
NATIONAL TRANSPORTATION SAFETY BOARD

The Department of Transportation Act transfers to the Secretary all safety functions, powers, and duties now vested in the Civil Aeronautics Board, Federal Aviation Agency, the Coast Guard, and the Interstate Commerce Commission. These functions include:

CIVIL AERONAUTICS BOARD - investigating aircraft accidents; determining probable cause thereof; making recommendations to prevent similar accidents; issuing rules governing accident notification; and reviewing orders involving the suspension, alteration, modification, revocation, or denial of certificates.

FEDERAL AVIATION AGENCY - promulgating and enforcing air traffic rules and other aviation safety regulations, such as examination, inspection, certification, and rating of airmen, aircraft, air carriers, and air agencies; research and development of systems for safe and efficient navigation of aircraft in the airspace, and developmental work tending to the creation of improved aircraft; establishing, maintaining, and operating a common system of air navigation and control for civil and military aircraft; registration of aircraft; and recording aircraft documents.

COAST GUARD - regulating merchant mariners, including licensing and discipline; inspecting vessels, from reviewing plans through construction and operation; providing aids to navigation; search and rescue operations; and ice breaking services.

INTERSTATE COMMERCE COMMISSION - enforcing railroad safety laws relating to train equipment, safety and signal devices, train brakes, and hours of service of employees; and motor carrier safety laws relating to qualifications of drivers, parts and accessories necessary for safe operation, hours of service of drivers, inspection and maintenance of vehicles, and the transportation of migrant workers; administering and enforcing legislation governing the transportation of explosives and other dangerous articles by rail carriers, motor carriers, freight forwarders, and pipeline carriers (except natural gas.)

Accident Cause Functions Transferred from ICC, CAB and Coast Guard to DOT and National Transportation Safety Board

At the present time the Civil Aeronautics Board, the Interstate Commerce Commission and the Coast Guard, among the other significant safety functions outlined above, conduct investigations of accidents in their respective transportation fields. While the investigative procedures differ in detail there are similarities in approach. (See Table 1.) The bill provides for a National Transportation Safety Board which is vested with responsibility for determining the cause or probable cause of

transportation accidents. The Board will operate with a limited advisory staff, and will make its determinations on the basis of an independent analysis of the results of on-the-spot investigations conducted by other elements of the new Department.

The ultimate objective of the Board's functions is to translate the findings of accident causes into means for accident prevention. To help achieve this goal, the Board is authorized to make recommendations to the Secretary for the conduct of special safety studies pertaining to safety in transportation.

Licensing Appellate Functions Transferred from CAB and Coast Guard to National Transportation Safety Board

The Civil Aeronautics Board's responsibility to review on appeal orders involving the suspension, alteration, modification, revocation, or denial of safety certificates issued by FAA, is transferred to the National Transportation Safety Board. Similar authority with respect to documents and licenses issued to mariners by the Coast Guard is also transferred to the National Transportation Safety Board. (See Table 2).

TABLE 1.

ACCIDENT CAUSE PROCESS

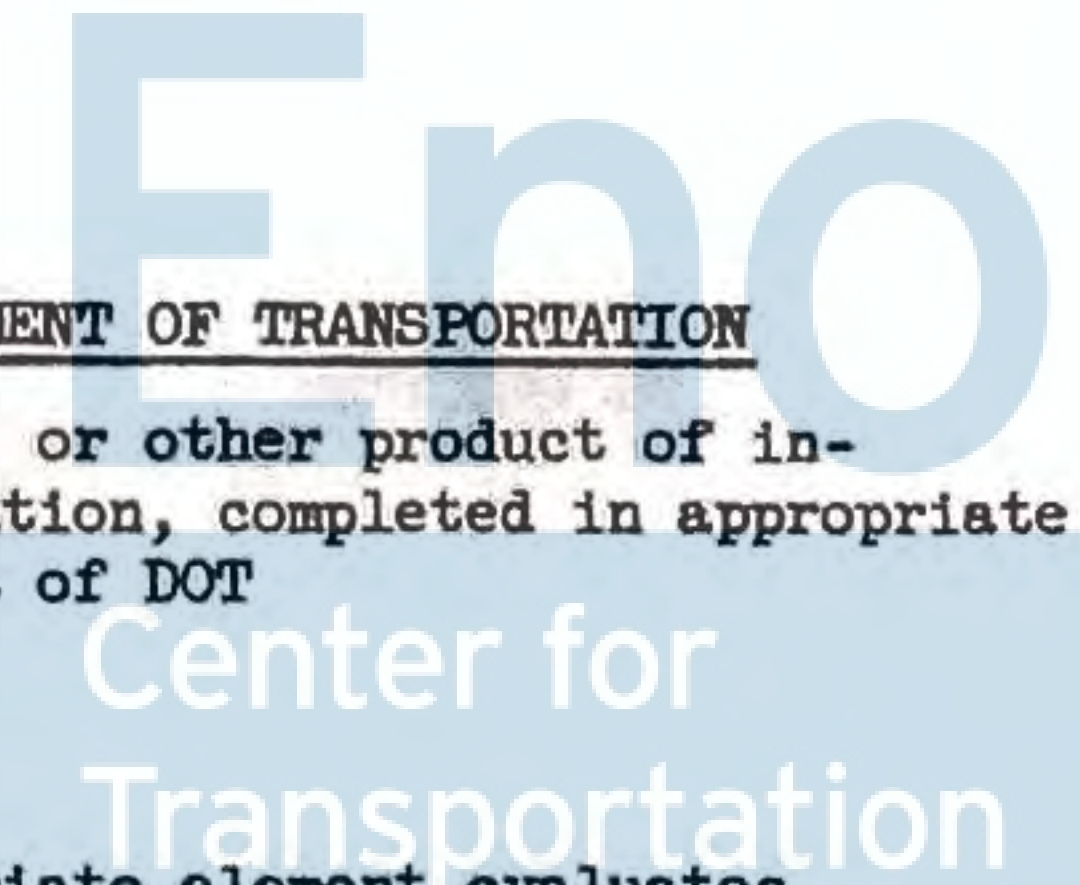
<u>STEPS</u>	<u>AVIATION (CAB/FAA)</u>	<u>COAST GUARD</u>	<u>ICC</u>	<u>DEPARTMENT OF TRANSPORTATION</u>
1. <u>NOTIFICATION</u>	Notice of accident received by CAB Bureau of Safety	Report of casualty to Marine Inspection Office (approximately 4,500 reports annually)	Reports of rail, motor carrier, and pipeline accidents transmitted to Commission (about 68,000 annually)	Notice of accident reported to appropriate element of DOT
2. <u>INVESTIGATION</u>	Investigation initiated by Bureau investigators	Report received by Marine Inspection Office A. Analysis prepared from report of casualty (3000 cases) B. Referred for investigation (1500 cases annually)	Serious and significant accidents selected for investigation (about 190 rail accidents, 300 motor carrier accidents annually)	Safety staff of affected element initiates an investigation
3. <u>FIELD INVESTIGATION</u>	Field investigation under CAB direction (in all fatal or large aircraft accidents) includes teams specializing in structures, powerplants, etc. All other accidents investigated by FAA under authority delegated by CAB. (CAB, 901 accidents; FAA, 4540 accidents investigated in 1965)	Informal investigation - witnesses interviewed; on-scene inspection; laboratory tests, etc.	Field investigation conducted by designated ICC staff and report prepared	Safety staff element supervises investigation

February 25, 1966

Eno

Center for
Transportation

<u>STEPS</u>	<u>AVIATION (CAB/FAA)</u>	<u>COAST GUARD</u>	<u>ICC</u>	<u>DEPARTMENT OF TRANSPORTATION</u>
4. <u>PRODUCT</u>	Product of investigation, including team reports, laboratory analysis, etc. assembled	Investigating officer reviews evidence A. Prepares detailed report (1400 annually) B. Prepares case for formal investigation		Product of investigation is assembled for further disposition
5. <u>HEARING</u>	CAB formal accident hearing (6 in 1965) with CAB member Chairman. Receives product of investigation and additional testimony. (This step omitted in small aircraft and non-fatal accidents)	Formal investigation A. One member Board presents evidence, questions witnesses; cross examination permitted. Parties in interest present evidence (100 cases annually) B. Marine Board of Investigation (3 members convened by Commandant). Procedures essentially same as 5a. (10 cases annually)	Formal hearings held in selected accidents at discretion of Commission where parties in interest are represented (1 or 2 cases annually)	Hearings, if appropriate, held with possible participation by <u>National Transportation Safety Board member</u>
6. <u>RECORD</u>	Record of hearings, with exhibits, transmitted to Bureau of Safety	Report prepared by investigating body: A. Verbatim transcript B. Findings of fact C. Conclusions D. Recommendations	Report of formal hearings issued by a Commissioner	Record, or other product of investigation, transmitted to appropriate element of DOT



<u>STEPS</u>	<u>AVIATION (CAB/FAA)</u>	<u>COAST GUARD</u>	<u>ICC</u>	<u>DEPARTMENT OF TRANSPORTATION</u>
7. <u>RECORD COMPLETED</u>	Bureau of Safety completes record by adding technical data or reports or other information required		Selected accident investigation reports, other than those resulting from formal hearings, reviewed and evaluated by an Employee Board	Record, or other product of investigation, completed in appropriate element of DOT
8. <u>EVALUATION</u>	Bureau of Safety prepares proposed findings and evaluates information of record			Appropriate element evaluates record or other product and prepares/reviews tentative findings
9. <u>REPORT</u>	Report, including all evidence and proposed findings prepared by Bureau of Safety, sent to full CAB	Report submitted to Commandant for analysis and final action A. One member Board reviewed in chain of command B. Marine Board of Investigation sent directly to Commandant		Report, containing record, other products of investigation, and tentative findings sent to NTSB
10. <u>DETERMINATION/RECOMMENDATION</u>	Determination of probable cause issued by CAB. Recommendations made to appropriate agencies	Final Agency action: A. Action on one member boards signed by Staff Officer of Commandant B. Action on Marine Boards of investigation is prepared for signature by Commandant After approval, action is disseminated to parties in interest and selectively to public	Reports are promulgated by commission and distributed to all interested parties and the public (about 25 rail reports and 15 motor carrier reports)	<u>Cause or probable cause determined by NTSB</u>

