



1 other national objectives, including the efficient utilization  
2 and conservation of the Nation's resources.

3       The Congress therefore finds that the establishment of  
4 a Department of Transportation is necessary in the public  
5 interest and to assure the coordinated, effective administra-  
6 tion of the transportation programs of the Federal Gov-  
7 ernment; to facilitate the development and improvement of  
8 coordinated transportation service, to be provided by private  
9 enterprise to the maximum extent feasible; to encourage co-  
10 operation of Federal, State, and local governments, carriers,  
11 labor, and other interested parties toward the achievement  
12 of national transportation objectives; to stimulate technologi-  
13 cal advances in transportation; to provide general leadership  
14 in the identification and solution of transportation problems;  
15 and to develop and recommend national transportation  
16 policies and programs to accomplish these objectives with  
17 full and appropriate consideration of the needs of the pub-  
18 lic, users, carriers, industry, labor, and the national defense.

19                                   ESTABLISHMENT OF DEPARTMENT

20       SEC. 3. (a) There is hereby established at the seat of  
21 government an executive department to be known as the  
22 Department of Transportation (hereinafter referred to as the  
23 "Department"). There shall be at the head of the Depart-  
24 ment a Secretary of Transportation (hereinafter referred to

1 as the "Secretary"), who shall be appointed by the Presi-  
2 dent, by and with the advice and consent of the Senate.

3 (b) There shall be in the Department an Under Secre-  
4 tary, who shall be appointed by the President, by and with  
5 the advice and consent of the Senate. The Under Secretary  
6 (or, during the absence or disability of the Under Secretary,  
7 or in the event of a vacancy in the office of Under Secretary,  
8 an Assistant Secretary determined according to such order  
9 as the Secretary shall prescribe) shall act for, and exercise  
10 the powers of the Secretary, during the absence or disability  
11 of the Secretary or in the event of a vacancy in the office of  
12 Secretary. The Under Secretary shall perform such func-  
13 tions, powers, and duties as the Secretary shall prescribe  
14 from time to time.

15 (c) There shall be in the Department four Assistant  
16 Secretaries and a General Counsel, who shall be appointed  
17 by the President, by and with the advice and consent of the  
18 Senate, and who shall perform such functions, powers, and  
19 duties as the Secretary shall prescribe from time to time.

20 (d) There shall be in the Department an Assistant Sec-  
21 retary for Administration, who shall be appointed, with the  
22 approval of the President, by the Secretary under the classi-  
23 fied civil service who shall perform such functions, powers,  
24 and duties as the Secretary shall prescribe from time to time.



- 1           (2) Food and other subsistence supplies;  
2           (3) Messing facilities;  
3           (4) Motion picture equipment and film for recrea-  
4           tion and training;  
5           (5) Reimbursement for food, clothing, medicine,  
6           and other supplies furnished by such employees in emer-  
7           gencies for the temporary relief of distressed persons;  
8           and  
9           (6) Living and working quarters and facilities.

10 The furnishing of medical treatment under paragraph (1)  
11 and the furnishing of services and supplies under para-  
12 graphs (2) and (3) of this subsection shall be at prices  
13 reflecting reasonable value as determined by the Secretary,  
14 and the proceeds therefrom shall be credited to the appro-  
15 priation from which the expenditure was made.

16           (d) The Secretary is authorized to accept, hold, admin-  
17 ister, and utilize gifts and bequests of property, both real and  
18 personal, for the purpose of aiding or facilitating the work of  
19 the Department of Transportation. Gifts and bequests of  
20 money and the proceeds from sales of other property re-  
21 ceived as gifts or bequests shall be deposited in the Treasury  
22 in a separate fund and shall be disbursed upon order of the  
23 Secretary of Transportation. Property accepted pursuant to  
24 this provision, and the proceeds thereof, shall be used as

1 nearly as possible in accordance with the terms of the gift or  
2 bequest.

3 (e) For the purpose of Federal income, estate, and gift  
4 taxes, property accepted under section 4 (d) of this Act  
5 shall be considered as a gift or bequest to or for use of the  
6 United States.

7 (f) Upon the request of the Secretary, the Secretary of  
8 the Treasury may invest and reinvest in securities of the  
9 United States or in securities guaranteed as to principal and  
10 interest by the United States any moneys contained in the  
11 fund authorized herein. Income accruing from such secu-  
12 rities, and from any other property pursuant to section 4 (d)  
13 of this Act, shall be deposited to the credit of the fund author-  
14 ized herein, and shall be disbursed upon order of the Secre-  
15 tary of Transportation.