February 25, 1966

TABLE 2

LICENSE APPEALS PROCESS

<u>STEPS</u>	<u>AVIATION (CAB/FAA)</u>	<u>COAST GUARD</u>	<u>DEPARTMENT OF TRANSPORTATION</u>
1. <u>NOTICE</u>	Report of incident received by FAA (violation of Federal Aviation Regulations; lack of competence)	Complaint (misconduct, negligence, incompetence, unskillfulness, violation of navigation and inspection laws, conviction of narcotic drug law) made to Coast Guard	Report of incident to DOT
2. <u>NOTIFICATION</u>	FAA Safety Inspector notified	Reported to Marine Inspection Office (8200 complaints annually)	Report referred to appropriate element of DOT
3. <u>INVESTIGATION</u>	Inspector investigates to determine whether regulation or statute violated	Marine Inspection Office assigns investigating officer who interviews witnesses, assembles documents, etc.	Report investigated by personnel from appropriate element of DOT
4. <u>REPORT</u>	If violation, report prepared by Inspector and forwarded to appropriate FAA legal office	Investigating officer may: <ul style="list-style-type: none"> (a) Prefer charges (1,100 cases annually) (b) Recommend closing case (1,300 annually) (c) Accept voluntary deposit of document or license for physical or mental incompetence -- other than for drug addiction. (3,000 annually) (d) Accept voluntary surrender of document and license when person decides to avoid hearing on grounds other than physical or mental incompetence. (50 annually) (e) Give a written warning; if person contests will usually prefer charges. (2,750 warnings annually) 	Present procedures for each element of DOT continues

<u>STEPS</u>	<u>AVIATION (CAB/FAA)</u>	<u>COAST GUARD</u>	<u>DEPARTMENT OF TRANSPORTATION</u>
5. <u>REVIEW</u>	Action office reviews violation reports (4,490 in 1965) for legal sufficiency and determines what type of sanction (certificate action, civil penalty, reprimand) should be imposed.	Investigating officer serves charges and specifications	Present procedures for each element of DOT continues
6. <u>VIOLATOR NOTIFICATION</u>	Notice sent to violator setting forth proposed sanction	Notice of hearing	Present procedures for each element of DOT continues
7. <u>INFORMAL CONFERENCE</u>	Informal conference with FAA lawyers (640 in 1965) at request of violator or formal hearing (107 in 1965) held before FAA hearing officer, or both		Informal conference procedure (where required) continues. Formal hearing may be eliminated
8. <u>VOLUNTARY RESPONSE</u>	After conference in certificate cases (515 in 1965), violator may surrender certificate, followed by entry of Administrator's order; after formal hearing, hearing officer will enter Administrator's order.		Violator may surrender certificate to DOT. Formal hearing may be eliminated.
9. <u>CERTIFICATE ACTION</u>	Certificate action not settled by voluntary surrender or acquiescence in hearing officer's decision are followed by Administrator's order appealable, as a matter of statutory right, to Civil Aeronautics Board, where the FAA order is regarded as a complaint		<u>DOT action element files complaint with NTSB</u>
10. <u>HEARING</u>	Hearing before CAB hearing examiner (129 hearings in 1965). By statute, examiner is not bound by findings of FAA Administrator	Hearing before hearing examiner (1100 cases annually)	<u>NTSB examiner conducts formal adversary hearing under Administrative Procedures Act.</u>

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<u>STEPS</u>	<u>AVIATION (CAB/FAA)</u>	<u>COAST GUARD</u>	<u>DEPARTMENT OF TRANSPORTATION</u>
11. <u>DECISION</u>	CAB examiner issues initial decision affirming, modifying, or reversing FAA order	Hearing examiner's decision and order: (a) Charges dismissed (b) Charges proved - admonition, suspension (with or without probation), revocation	<u>Examiner's decision and order entered</u>
12. <u>APPEAL</u>	CAB can entertain appeal in its discretion on petition either of FAA or certificate holder (30 cases in 1965)	Appeal to Commandant by party. Commandant may affirm, alter, or modify decision, or remand. Final action unless a remand (75 annually)	<u>Examiner's decision can be appealed.</u> <u>NTSB may limit types of appeals it will entertain</u>
13. <u>JUDICIAL REVIEW</u>	Certificate holder <u>only</u> can appeal adverse CAB decision to U. S. Court of Appeals (2 in 1965) and thereafter to U. S. Supreme Court	Judicial review in U. S. District Court	Right to judicial review preserved

N.B.: Civil penalties procedures will not be affected by appellate functions transferred to NTSB.

BRIEFING PAPER

The Transfer of ICC Rail Safety Powers
to a Department of Transportation

MAR 1 1 1966

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There is the possibility that certain interests may be concerned with the likelihood that a Department of Transportation would mean more government regulation and control in the transportation industry at a time when they foresee a need for more reliance on freedom of management. Their concern may be with the transfer of ICC rail safety powers and the thought that a Department might interfere with management decision-making.

All of the rail safety powers, functions, and duties of the ICC are to be transferred to the Department. The rail safety statutes are not new; most of them have been on the books for many years. The most recent one is the Power Brake Act of 1958. Insofar as actual court proceedings for enforcement of these statutes are concerned, the inspections and investigations giving rise to them are made by Commission field personnel. The purpose of these field inspections is to secure voluntary compliance with the safety laws. As a result of the field work, a relatively small number of court enforcement cases are instituted where voluntary compliance has been found to be inadequate. In most of the court enforcement matters, pleas of no contest or guilty are entered. To many of the railroads, safety enforcement is simply a cost of doing business. What some may fear is that an Executive department would, with greater budget resources and with an increasing interest in safety over-all, expand its inspections and investigations and depart from its present selective basis.

This may well occur. The only reasonable answers which therefore may be made are (1) management has no prerogative to violate the law;

(2) safety is a matter of vital concern to the Government; (3) an evaluation will be made to see that a truly effective approach will be undertaken; and (4) a significant effort will be made to achieve management-labor cooperation in this area (note that cooperation is one of the goals in the draft bill's Declaration of Purpose).

In all probability, however, possible rail management objections to the transfer of the safety functions are related to those proceedings before the Commission which involve relief sought by the railroads from ICC safety regulations prescribed pursuant to the various safety statutes. Most of these decisions are made by ICC Division 3 (a panel of three Commissioners) or by the employee Railroad Safety and Service Board. While not all management proposals are approved -- some being denied and some partially denied -- all decisions are made on the record and generally have been favorable to the railroads. However, it is simply a case of management making a reasonable, justified case for relief. Moreover, it should be noted that very few of these matters have been taken to court by the brotherhoods. Thus, it may be said that insofar as relief from safety regulations is concerned, as distinguished from court enforcement of violations, management ordinarily has been able to justify its requests so as to obtain Commission approval. The only major recent exception has occurred in railroad proposals to revise Power Brake Act regulations. Here, however, proposed changes with economic benefits which would not decrease safety were not allowed by the ICC because of statutory language permitting changes related solely to achieve safety. But such language was included in the statute at the behest of the railroads to prevent possible union efforts to change train lengths.

Given the vast body of precedent which has grown up over the years in both areas, it would seem unlikely that the Department of Transportation would or could take a more restrictive interpretive approach. Undoubtedly, some would be unwilling to give up what appears to be a history of favorable ICC consideration in the relief areas discussed and may fear that the brotherhoods will be able to bring political influence to bear insofar as the Department is concerned. However, without a significant change in existing safety statutes, it would not appear that management has much to fear, particularly if it continues to present evidence justifying relief.

To the extent that the railroads would seek changes in the existing regulations, as distinguished from relief from them, the former are rule-making proceedings and turn on the case made. The Department would undoubtedly participate with the benefit of enlarged technological and other research in an effort to determine the best course of action.

It should be noted, however, that even though the existing investigation and inspection personnel of the Commission will be transferred to the Department, the National Transportation Safety Board would also be created as an independent body to determine the cause of accidents and make recommendations for the conduct of special safety studies. Thus, unlike the situation at ICC, there would be a clear statutory separation of functions. The separation and independence which would obtain under a Department would, if anything, be more equitable.

The only other pertinent references to safety appear in the bill's Declaration of Purpose and in sec. 3(c), but these are general in nature

and cannot, as such, be construed as interfering with management prerogatives. It would not appear that the fears set forth above are necessarily justified.

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Background Paper Concerning the Transfer of
Highway Safety and Explosives and other Dangerous
Articles Functions to the Department of Transportation

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This paper is divided into three segments. The first segment describes the statutory authorities involved and the basic safety functions of the ICC. The second part deals with the current situation in the safety and in the explosives and other dangerous articles fields, and the problem areas in which adequate attention is not now possible. The third section describes the advantages and need of centralizing all activities in the whole of the safety field in one agency.

Description of Functions

The authority for highway safety activities by the Interstate Commerce Commission is legislative. The duties of the Commission with respect to safety regulations are prescribed in section 204 of the Interstate Commerce Act (49 U.S.C. 304). The primary responsibility in the field of highway safety is to prescribe and administer regulations covering qualifications and maximum hours of service of employees and safety of operation and equipment of commercial vehicles engaged in the transportation of passengers and property in interstate and foreign commerce.

The authority and responsibility of the Commission for regulating the transportation of explosives and other dangerous articles is provided in Title 18, United States Code, Sections 831-835, titled Explosives and Other Dangerous Articles Act. Public Law 86-710 was made effective September 6, 1960, and amended the Act to include private carriers. On

July 27, 1965, the law was amended by Public Law 89-95, to include pipelines, other than natural gas and water lines.

The principal functions in the area of highway safety are:

A. Establishment and enforcement of (1) standards relating to driver physical qualifications, driver competence, and driver selection; (2) regulations relating to maximum hours of service of drivers; (3) standards of vehicle design, parts, and accessories necessary for safe operation; (4) standards of vehicle inspection and maintenance; and (5) requirements for reporting of accidents.

B. (1) Investigation of accidents coupled with appropriate action to insure adoption of preventive measures; (2) publication of reports relating to accident investigations; (3) publication of statistical data relating to commercial vehicle accidents; and (4) recommendation to manufacturers of vehicles and components, Federal and State agencies, and other groups concerning accident prevention procedures.

The Explosives and Other Dangerous Articles regulations govern specifications for design, fabrication, and testing of containers and cargo tanks used for transportation of dangerous commodities, regulations relating to placarding of vehicles transporting explosives and other dangerous articles to identify the hazards of cargoes, regulations governing operation of vehicles laden with dangerous commodities, and developing and administering regulations to govern safety of operation of pipelines, except natural gas and water lines.

The duty to regulate the transportation of explosives and other dangerous articles, whether by rail or highway, constitutes one of the

important, and complex, responsibilities of the Commission, especially since these regulations apply not only to all surface transportation by common, contract, or private carriers, or freight forwarders, but are also made applicable in a large measure by other agencies to air and water transportation.

Issues and Problems

The highway safety matters to be transferred to the Department of Transportation are essentially of an executive nature, that is, the safety functions are a part of the whole of safety regulatory, promotional, research, administrative, and enforcement responsibility. There is an urgent need of a centralized authority to deal with the whole of highway safety so as to adequately broaden the function to deal with the matter as to the whole community of vehicles, drivers, and other elements of accident prevention.

The Commission's safety work, although creditable, is severely handicapped by a lack of reliable and meaningful information as to the causes of motor carrier accidents, particularly as to the many private carriers. To obtain pertinent facts relative to the causes of motor vehicle accidents, there must be an investigation of accidents involving driver failure, explosives and other dangerous articles, fire, and mechanical defects or poor design.

Each year less than three percent of the commercial vehicles used in interstate transportation are inspected. Probably an even smaller portion of the total registered commercial vehicles are inspected. The condition of many of the interstate vehicles now inspected is found unsafe

for operation and about one-third are impounded until repairs are made. With over 13 million commercial vehicles in operation, a larger number must be inspected to assure a higher degree of compliance with prescribed and more uniform maintenance standards.

Driver fatigue is a factor in many accidents. ICC manpower capability is far too small to afford reasonable opportunity to scrutinize and take out of service a sufficiently high number of drivers to produce an awareness of the need of adequate rest.

There are more than 119,000 motor carriers of record subject to compliance with ICC safety regulations. There is an urgent need for periodic examination of their compliance with the safety regulations and their safety of operation. Present ICC staff limitations prevent this as frequently as is necessary to assure a reasonable degree of compliance.

Many accidents could be prevented by adequate investigation prior to driver employment. The capability of periodically examining motor carrier pre-employment practices as to a driver's qualifications, knowledge of the operation and proper use of parts and accessories, and past accident record are urgently needed. Motor carrier highway accidents should be screened for cause and investigated. Facts as to causes are essential, and a need to investigate many more accidents is apparent.

Adequate staffing is an essential need to enable the provision of advice and assistance to the States in the matter of promoting uniformity in safety regulations and the enforcement thereof.

There is a need for expertise in areas where it is not practical or economically feasible for the Commission to maintain staffing. It is essential that this void be filled by employing or otherwise utilizing experts through contracts in the manner and to the extent practical. For example, a serious need has existed for some time for a Medical Advisory Committee on Driver Physical Qualifications. For a number of years the Commission depended heavily on the professional staff of the U. S. Public Health Service for assistance in drafting regulations and to evaluate whether specific individual cases were or were not qualified under existing regulations. It now is evident that there must be continuously available competent medical and psychiatric advice in order to strengthen requirements relating to physical qualification of drivers and to determine the effect the use of drugs has on drivers. The services of medical experts who are aware of the peculiar/^{physical} demands of long distance truck and bus drivers are sorely needed.

In order to develop the most effective safety regulations, it is imperative that more reliable information be obtained as to accidents in which mechanical components of commercial vehicles fail, malfunction, or perform at less than maximum efficiency. Examples of the need for technical analyses of vehicles and components currently receiving emphasis at the Commission are the accidents resulting from tire failures and failures of certain component parts. A large number of accidents reported to the Commission appear to be due to failure of tires of the steering axles of heavy commercial vehicles.

Shippers as well as motor carriers are subject to ICC regulations under the Explosives and Combustibles Act. The volume of transportation of dangerous commodities has grown abundantly with the discovery, development and the bulk movement of a myriad of different dangerous commodities in recent years. There have been disastrous highway accidents in the transportation of these articles. There must be examinations of shipper and carrier knowledge of and compliance with this Act and the regulations, many of which are technical, such as container and tank vehicle specifications. With present capability, there can be no such program as to shippers and but a partial program as to carriers.

In the area of the safe transportation of explosives and other dangerous articles, the Commission has relied on outside sources of advice resulting in the delegation of certain significant decision making. The hazards and the problems involved in the regulation of dangerous commodity transportation are of such magnitude that it will be necessary to re-evaluate the reliance placed on the processes developed in an era prior to the extensive use and transportation of exotic fuels, including rocket propellents, radioactive materials, etiological agents, poisons, compressed gases, flammables, oxidizing agents, and corrosives. It is essential in this critical area that continuous study of practices and technological advancements by the industry be accomplished. To perform this task, the existing regulations must be continuously revised to assure legal and administrative proficiency and upgrade their technical requirements.

Most of the tests and standards used to classify dangerous commodities as to their hazards were developed prior to 1930, long before the recent

rapid development in the chemical industry. The Commission has depended largely upon the Bureau of Explosives of the Association of American Railroads and other industry sources for advice in testing for purposes of commodity classification and hazards of dangerous materials. At the present time, neither the Bureau of Explosives nor the Commission engages in basic research or testing. Experience has shown that commodity and hazard classifications in the regulations must be upgraded under the current state of modern technology.

A scientific evaluation of the test requirements and commodity classifications is urgently needed. Such evaluation should include investigations and recommendations necessary to bring the testing and classification regulations in keeping with modern techniques and practices. It is also considered an absolute necessity that means be provided for testing and evaluation of accident cause factors such as mental fatigue, heat affected zones, welds, and others.

With creation of a Department of Transportation, a constructive training program will be established to afford the knowledge necessary to inspect more adequately and efficiently containers and tanks used in the transportation of hazardous commodities.

The rapid growth in use of larger vehicles, multiple unit combination vehicles, joint rail and highway service, mountable and demountable containers and cargo tank valve, piping, and temperature control systems requires continual study as to safeguards required. In addition to these studies on a department level, highly technical instructions will be prepared and imparted to the staff, the industry and shippers, in order to

assure required safety precautions when necessary; that is, both prior to transportation and in case of serious accidents during transportation.

There is a great need for State and local authorities to adopt uniform regulations to the fullest extent, to join in their enforcement, and to establish lines of communication so that all agencies concerned with highway safety will understand at least the basic precautions which must be taken in dealing with dangerous commodities. Public Law 89-170 is designed to provide improved Federal-State cooperation in this area. State and local governments, bridge, tunnel, and turnpike authorities, and fire and police already rely heavily on the ICC's regulations. The Explosives and Dangerous Articles Regulations will provide reasonable and effective guidelines and controls upon which these governments can also rely.

With emphasis now given to international controls and regulations of containers for explosives and other dangerous articles, a continuous review of the variety of international regulations which are not compatible with U. S. National Standards is paramount. The State Department is continually pressing for consideration of adopting International Standards. We can ill afford to allow U. S. National Standards reflected in ICC regulations to be replaced by less than adequate foreign standards.

Safety specialists in a Department of Transportation would include such personnel as engineers, accident analysts, training specialists, commodity and packaging experts, nuclear effects experts, and explosive experts. Much of the national economy is geared to the movement of dangerous commodities which are employed in the manufacture of many products sold



in this country. It is essential that the nature of such commodities be identified and the best possible method of transporting them be devised.

Conclusions

With its limited resources, the ICC has performed well in its relatively small area of the whole of the safety field. However, with the transfer of the whole of the safety functions to a Department of Transportation, the executive arm of the government will, with greater resources, be in a position to coordinate and develop the total program in a more effective manner. Thus, productive action can be taken to provide guidance in the whole area of accident exposure.

A Department of Transportation could devote (1) resources to a reasonable and broad study and analysis of the entire accident prevention problem, (2) energy to placing all levels, federal, state, local, and private, under one comprehensive promotional and educational program, (3) adequate effort toward unified and coordinated enforcement action by all elements, (4) a substantial capability to research into the many facets of accident prevention as it relates to drivers, vehicles, highways, environment, and exposure, and (5) an expanded budgetary effort to insure adequate staffing and financing based on a solid base of proven or reasonably expected results in accident prevention.

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BACKGROUND OF THE AIR SAFETY BOARD

As the result of an act passed on June 23, 1938, one federal statute and agency was substituted for the several which had been regulating the aviation industry. The Civil Aeronautics Act of 1938 created the Civil Aeronautics Authority. This one agency consisted of three groups: a component authority, consisting of 5 men (later to become the CAB) and denominated the Civil Aeronautics Authority (the same name as its parent entity), which exercised quasi-judicial and quasi-legislative functions covering economic and safety regulations; a three-man Air Safety Board, for the investigation of accidents; and an Administrator who exercised executive functions covering development, operation, etc., of air navigation facilities and general development and promotional work. These groups were to go through several changes before Congress finally established the authority of the CAB and FAA as we know them today under the Federal Aviation Act of 1958.

The Air Safety Board was established by Title VII of the Civil Aeronautics Act of 1938. The creation and organization of the Board was set out in Sec. 701(a) which read in part "There is created and established within the authority an Air Safety Board. Such Board shall consist of three members to be appointed by the President One of the members shall, at the time of his nomination, be an active airline pilot and shall have flown not less than three thousand hours in scheduled air transportation."

Section 702 of that Act described the Air Safety Board's duties and enjoined it among other things to (1) make rules and regulations "subject

to the approval of the Authority"; (2) investigate accidents and "report to the Authority"; (3) make recommendations "to the Authority"; and (4) "assist the Authority" by making such investigations "as may be requested or approved by the Authority."

The formation of this Board under the Civil Aeronautics Act of 1938 made an important change in the then existing method of investigating accidents involving aircraft. Under the Air Commerce Act of 1926, the function of investigating such accidents was vested in the Secretary of Commerce and was exercised by him through the Bureau of Air Commerce. The Air Commerce Act of 1926 also vested in the Secretary of Commerce, and in turn, in the Bureau of Air Commerce, the function of inspecting and certificating aircraft and airmen and establishing, operating and maintaining air navigation facilities.