16 (g) The Secretary is authorized, upon the written re-  
17 quest of any person, firm, or corporation, to make special  
18 statistical studies relating to foreign and domestic transporta-  
19 tion, and other matters falling within the province of the De-  
20 partment of Transportation, to prepare from its records  
21 special statistical compilations, and to furnish transcripts of  
22 its studies, tables, and other records upon the payment of  
23 the actual cost of such work by the person, firm, or corpora-  
24 tion requesting it.

25 (h) All moneys received by the Department of Trans-

1 portation in payment of the cost of work under section 4 (g)  
2 of this Act shall be deposited in a special account to be  
3 administered under the direction of the Secretary of Trans-  
4 portation. These moneys may be used, in the discretion  
5 of the Secretary of Transportation, and notwithstanding  
6 any other provisions of law, for the ordinary expenses inci-  
7 dental to the work and/or to secure in connection there-  
8 with the special services of persons who are neither officers  
9 nor employees of the United States.

10 (i) The Secretary is authorized to appoint such ad-  
11 visory committees as shall be appropriate for the purpose  
12 of consultation with and advice to the Department in per-  
13 formance of its functions. Members of such committees  
14 shall be entitled to per diem and travel expenses as author-  
15 ized by the Administrative Expenses Act of 1946 (60  
16 Stat. 808), for all persons employed intermittently as con-  
17 sultants or experts receiving compensation on a per diem  
18 basis.

19 (j) Orders and actions of the Secretary or the National  
20 Transportation Safety Board in the exercise of functions,  
21 powers, and duties transferred under this Act shall be sub-  
22 ject to judicial review to the same extent and in the same  
23 manner as if such orders and actions had been by the agency  
24 originally exercising such functions, powers, and duties.

1           (k) In the exercise of the functions, powers, and duties  
2 transferred under this Act, the Secretary is authorized the  
3 same authority as vested in the agency originally exercising  
4 such functions, powers, and duties, and his actions in exer-  
5 cising such functions, powers, and duties shall have the same  
6 force and effect as when exercised by such agency.

7           (1) (1) Nothing in this Act or other law shall pre-  
8 clude appointment, detail, or assignment of a member on  
9 active duty of the Coast Guard to any position in the De-  
10 partment, other than Secretary, Under Secretary, and Assist-  
11 ant Secretary for Administration.

12           (2) Nothing in this Act or other law shall preclude  
13 appointment of a retired member of the Coast Guard to  
14 any position in the Department.

15           (3) The provisions of section 9(e) (1) shall apply to  
16 persons appointed, detailed, or assigned under authority of  
17 this subsection.

18                           NATIONAL TRANSPORTATION SAFETY BOARD

19           SEC. 5. (a) There is hereby established within the De-  
20 partment a National Transportation Safety Board. The  
21 Board shall exercise the functions, powers, and duties trans-  
22 ferred to the Secretary by sections 6 and 8 of this Act with  
23 regard to (1) determining the cause or probable cause of  
24 transportation accidents, and shall report the facts, condi-  
25 tions, and circumstances relating to such accidents; and (2)



1 the review on appeal of the suspension, amendment, modifi-  
2 cation, revocation, or denial of any certificate or license issued  
3 by the Secretary. In exercising these functions, powers, and  
4 duties, the Board shall be independent of the Secretary and  
5 the operating units of the Department.

6 (b) The Board shall consist of five members to be ap-  
7 pointed by the President, by and with the advice and consent  
8 of the Senate, and who shall continue in office as designated  
9 by the President at time of nomination through the last day  
10 of the first, second, third, fourth, and fifth full calendar years,  
11 respectively, following the year of enactment of this Act.  
12 Their successors shall be appointed for terms of five years,  
13 in the same manner as the members originally appointed  
14 under this Act. Members of the Board shall be appointed  
15 with due regard to their fitness for the efficient dispatch of  
16 the functions, powers, and duties vested in and imposed  
17 upon the Board. Members of the Board may be removed  
18 by the President for inefficiency, neglect of duty, or mal-  
19 feasant in office.

20 (c) Any person appointed to fill a vacancy occurring  
21 prior to the expiration of a term for which his predecessor  
22 was appointed shall serve only for the remainder of such  
23 term. Upon the expiration of his term of office, except in  
24 the case of a member removed for cause under section 5 (b) ,

1 a member shall continue to serve until his successor is ap-  
2 pointed and shall have qualified.