While the new 1938 legislation was under consideration, it was believed that an agency could not reasonably be expected, in investigating an accident and determining its probable cause, to criticize its own judgment or efficiency in performing its regulatory duties or in installing, operating, or maintaining air navigation facilities. Accordingly, there was incorporated in the Civil Aeronautics Act an administrative policy by which the function of investigating accidents would be performed by an agency wholly independent, with respect to that function, of the agency responsible for regulating civil aeronautics or of the Administrator responsible for establishing, operating, and maintaining air navigation facilities.

The Air Safety Board was established on August 22, 1938, becoming fully operational by November 1938. Unlike the five-man Civil Aeronautics Authority and the Administrator, the Air Safety Board, upon assuming office was faced with the necessity of building an entirely new organization.

Among the early problems facing the Board were such matters as the determination of its territorial jurisdiction, whether the statute contemplated the investigation of accidents involving both civil and military aircraft, and what mishaps involving aircraft would constitute accidents within the meaning of the statute.

The Board was in existence from August 1938 to June 1940. In its first full year of operation (August 1938 to October 1939) it dealt with 2,668 accidents. It should be pointed out, however, that because of the all-inclusive definition given to the term "aircraft accidents" many of these cases involved nothing more than minor mishaps. Only 8 percent of this total resulted in fatal injury to persons and only 17 percent in the complete destruction of the aircraft. Final reports were made to the five-man Authority in 1,135 of the accidents.

In the Board's final report made as of June 30, 1940, when its functions were transferred to the newly formed CAB, it had investigated some 2,500 accidents; the 833 in process were transferred to the CAB. The Air Safety Board in its less than two years in existence established field offices in all seven of the parent Civil Aeronautics Authority's regions. Because of budget problems, the Board had only one investigator at each field office.

Foremost among the reasons for abolition of the Air Safety Board by Reorganization Plan IV of 1939 were the confusion, ambiguity, and conflicts contained in the 1938 Act itself. For example, complete fulfillment by the Board of all of its duties might have been possible had not Section 702(b) made compliance impossible. Section 702(b) provided that "the Board shall exercise and perform its powers and duties independently of the Authority and shall not be assigned any duties in connection with any other section or unit of the Authority."

Part of the confusion over this and other language in the Act arose from the fact that four entities were created by the Act, with two of the entities having the same name. As noted, the Act established the five-member Civil Aeronautics Authority, a three-man Air Safety Board, and an Administrator; together these three were referred to as the Civil Aeronautics Authority. In the space of a few months after its creation, five internal reorganizations were promulgated to offset the organizational problems created by the Act.

Other conflicts seemingly grew out of this rather unhappy confusion. The Air Safety Board had the power to investigate accidents, but no power to institute remedial measures. It could only make recommendations to the five-member Authority. The Board's feeling of impotence was no doubt further accentuated by the five-member Authority's proclivity to reach decisions before the Air Safety Board could present its findings and recommendations. "More often than not," a Budget Bureau memo of 1941 notes, "action had already been taken and the case closed, in which event receipt of the Air Safety Board's report was politely acknowledged."

Internal dissension on the Board became such that these problems went directly to the President. As noted hereafter, however, the dissension did not appear to affect the Board's work as such. The President also had to deal directly and separately with the other component entities. This abuse of his time plus the outbreak of war in Europe (with its obvious implications for air power) led the President to change the parent Authority's structure through Reorganization Plan IV.

Briefly, the plan abolished the Air Safety Board and consolidated its functions with the five-member Authority, known thereafter as the Civil Aeronautics Board. The Board combined an independent accident investigation capability with safety rule making. A Budget Bureau memo noted that this change permitted ". . . the prompt translation of findings based on investigation into appropriate binding regulations."

Prior to 1940 the Administrator had only executive powers involved in the construction, maintenance, and operation of air navigation facilities and in the conduct of developmental and promotional work. Under Reorganization Plans III (submitted by the President at the same time as Plan IV) and IV the Administrator had transferred to him many of the responsibilities that the five-member Authority had had with respect to safety regulations in both the areas of aircraft and pilot safety. The Administrator became the head of the Civil Aeronautics Administration. In short, after 1940 the CAB prescribed safety standards and the Administrator of the CAA was responsible for safety regulation.

In proposing to make these two groups completely separate and realigning their responsibilities, the basic reason underlying the Air Safety Board's existence in the 1938 year of transition was now removed. To repeat, that

reason was the conflicting interest that was present in the parent Civil Aeronautics Authority in regard to the determining safety regulations and the investigation of accidents.

Articles appearing in the trade journals at the time that Reorganizational Plans III and IV were submitted, pointed out that neither the agencies concerned nor the industry was given advance notice of the impending change.

In addition, in reviewing the American Aviation magazine in the period just prior to and during the reorganization plan debate, several things stand out quite clearly:

- (1) The industry was criticizing the five-man Civil Aeronautics Authority on the ground that it had not "risen to genuine leadership in building up a vast and important air transport system as a backlog of national defense."
- (2) The four members of the Civil Aeronautics Authority had been "handicapped by a chairman who has spent time in every conceivable activity except economic regulation."
- (3) The five-man Civil Aeronautics Authority was criticized by State officials for not lobbying for a vast Federal-aid program for airport construction.
- (4) The Air Safety Board received no criticism for its work, as such, in this period. It was very short-lived. There was dissension within the Board and its staff but there is no evidence that this affected the actual work of the Board. In November 1939, Sumpter Smith, Chairman of the Air Safety Board, resigned. This

resignation climaxed an internal difference at the Board in regard to policies. In the summer of 1939, its Chief Counsel, Darrell T. Lane, resigned after continued dissatisfaction with his position at the Board. He had apparently been promised a job with the five-man Authority which he never got. When he resigned, apparently dismissed, he vowed vengeance, worked for the reorganization plans, and testified before the Congressional committees. His testimony apparently washed a lot of family linen in public but did not go ^{to} the efficiency of the Board.

- (5) That even though industry criticized the five-man Authority and the Administrator, they were quick to come to their defense when it was rumored that an omnibus transportation bill was pending. When Reorganization Plans III and IV were introduced, the aviation industry opposed them since they felt they would kill the independence of the five-man Civil Aeronautics Authority. Even here, the industry appeared to feel that the Air Safety Board, by becoming a part of the reorganized but independent CAB, was all right but it was unalterably opposed to the remaining elements of the parent Authority becoming a part of the Department of Commerce.

Relative to industry's fears concerning the Department of Commerce, it should be noted that President Roosevelt, in explaining the need for Reorganization Plan IV, placed far more emphasis on the placing of the Administrator under the Department of Commerce than he did on transferring the Air Safety Board to the CAB. He stated:

"One of the purposes of the Reorganization Act is to reduce the number of administrative agencies and thereby simplify the task of executive management. We have made substantial progress toward this objective under previous reorganization plans. I am now proposing another step in this direction by placing the Civil Aeronautics Authority within the framework of the Department of Commerce. Reorganization Plan No. III, which deals with interdepartmental changes, draws a more practical separation between the functions of the Administrator and the Civil Aeronautics Board. In Plan IV, which is concerned with interdepartmental reorganization, I am bringing the Authority into the departmental structure. The Administrator will report to the Secretary of Commerce. The five-member board, however, will perform its rule-making, adjudicative, and investigative functions independent of the Department. In the interest of efficiency it will be supplied by the Department with budgeting, accounting, procurement, and other office service. As a result of the adjustments provided in Plans III and IV, I believe the CAB will be able effectively to carry forward the important work of accident investigation heretofore performed by the Air Safety Board. In addition to the effective and coordinated discharge of accident investigation work which this transfer will facilitate, economics in administration will be possible."

It was believed that behind the President's proposal was a plan for a single transportation unit. The first group to oppose the Reorganization Plans was the Air Line Pilots Association, especially with regard to the Air Safety Board. Apparently, ALPA had been largely responsible for creation of the Board. In a notable four-page telegram to the President dated April 9, 1940, Mr. David L. Behncke, President of the group, set the tone for the debate by noting that "the line pilots are a brave, chin-up lot of fellows and they never complained but they fought through the years to eliminate the terribly chaotic situation of air safety. . . the line pilots advanced the position at the time the Civil Aeronautics Act was under consideration that the responsibility for investigating accidents and maintaining a constant watch on air safety should be separated from the functions of regulating our country's civil aeronautics. . . no man can expect first to make regulations and then investigate himself unfavorably when an accident occurs."

Harold Smith, Director of the Bureau of the Budget, took the opposite tack. In testifying on later safety proposals, he noted that the Air Safety Board could take no positive steps to prevent the recurrence of accidents it investigated. The Board could claim credit for progress without taking responsibility for mishaps.

The Air Transport Association joined ALPA in opposing the Reorganization Plans but nothing pointed up their attitude on the Air Safety Board specifically. As indicated, the ATA was more concerned with the fact that the Authority would lose its independence. It is probable that the aviation industry was opposed to any part of aviation regulation being placed with the regulation of other modes in a department of the Federal Government;

a possibility then in the rumor stage. Hence, they seized on the whole question of the Reorganization Plans III and IV. They were probably not sorry to see the Air Safety Board become a part of the CAB because (1) it would still maintain a separate "aviation identity" under the independent agency, and (2) the old Air Safety Board was strongly supported by ALPA and a pilot was on the Board.

The record actually indicates that the period between the Civil Aeronautics Act and the abolition of the Board was a period relatively free of serious accidents. But both the Board and the five-man Authority could share responsibility for helping to make air travel safer. In fact, the Budget Bureau felt more credit should go to the five-man Authority than to the Safety Board for this situation.

The confusion of the organic Act which established the Safety Board resulted from the checks far outweighing the balances. This led to other conflicts and problems and finally caused the Board's demise. The argument over the good and evil of an independent Board for select aspects of safety versus an entity for air safety from initial rules to eventual enforcement tends to be circular. An organization which investigates others can be said to be independent in judgment, but without power to make its recommendations become rules; if it has the power to investigate and translate findings to new rules, it cannot be independent of itself. While the debates on the Air Safety Board revolved around these poles, they were not germane to the reason for the abolition of the Board. It was a question of organization and internal tribulations that stemmed from the organizational morass.

MAR 15 1966

BACKGROUND PAPER CONCERNING THE TRANSFER OF
ICC CAR SERVICE FUNCTIONS TO THE DEPARTMENT OF TRANSPORTATION

Eno
Center for
Transportation

This paper will be divided into two segments. The first portion will describe the statutes involved and how the car service functions are presently carried out at the ICC. The second portion will deal with such issues as may be involved in the contemplated transfer.

Description of Functions

The draft Department bill would transfer to and vest in the Secretary of Transportation all functions, powers and duties of the ICC under sections 1(10), 1(11), 1(12), 1(13), 1(14(a) (but not including the establishment of the compensation to be paid for the use of any locomotive, car, or other vehicle not owned by the carrier using it), 1(15), 1(16), 1(17), 6(8), the final sentence of 15(4), 15(10), and 420, relating to car service.

Section 1(10) describes what is contemplated within the term "car service". In essence, it includes the use, control, supply, movement, distribution, exchange, interchange, and return of locomotives, cars and other vehicles used in transporting property including special types of equipment and the supply of trains by any carrier by railroads subject to part I of the Interstate Commerce Act.

Section 1(11) describes the basic character of required car service rules and practice.

Section 1(12) indicates that carriers are duty bound and required to make a just and reasonable distribution of cars for the transportation of coal among the coal mines served by them.

Section 1(13) authorizes the Commission to require the filing of car service rules and regulations and, in its discretion, to direct their incorporation in tariffs and schedules.

Section 1(14)(a) empowers the Commission to establish rules, regulations, or practices concerning car service including the compensation to be paid and any other terms of any contract, agreement, or arrangement. Section 1(14)(b) makes contracts for the furnishing of protective service against heat or cold to property transported to be unlawful unless submitted to and approved by the Commission.

Section 1(15) empowers the Commission to act in times of emergency, shortage of equipment, and congestion of traffic by suspending established rules and making directions with respect to car service, without regard to

ownership, as the public interest may dictate and pursuant to such terms as the Commission may prescribe if the carriers are unable to agree. This authority also extends to the use of terminals and trackage for a responsible distance outside of such terminals and to directions for preference or priority in transportation, embargoes, or movement of traffic under permits. It also provides that the President in time of war or threatened war may certify to the Commission concerning essential national defense and security traffic and the Commission shall afford preference or priority to such movements.

Section 1(16) empowers the Commission in the emergency situations set forth in section 1(15) to route traffic and to fix terms of compensation when the carriers disagree.

Section 1(17)(a) permits the Commission to designate agents to carry out its car service orders, requires compliance by the carriers, and states penalties for failure to comply. Section 1(17)(b) provides penalties for bribes to influence car distribution.

Section 6(8) states that preference and expedition be given to military traffic during war upon determination of the President and that in time of peace no embargo shall be declared as to shipments for the United States.

The final sentence of section 15(4) permits the Commission to establish temporary through routes in times of emergency. Section 15(10) permits the Commission, when the public interest and a fair distribution of the traffic require, to direct routing of traffic not routed by the shipper.

Section 420 makes applicable the provisions of section 1(15), 1(16), and 1(17), with respect to freight forwarders.

That part of section 1(14)(a) which contemplates the determination of the compensation to be paid for the use of locomotives, cars, or other vehicles not owned by the carrier using it is not to be transferred in the proposed bill, nor is section 1(14)(b) pertaining to protective service contract approvals. The Commission has indicated that these are essentially matters of economic regulation which it desires to retain. Section 1(14)(b) determinations are presently made by the Commission's Rate Division which is Division 2 composed of three Commissioners. All other car service matters are determined by the Finance, Safety, and Service Division, which is Division 3, or by a Commission employee board to which the Commission has delegated authority.

Compensation determinations under section 1(14)(a) relate to formal proceedings. However, much of the car service work is carried out by ICC personnel in the field. Field staff members regularly examine car

supply requirements and the carriers' utilization of equipment. They determine the adequacy of car supply, the expedition of movement, interchange, and return of cars, and whether car distribution is made equitably among all shippers. In periods of high demand and short supply of a particular type or types of equipment or where congestions occur, service orders are issued to alleviate existing conditions. Many of the service orders are further implemented by the Commission's agent, who is the Director of its Bureau of Railroad Safety and Service. Pursuant to the service orders, he may place embargoes, reroute traffic, issue car distribution directions, or take other actions assigned to him by such orders. Service orders and actions taken by the Commission's agent are policed by the Commission's field staff to assure compliance.

The rail carriers have made the AAR Car Service Division their agency for car service matters. The carriers follow the service rules of the AAR Car Service Division. ICC service orders and other car service directives issued pursuant to them are served on the AAR Car Service Division as agent for the rail carriers. The AAR disseminates the orders and directives to their membership and conducts liaison between the carriers and ICC on questions pertaining to car service. The AAR does not enforce the Commission's actions. The AAR has extensive reporting requirements for the use of its Car Service Division. The data collected by the AAR is furnished to the Commission in the form of statistical summaries for its own car service data requirements. While it is recognized that this prevents duplicate reporting, the adequacy of such data should be subject to continuing evaluation.

Issues

The matters transferred are essentially those of an executive nature, that is, they involve the determination (during emergencies for the most part) of where cars are and how best they can be moved to meet emergency needs. Appropriate enforcement powers are available to see that these duties are carried out. Only section 1(12) goes beyond emergency situations. Under that provision coal car distribution may be undertaken in any situation. Among the issues to be raised, therefore, is whether a transfer of these executive type functions is a meaningful action. Stated somewhat differently, can the perennial and serious car service problem and the resulting disputes between the more affluent Western railroads and the car-short Eastern roads be dealt with if all of the personnel involved are transferred to an executive department while the economic regulatory powers are retained in the Commission. It may be argued that the Commission will have no ready source of information as to the true situation which obtains. It may therefore be contended that the car service problem is serious enough without complicating it further by a removal of informed personnel. However,

with transfer, the day-to-day car service knowledge and information contemplated under the powers to be transferred will no longer be required by the Commission. In carrying out its economic regulation responsibilities under the powers remaining, the Commission must make its findings on the basis of a formal record. Where car service matters are directly at issue or car supply or utilization would be affected, DOT could be an interested party. With greater resources, DOT participation could aid in the development of a better record. With DOT intervention, therefore, the Commission would probably be better informed in its consideration of any particular case.

Two other issues may arise. Section 1(13) now permits the Commission, in its discretion, to direct that appropriate car service rules and regulations shall be incorporated in carrier schedules showing rate fares and charges. The present bill presumably contemplates that the Secretary of Transportation shall direct that such filings be made. Theoretically, at least, the Commission would be giving up control over one aspect of matter which would go into tariffs still filed with it. This is essentially a minor point, however.

Section 216(b) of the Act now makes it the duty of motor common carriers to provide, among other matters, adequate equipment. The draft bill does not contemplate any transfer of powers of the Commission with regard to the adequacy of motor carrier equipment. This disparity, however, does not appear to be a matter of great consequence since few, if any, problems arise in this regard.

Conclusions

Without a transfer of economic regulatory powers, the transfer of the other ICC car service functions is not a matter to be taken lightly. Car service is essentially a thankless task under present law and the Department of Transportation can fully expect to be subject to numerous requests from shippers and political quarters to reroute equipment to meet emergency situations. However, with the transfer of the executive functions the Executive arm of the Government will at least be in a position to inform itself as to the true facts concerning the car shortage. A Department of Transportation could then devote (1) a reasonable study and analysis to the problem in an effort to come up with sound answers, and (2) expanded budgetary efforts to insure adequate field staffing.

The conflicting positions and demands of the Western railroads and the Eastern roads are undoubtedly overstated. Once the true facts are ascertained, the Executive branch will then be in a position to come forward with proposals for long-range solutions to the problem; the resolving of such problems is one of the main purposes behind the creation of a Department.

Many proposals could then be considered. Among them might be support for off-peak rate proposals or for other forms of pricing services and movement of commodities which could lessen the critical need for equipment during or at particular periods. The Department would be able to consider whether tax incentives on general box car or hopper equipment, or on improved classification yard facilities might be provided. A Department would be in the position to consider whether more enforcement should be undertaken or whether, as an alternative, faster and earlier implementation of car service orders could be effected. A careful evaluation could be undertaken as to the continued coordinated use of safety and car service personnel to determine whether the economies effected will continue without sacrificing safety to any degree. Transfer of these executive powers would permit the Commission to devote itself to matters of pressing economic concern. At the same time, the Department, through the use of its greater research resources, could afford careful analysis, aid, and full cooperation with the Commission in resolving the car shortage problem pursuant to the powers it retains. With the growing and expanding economy of the nation, the adequacy of railroad equipment is a matter of pressing national concern. The transfers contemplated under this bill are wholly necessary and meaningful.

3/14/66

BRIEFING PAPER
ON
INVESTMENT STANDARDS AND CRITERIA

Nearly all Federal investments in transportation facilities have promotional effects, even when fully recouped through user charges on the direct beneficiaries. Like all other Federal expenditures, such investments must be evaluated to insure overall benefits at least equalling the costs of the project.

Throughout our history, public investment in transportation facilities has been common and often on a massive scale. Inconsistencies in Federal policies governing public investment decisions have been cited repeatedly. The underlying cause of these inconsistencies appears to be a lack of clear standards for preparation and evaluation of investment proposals.

The Secretary of Transportation would be required under the proposed legislation to develop standards and criteria, subject to Presidential approval, to be used in the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation facilities or equipment by Federal agencies both in and outside of the Department. Certain exceptions are enumerated in the proposed legislation. The standards and criteria for economic

evaluation of the transportation features of multi-purpose water resource projects would be developed by the Secretary after consultation with the Water Resources Council, and would be compatible with the standards and criteria for economic evaluation applicable to non-transportation features of such projects.

A beginning can thus be made on the comparative evaluation of transportation projects (the same objective as that of the new programming-planning-budgeting system for allocation of all Federal resources) with a view to identifying those warranting support and establishing priorities for approval programs in the order of their overall merit.

The importance of this program will grow as both private industry and Government increase investments in transportation facilities. Full care must be taken to be sure that these investments of Federal funds are made with appropriate consideration of the needs of the public, users, carriers, industry, labor, and the national defense.

Briefing Paper

THE RELATIONSHIP OF THE MASS TRANSPORTATION PROGRAM
TO THE DEPARTMENT OF TRANSPORTATION

The draft bill for a Department of Transportation does not provide for the inclusion in the new Department of the mass transportation program authorized by the Urban Mass Transportation Act of 1964, now located in the Department of Housing and Urban Development. Mass transportation is a very new Federal interest. Program decisions have impacts on interstate transportation and on national transportation policy as well as on general urban planning and development. Some of these effects are only beginning to emerge. The Federal mass transit assistance program consists of a complex of interrelated functions which should be identified and analyzed before decisions are made on their final assignment, whether individually or as an entity, to the Department of Housing and Urban Development or to the Department of Transportation. At the President's direction the Secretaries of the Department of Transportation and the Department of Housing and Urban Development will undertake a one year study which will be the basis for these decisions.

Among the subjects which this study by the two Departments will consider are:

1. The role of the Department of Transportation in
 - a. determining overall technical criteria for government investments in urban transportation facilities
 - b. research and development on urban transportation facilities and equipment
 - c. detailed planning and engineering of specific systems
 - d. urban transportation demonstration activities

- e. financing the development or improvement of urban transportation systems.
- 2. The role of the Department of Housing and Urban Development in
 - a. overall general planning criteria relating to transportation investment in urban areas, including mass transit and highways
 - b. interrelationships of transportation and patterns of urban development
 - c. criteria and certification of general urban development plans and role of transportation plans in the general urban picture
 - d. demonstrations involving general urban development patterns and planning involving transportation as an integral part.

Both functions are highly interrelated. Moreover both are expanding and will continue to do so. The present program concepts and practices may not necessarily be governing for a more comprehensive Federal effort in both fields.

Scope of Present Mass Transportation Program

The Urban Mass Transportation Act of 1964 provides an authorization of \$375 million for grants in aid and demonstration projects in mass transportation. Grants must be made to public bodies and are limited to two-thirds of the capital costs of a project which cannot be funded from fare-box revenues. The authorizations cover the period through the fiscal year 1967 although appropriations may be made from this authorization for other fiscal years. Some \$55 million is still unappropriated and the Administration has requested an additional authorization of \$95 million.

Up to \$30 million may be used for research and development and demonstration projects. The Administration has recommended that this amount be increased to \$40 million through the fiscal year 1968.

Relationships with Highways and Planning

Mass transportation projects must be developed in accordance with comprehensive transportation plans for the metropolitan area involved, which in turn must be consistent with overall urban development plans. A less rigorous requirement of the Federal-aid Highway Act of 1962 provides that urban highway projects can be approved only if the Secretary of Commerce finds that they are consistent with a continuous comprehensive transportation planning process carried on cooperatively by the States and communities concerned.

Highway planning may need to be tied more closely to the overall urban development planning process. This will be among the important questions examined by the Secretaries in this study.

Other programs provide overall planning assistance, both for transportation and for general urban planning. The Federal aid highway Act provides that a State may use $1\frac{1}{2}$ percent of its Interstate and 2 percent of other funds for research and planning. Extensive metropolitan highway planning studies have been financed with these funds. Section 701 of the Housing Act of 1954 as amended provides for planning grants to urban areas for general planning purposes. A formal agreement between the Secretary of Commerce and the Administrator of HHFA (now HUD) provides for the coordinated use of these funds in metropolitan areas.

Transportation Research in Relation to Mass Transportation

The High Speed Ground Transportation Research and Development Act of 1965 authorized extensive research, development and demonstration activities in the Department of Commerce with respect to high speed transportation. Much of this research, particularly with respect to the performance and

design of equipment will have relevance to mass transportation in cities.

Any research and development in mass transportation conversely will have a

bearing on high speed ground transportation for intercity service. For

this reason, care must be taken to avoid the development of two rival

research and development programs with consequent duplication of effort and

waste of resources, or complex problems of administrative coordination and

risk of neglected opportunities.

PERSONNEL STRENGTH

	Actual ^{a/} <u>12-31-65</u>	Authorized Strength ^{a/} <u>FY-1966</u> <u>FY-1967</u>	
Under Secretary for Transportation	90	129	147
Bureau of Public Roads	4,716	5,715	5,755
Maritime Administration	5,194 ^{b/}	2,491	2,333
St. Lawrence Seaway Corporation	161	162	162
Great Lakes Pilotage Administration	5	5	6
Federal Aviation Agency	43,914	44,804	44,232
U. S. Coast Guard:			
Civilian	5,163	5,636	5,881
Military	33,464	34,999	35,339
The Alaska Railroad	922	960	930
Bureau of Safety - CAB	170	176	186
Portions of the ICC	467	501	497
Portions of the Corps of Engineers	<u>51</u>	<u>51</u>	<u>51</u>
TOTAL	94,317	95,629	95,519

a/ Includes both full time and full-time equivalent of part-time.

b/ Includes 3,054 seamen on contract ships, who are not MARAD employees.

Actual Federal Civilian Employment
As Of 12/31/65
(Including Full-time Equivalents)

State	40,576
Treasury	87,826
Defense	1,057,483
Justice	32,333
Post Office	773,229*
Interior	63,612
Agriculture	103,419
Commerce	34,952
Labor	9,084
HEW	93,135
HUD	13,472

*Includes 139,781 additional Christmas help.

Elements Proposed for Inclusion
in Department

Total civilian employment	60,761
Coast Guard military	33,464
FAA military	92
Total employment	<u>94,317</u>

In civilian employment D.O.T. would rank 7th among the Departments.
In total civilian and military employment it would rank 4th.

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PROVISIONS OF THE BILL
WHICH DIRECTLY AFFECT CURRENT EMPLOYEES

1. Personnel transferred to the Department as a result of provisions of the bill will not be reduced in classification or compensation because of the transfer. This savings clause operates for one year following the transfers. (Sec. 9.(i))
2. Offices established by law, all the functions, powers and duties of which are transferred to the Secretary, are abolished. (Does not apply to Coast Guard.) (Sec. 9.(j))
3. Persons holding a Federal Executive Salary Act position who are appointed, without a break in service, to a position in the Department with duties comparable to those formerly performed will, for the duration of service in such position, be compensated at not less than the rate for the executive pay level formerly held. (Sec. 9.(j))

March 1, 1966

FUND AVAILABILITY FOR PROPOSED ELEMENTS
DEPARTMENT OF TRANSPORTATION

	<u>FY-1966</u>	<u>FY-1967</u>
New Obligational Authority (including Trust Funds):		
Under Secretary for Transportation	\$ 21,709,000	\$ 27,771,000
Bureau of Public Roads	4,173,055,000	4,449,750,000
Maritime Administration	350,071,000	299,395,000
St. Lawrence Seaway Development Corporation	-	-
Great Lakes Pilotage Administration	82,000	97,000
Federal Aviation Agency	868,361,000	957,986,000
U. S. Coast Guard	473,474,000	493,488,000
The Alaska Railroad	4,100,000	-
Bureau of Safety - CAB	2,924,000	3,409,000
Portions of ICC (Estimate)	5,981,000	6,052,000
Portions of Corps of Engineers (FY-1965 amounted to about \$500,000)		
Sub-Total (Excluding Engineers)	\$ 5,899,757,000	\$ 6,237,948,000
Unobligated Carryover Funds:		
Under Secretary for Transportation	\$ 1,299,000	\$ 263,000
Bureau of Public Roads	2,371,218,000	2,281,165,000
Maritime Administration	83,290,000	44,399,000
St. Lawrence Seaway Development Corp.	-	-
Great Lakes Pilotage Administration	-	-
Federal Aviation Agency	297,173,000	244,475,000
U. S. Coast Guard	24,367,000	21,706,000
The Alaska Railroad	10,874,000	1,940,000
Bureau of Safety - CAB	-	-
Portions of ICC	-	-
Portions of Corps of Engineers	2,788,221,000	2,593,948,000
Grand Total - Fund Availability	\$ 8,687,978,000	\$ 8,831,896,000

2-25-66

**COMPARATIVE NEW OBLIGATIONAL AUTHORITY DATA
INCLUDING TRUST FUNDS**

(Source: The Budget of the U.S. Government for FY-1967)

<u>Department</u>	<u>FY-1966</u>	<u>FY-1967</u>
Agriculture	\$ 8,489,649,000	\$ 6,677,042,000
Commerce	669,440,000	726,701,000
Defense	63,276,320,000	60,340,079,000
HEW	30,248,396,000	38,771,837,000
HUD	2,257,875,000	1,569,988,000
Interior	1,516,354,000	1,518,428,000
Justice	387,646,000	404,687,000
Labor	4,614,043,000	4,596,922,000
Post Office	929,670,000	836,128,000
State	413,433,000	412,347,000
Treasury	13,092,813,000	13,832,930,000
Total for elements to be included in Department of Transportation (parent Department reduced accordingly)	5,899,757,000	6,237,948,000

On this basis, the proposed Department of Transportation would rank fifth in size.

February 28, 1966

ORGANIZATIONAL BACKGROUND TO THE DEPARTMENT OF TRANSPORTATION

The attached chart traces an abridged organizational history of the Department of Transportation. Highlights of the principal organizational arrangements since 1930 are developed in four parallel patterns: those affecting air, land, and sea transportation as well as those affecting transportation policy development.

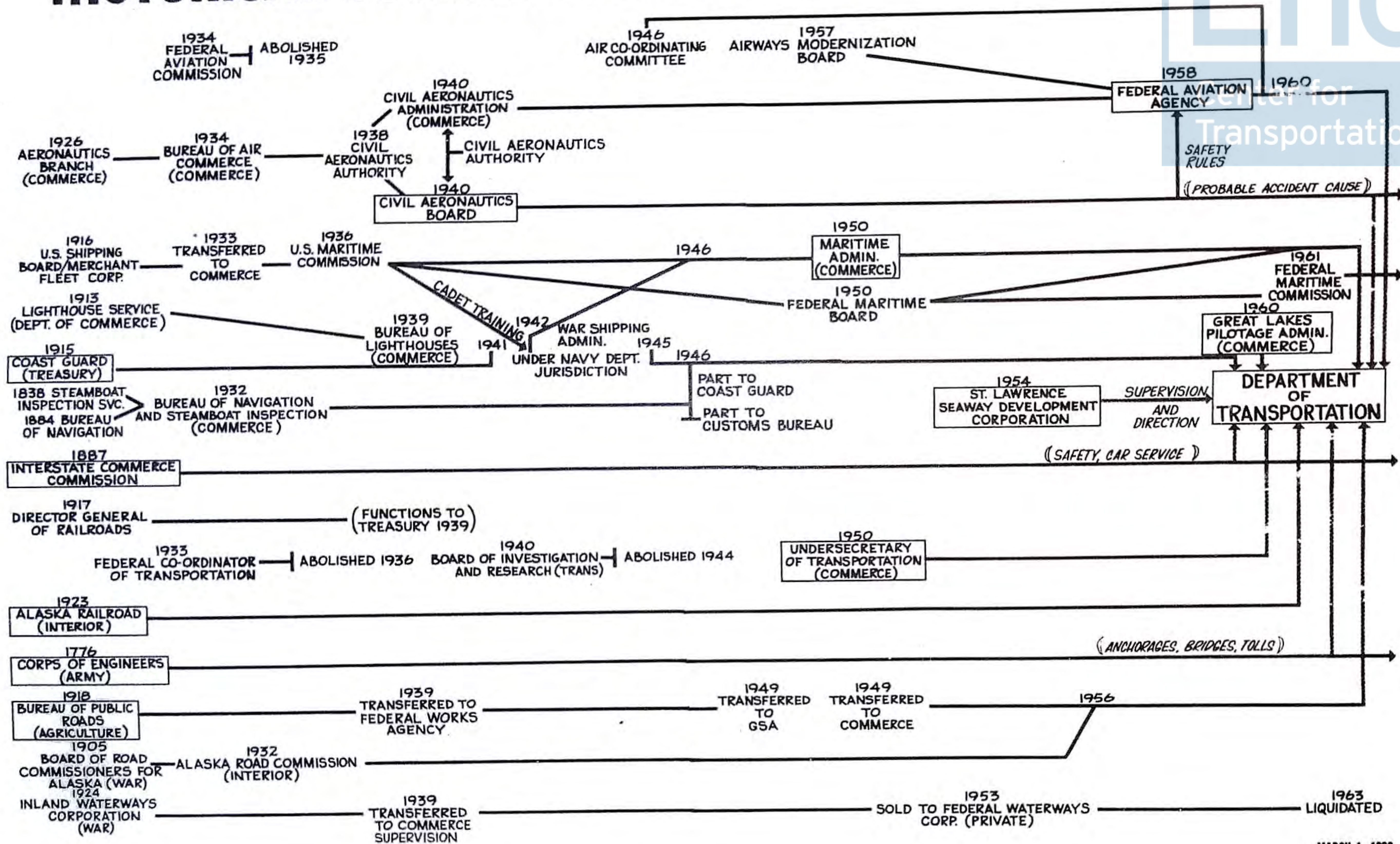
Of the eleven organization elements forming the Department of Transportation, five essentially achieved their present organizational status before 1930. The Alaska Railroad, the Corps of Engineers, and the ICC have not been subjected to any major transfer from other agencies although their functions have been broadened by additional legislation. The Coast Guard has added some functions from the Commerce Department since 1930; it was shifted from Treasury to the Navy Department for the World War II years. The Bureau of Public Roads started in Agriculture, switched to the Federal Works Agency in 1939, transferred in 1949 to GSA and a few months later to Commerce, where it has been ever since.

The Undersecretary of Commerce for Transportation, established in 1950, the St. Lawrence Seaway Development Corporation, chartered in 1954, and the Great Lakes Pilotage Administration, organized in 1960, will experience their first external reorganization with the formation of the Department.

Aviation organization, however, has undergone a number of changes. In 1936, the Civil Aeronautics Authority was established as an independent agency successor to the Bureau of Air Commerce in the Department of Commerce. In 1940, the Authority split in two: a Civil Aeronautics Administration was established in Commerce, and a Civil Aeronautics Board, as an independent regulatory agency with safety responsibilities, was formed. Both the Administration and the Board were part of what was called the Civil Aeronautics Authority. The Authority, beginning in 1940, however, had no functions. In 1958, the Federal Aviation Agency was created as an independent entity, assuming the functions of Commerce's Civil Aeronautics Administration. The FAA was, in addition, vested with the CAB's safety rule making function and the Airways Modernization Board's air traffic control developmental and promotional responsibilities.

Maritime organization has had an even more complex history. The World War I organizations, the U.S. Shipping Board and its Merchant Fleet Corporation, were transferred to the Commerce Department in 1933. Three years later, an independent U.S. Maritime Commission was established as the successor agency to the Board and its Fleet Corporation. The Commission was charged with fostering the development and encouraging the maintenance of a merchant marine. In 1950, the Commission was abolished. The Maritime Administration in Commerce then came into being, as well as the Federal Maritime Board. The Board had both regulatory and subsidy functions. In 1961, a further reorganization abolished the Board and put regulatory responsibilities in a new Federal Maritime Commission and subsidy functions in the Maritime Administration.

HISTORICAL OUTLINE TRANSPORTATION ORGANIZATIONS



MARCH 1, 1966

2/17/66

REORGANIZATION OF TRANSPORTATION ACTIVITIES OF THE FEDERAL GOVERNMENT

Chronology of Legislative Proposals

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1874 Jan.12

H.R.1094 (43 Cong., 1st sess.) Introduced by L.D. Woodworth (R. N.Y.)
To establish a Bureau of transportation and to regulate the management
of railroads and transportation companies... Referred to the
Committee on Railways. No further action.

1884 Jan.5

H.R. 1669 (49th Cong., 1st sess.) Introduced by T.A. Merriman (D. N.Y.)
To establish a bureau of transportation in the Department of the
Interior. Referred to the Committee on Commerce and reported
adversely and tabled. H.Rept.902. Cong. Record v.17, p.432, 2196.

1890 June 18

S.4106 (51st Cong., 1st sess.) Introduced by John J. Ingalls (R. Kansas)
To establish a Department of Transportation... Referred to the
Committee on Interstate Commerce. No further action.

1893 Jan.4

H.R.10009 (52d Cong., 2d sess.) Introduced by John G. Otis (People's
Party, Kansas)
To create a Department of Transportation... Referred to the
Committee on Interstate and Foreign Commerce. No further action.

1907 Dec.2

H.R.408 (60th Cong., 1st sess.) Introduced by William Sulzer (D. N.Y.)
To create a Department of Transportation. Referred to the Committee
on Interstate and Foreign Commerce. No further action.

1908 Mar.7

H.R.1888 (60th Cong., 1st sess.) Introduced by J.E. Ransdell (D. La.)
To create a new executive Department of Transportation and Public
Works. Referred to Committee on Interstate and Foreign Commerce.
No further action.

1909 Jan.4

H.R.27894 (61st Cong., 2d sess) Introduced by James R. Mann (R. Ill.)
To amend acts entitled "An act to regulate commerce," approved
Feb.4, 1887 and "an act to further regulate commerce..." approved
Feb.19, 1903. Referred to the Committee on Interstate and Foreign
Commerce. No further action.

Among other provisions would establish a bureau of transportation in
the Department of Commerce and Labor "to make investigations; make
and hear complaints as to rates, regulations, practices, classifi-
cations, etc., which may be prosecuted by the Attorney General
before the Interstate Commerce Commission; prohibit ownership or
control of competing lines..."

1910 Jan.7

H.R.17411 (61st Cong., 2d sess.) Introduced by William Sulzer (D. N.Y.)
To create a Department of Transportation... Referred to Committee on
Interstate and Foreign Commerce. No further action.

Provisions embody substantially the recommendations of the Industrial
Commission, 1900.

Provides for cabinet level department internally organized into
operating units by mode of transportation responsible for inspection,
examination and regulation of all interstate or foreign commerce
common carriers...

Transfers to the new department the following agencies: Department of
Commerce and Labor Light-House Board, Light-House Service, Life-Saving
Service, Marine-Hospital Service, Steamboat Inspection Service,
Bureau of Navigation, United States Shipping Commissioner. Also
transfers to the new department all work of the Interstate Commerce
Commission except that of regulating rates and classification of
rates for transportation.

In an explanatory statement: (Congressional Record, April 22, v.45,
p.5223-5226; May 27, 1910, v.45, p.6998-7000) Representative Sulzer
States:

"[This]... is the first legislative attempt ... in this country
to deal with this interstate transportation problem in a scientific
manner and in a practical business way..."

"...three things are absolutely necessary... to effectively
deal with the problems arising from the abuses of these interstate
transportation system:

"First. There must be a body, like the Interstate Commerce Commission... with authority to make just and reasonable rates...

"Second. There must be a body... to determine controversies, review the orders of the Interstate Commerce Commission... This is a judicial function and must be vested in the courts...

"Third. There should be an executive department... with a cabinet officer... charged with the responsibility of investigation... and with prompt enforcement of the laws... Concerning companies doing an interstate transportation business."

Representative Sulzer listed among supporters of the measure I.C.C. Commissioner, Charles A. Prouty, Thomas W. Phillips of Pennsylvania, William R. Hearst, of New York, Robert M. LaFollette of Wisconsin, and the American Anti-Trust League. (C.R. v.45, p.7000)

1912 Jan.31

H.R.19126 (62d Cong., 2d sess.) Introduced by Victor L. Berger (Socialist, Wisconsin)
Referred to Committee on Interstate & Foreign Commerce. To condemn and acquire railroads for government ownership and operation... Includes provision for creation of a Department of Transportation. No further action.

1915 Dec.16

H.R.6055 (64th Cong., 1st sess.) Introduced by William J. Cary (R. Wisconsin)
To create the Department of Transportation. Referred to Committee on Interstate and Foreign Commerce. No further action.

1918 Jan. 6

H.R.8760 (65th Cong., 2d sess.) Introduced by William J. Cary (R. Wisconsin)
To create the Department of Transportation. Referred to Committee on Interstate and Foreign Commerce. No further action.

1918 July 6

S.4806 (65th Cong., 2d sess.) Introduced by James H. Lewis (D. Illinois)
To create a department of Government to be known as the department of transportation and telegraph with a member of the Cabinet... and for other purposes. (Congressional record, July 6, 1918, v.56, p.8741-8742) Referred to Committee on Interstate Commerce. No further action.

1933 May 3

H.R. 5484 (73d Cong, 1st sess) Introduced by Emanuel Celler (D. N.Y.). To provide for the establishment of a Federal Railroad Corporation, to provide for the redistribution of executive, administrative, and judicial functions of railroad operation and control among proper and separate agencies, etc. Referred to Committee on Interstate and Foreign Commerce. No further action.

Among other provisions would establish a Department and Secretary of Transportation to exercise some of the powers now exercised by the Interstate Commerce Commission.

1935 April 16

H.R. 7544 (74th Cong, 1st sess) Introduced by Compton I. White (D. Idaho), by request. A bill to create and establish a Department of Transportation and to further amend the Interstate Commerce Act, as amended, and for other purposes. Referred to the Committee on Interstate and Foreign Commerce. No further action.

1939 Jan. 13

H.R. 2531 (76th Cong, 1st sess) Introduced by Clarence F. Lea (D. Calif). A bill to redistribute the functions of the Interstate Commerce Commission with a view to more efficient exercise of rate-making authority; to extend the jurisdiction of the Commission in relation to the fixing of minimum rates, and rates for inland water transportation; to create a railroad reorganization court, and for other purposes. Referred to the Committee on Interstate and Foreign Commerce. No further action.

Provides for a Transportation Administrator who may intervene in cases before the Interstate Commerce Commission.

1939 March 1

S. 1660 (76th Cong, 1st sess) Introduced by Clyde Reed (R. Kans). A bill to redistribute the functions of the ICC, to create a Transportation Planning Board, and for other purposes. Referred to the Committee on Interstate Commerce. No further action.

Divides the ICC into three divisions (Administrative, Finance, and Rate). Subjects water carriers, inland or coastwise except high seas and Great Lakes, to the Act.

Establishes a Transportation Planning Board.

1944 Aug. 18

S.2085 (78th Cong., 2d sess.) Introduced by Lister Hill (D. Ala.)
To supplement the National transportation policy and to aid in achieving such policy. Referred to the Committee on Interstate and Foreign Commerce. No further action.

This legislative proposal embodies recommendation contained in the Preliminary Report of the Board of Investigation and Research submitted May 16, 1944.

Establishes as an independent executive agency a bi-partisan Federal Transportation Authority of three members appointed by the President with the consent of the Senate. The Authority would: conduct continuing investigations with regard to the transportation system and needs of the nation; report annually to the President and the Congress; consult with, provide information and make recommendations to Government agencies concerned with transportation with a view to coordinating their activities, cooperation with the Office of Public Transportation Counsel, created by this act as a part of the Department of Justice. The Public Transportation Counsel to see that the general public and the interest of the United States are adequately represented in administrative and judicial proceedings relating to transportation policies. Establishes a National Transportation Advisory Committee, composed of representatives of the Department of Commerce, Interstate Commerce Commission and qualified persons in the fields of transportation, labor, finance, agriculture and industry, to review and report on the activities of the Authority and the Public Transportation Counsel. (Cong. Record, Aug. 18, 1944, v.90, p.7072)

1945 Jan. 6

S. 82 (79th Cong. 1st sess) Introduced by Lister Hill (D. Ala.)
Referred to Committee on Interstate Commerce. No further action.

Same provisions as S.2085 (78th Cong. 2d sess)

1947 Jan. 6

S. 46 (80th Cong. 1st sess) Introduced by Lister Hill (D. Ala.)
Referred to Committee on Interstate Commerce. No further action.

Same as proposals introduced in the 78th and 79th Congresses.

1947 Nov. 26

S. 1812 (80th Cong, 1st sess) Introduced by Homer Capehart (R. Ind.) To establish a Department of Transportation. Referred to Committee on Interstate and Foreign Commerce. Hearings held but not completed. Hearings were never published and no report was issued. No further action.

The proposed department would be administered by a Secretary of Transportation, who would have Cabinet rank. The following agencies and their functions would be transferred to the department: Interstate Commerce Commission, U.S. Maritime Commission, Civil Aeronautics Authority, Civil Aeronautics Board, Civil Aeronautics Administration, Office of the Administrator of Civil Aeronautics, Weather Bureau, Inland Waterways Corporation, Office of Defense Transportation in the Office of Emergency Management.

All of the functions of the Administrator of Civil Aeronautics, the Weather Bureau, Inland Waterways Corporation and the Office of Defense Transportation to be administered under the direction and supervision of the Secretary of Transportation. All budgeting, accounting, personnel, procurement and related management function of the ICC, the U. S. Maritime Commission and the Civil Aeronautics Board to be performed under the direction and supervision of the Secretary of Transportation. The rule-making, adjudication, orders and determinations, and the investigation functions of the ICC, the U. S. Maritime Commission and the Civil Aeronautics Board shall be exercised by each of them independently of the Secretary of Transportation.

Digest of testimony

Col. J. Monroe Johnson, Office of Defense Transportation

Col. Johnson favored the bill. His chief reason being that transportation problems would receive more adequate attention if they were presented at the top level by a secretary of Cabinet rank. He thought further that such a measure would tend to assure that national transportation policy would be executed effectively.

Under-Secretary Wm. C. Foster, Department of Commerce

Mr. Foster had "serious reservations" though he was in sympathy with the objectives of the legislation. He expressed himself favorably in regard to the Administrator, plus independent agency-type regulative set-up for the CAA and CAB.

1947 Nov. 26 S. 1812 (continued)

Acting Chairman Oswald Ryan, Civil Aeronautics Board

Believed the proposal would defeat the objectives of the national transportation policy. Thought that placing the regulatory functions of each agency under the Secretary of Transportation tended to undermine their independence. In the matter of coordination, favored control by Congress rather than by an executive agency head.

Vice-Admiral William W. Smith, Chairman, Maritime Commission

Opposed creation of a National Transportation Department. His reasons were essentially the same as those of Chairman Ryan.

Robert Ramspeck, Vice-President, Air Transport Association

Noted that Congress had turned down every proposal of this kind since 1890 and hoped that it would continue to do so. The proposal would, in his opinion, impair the independence of the regulatory agencies, color their decisions with a political tinge, and destroy their prestige. (In U.S. Cong. House, Committee on Interstate and Foreign Commerce. National Transportation Inquiry Hearings 80th Cong. 2d sess Washington, U.S. Government Printing Office, 1948, p. 14-21)

1947 Nov. 28

H.R. 4595 (80th Cong. 1st sess) Introduced by Karl Stefan (R.Neb.)
To establish a Department of Transportation. Referred to Committee on Expenditures in the Executive Departments. No further action.

1949 Jan. 3

H.R. 306 (81st Cong. 1st sess) Introduced by Karl Stefan (R.Neb.)
To establish a Department of Transportation. Referred to Committee on Expenditures in the Executive Departments. No further action.

Same provisions as S. 402, (81st Cong, 1st sess) Jan. 13, 1949.

1949 Jan. 5

S. 126 (81st Cong, 1st sess) Introduced by Lister Hill (D.Ala.)
To supplement the national transportation policy and to aid in achieving such policy. Referred to Committee on Interstate and Foreign Commerce. No further action.

Same as earlier proposals.

1949 Jan. 13

S. 402 (81st Cong, 1st sess) Introduced by Homer E. Capehart (R.Ind.)
To establish a Department of Transportation. Referred to the
Committee on Interstate and Foreign Commerce. No further action.

Would transfer to the new department the following Federal
agencies: ICC, Civil Aeronautics Agencies, Weather Bureau,
Inland Waterways Corporation, and the Office of Defense
Transportation.

Center for
Transportation

1957 Jan. 22

H.R. 3424 (85th Cong, 1st sess) Introduced by J. Arthur Younger (R.Calif).
To create a Department of Transportation and Communications.
Referred to House Committee on Government Operations. No further
action.

Establishes an Executive Department headed by a Secretary of
Transportation and Communications, appointed by the President
with the consent of the Senate. Transfers the following agencies
to the Department: Interstate Commerce Commission, Federal
Communications Commission, Civil Aeronautics Authority, National
Advisory Committee for Aeronautics, Federal Maritime Board,
Maritime Administration, Saint Lawrence Seaway Corporation.
Transfers functions of the Secretary of Commerce under the Federal
Highway Act and other functions dealing primarily with transpor-
tation and communication.

1959 Jan. 7

H.R. 985 (86th Cong, 1st sess) Introduced by J. Arthur Younger (R.Calif)
To create a Department of Transportation and Communications.
Referred to Committee on Government Operations. No further action.

Same as H.R. 3424 (85th Cong.)

1960 May 26

S. 3596 (86th Cong, 2d sess) Introduced by Clifford Case (R. N.J.),
Jacob Javits (R. N.Y.), K. Keating (R. N.Y.). To create a Depart-
ment of Transportation. Referred to Senate Committee on Government
Operations. No further action.

Would transfer to the new department: Federal Aviation Agency,
Maritime Board, Maritime Administration, Bureau of Public Roads
and related functions of other regulatory agencies.

1961 Jan. 3

H.R. 1126 (87th Cong, 1st sess) Introduced by J. Arthur Younger (R.Calif). Creating a Department of Transportation and Communications. Referred to Committee on Government Operations. No further action.

Same provisions as earlier proposals.

1961 Feb. 9

S. 867 (87th Cong, 1st sess) Introduced by Clifford Case (R. N.J.), K. Keating and J. Javits (Rs. N.Y.) Establishing a U. S. Department of Transportation. Referred to Committee on Government Operations. No further action.

1963 Jan. 9

H.R. 967 (88th Cong, 1st sess) Introduced by J. Arthur Younger (R.Calif). To create a Department of Transportation and Communications. Referred to Committee on Government Operations. No further action.

Same as H.R. 3424 (85th), H.R. 985 (86th).

1965 Jan. 4

H.R. 927 (89th Cong, 1st sess) Introduced by J. Arthur Younger (R.Calif). To establish an Executive Department of Transportation and Communications. Referred to Committee on Government Operations.

Same as previous legislation introduced by Mr. Younger.

1965 Feb. 11

S. 1122 (89th Cong, 1st sess) Introduced by Clifford Case (R. N.J.). Department of Transportation Act. Referred to Committee on Government Operations.

Establishes an Executive Department headed by a Secretary appointed by the President with the consent of the Senate.

Transfers the following to the Department: Maritime Administration, Bureau of Public Roads, Defense Air Transportation Administration, Federal Aviation Agency; abolishes Under Secretary of Commerce for Transportation, provides for study of transportation functions of other agencies for possible transfer to the new department.