3 (d) The President shall designate from time to time  
4 one of the members of the Board as Chairman and one of  
5 the members as Vice Chairman, who shall act as Chairman  
6 in the absence or incapacity of the Chairman, or in the event  
7 of a vacancy in the office of the Chairman. The Chairman  
8 shall be the chief executive and administrative officer of the  
9 Board and shall exercise the responsibility of the Board with  
10 respect to (1) the appointment and supervision of personnel  
11 employed by the Board; (2) the distribution of business  
12 among the Board's personnel; and (3) the use and expendi-  
13 ture of funds. In executing and administering the functions  
14 of the Board on its behalf, the Chairman shall be governed  
15 by the general policies of the Board and by its decisions,  
16 findings, and determinations. Three of the members shall  
17 constitute a quorum of the Board.

18 (e) The Chairman of the Board shall be compensated  
19 at the rate provided for at level V of the Federal Executive  
20 Salary Act of 1964 (78 Stat. 416), as provided in section  
21 10(d)(4) of this Act. Members of the Board shall be  
22 compensated at the rate now or hereafter established for  
23 grade 18 of the General Schedule of the Classification Act  
24 of 1949 (63 Stat. 954).

25 (f) The Board is authorized to establish such rules, reg-

1 ulations, and procedures as are necessary to the exercise of  
2 its functions.

3 (g) The Board, any member thereof, or any hearing  
4 examiner assigned to the Board shall have the same powers  
5 as are vested in the Secretary to hold hearings, sign and  
6 issue subpoenas, administer oaths, examine witnesses, and  
7 receive evidence at any place in the United States it may  
8 designate.

9 (h) Subject to the proviso in section 701 (g) of the  
10 Federal Aviation Act of 1958 (72 Stat. 731), the Board  
11 may delegate to any officer or official of the Board or, with  
12 the approval of the Secretary, to any officer or official of the  
13 Department such of its functions as it may deem appropriate.

14 (i) The Board is further authorized to make such  
15 recommendations concerning transportation safety to the Sec-  
16 retary as it may deem appropriate, including recommenda-  
17 tions for the conduct of special safety studies on matters  
18 pertaining to safety in transportation and the prevention of  
19 accidents, the initiation of accident investigations, and rules,  
20 regulations, and procedures for the conduct of accident  
21 investigations.

22 (j) Subject to the civil service and classification laws,  
23 the Board is authorized to select, appoint, employ, and fix  
24 compensation of such officers and employees, including attor-

1 neys, as shall be necessary to carry out its powers and duties  
2 under this Act.

3 (k) The Secretary shall provide to the Board financial  
4 and administrative services, the cost of which shall be paid  
5 in advance, or by reimbursement, from funds of the Board.

6 TRANSFERS TO DEPARTMENT

7 SEC. 6. (a) There are hereby transferred to and vested  
8 in the Secretary all functions, powers, and duties of the  
9 Secretary of Commerce and other officers and offices of the  
10 Department of Commerce under title 23, United States  
11 Code, relating to highways; the Federal Aid Highway Act  
12 of 1962 (76 Stat. 1145), relating to engineering and plan-  
13 ning surveys concerning highway construction programs in  
14 Alaska; the Act of July 14, 1960 (74 Stat. 526), relating  
15 to the National Driver Register Service; the Federal Aid  
16 Highway Act of 1954 (68 Stat. 70), relating to the Great  
17 River Road; the Highway Revenue Act of 1956 (70 Stat.  
18 387), relating to the highway trust fund; the Highway  
19 Beautification Act of 1965 (79 Stat. 1028); the Alaska  
20 Omnibus Act (73 Stat. 141), relating to transfers of lands,  
21 buildings, fixtures, and other property used in connection  
22 with Bureau of Public Roads activities in Alaska; Senate  
23 Joint Resolution 81 (79 Stat. 578), relating to reports of  
24 highway needs to Congress; section 525 (c) of the General  
25 Bridge Act of 1946 (60 Stat. 847), relating to the location

1 of and plans for interstate bridges; the Act of July 26, 1956  
2 (70 Stat. 669), relating to the Muscatine Bridge Commis-  
3 sion; the Act of December 21, 1944 (58 Stat. 846), relating  
4 to the City of Clinton Bridge Commission; the Act of  
5 April 12, 1941 (55 Stat. 140), relating to the White  
6 County Bridge Commission; the Act of April 27, 1962  
7 (76 Stat. 59), relating to the annual audit of bridge com-  
8 missions; the Act of September 30, 1965, relating to high-  
9 speed ground transportation (79 Stat. 893); the Urban  
10 Mass Transportation Act of 1964 (78 Stat. 302); the Act  
11 of September 7, 1957 (71 Stat. 629), and section 410 of  
12 the Federal Aviation Act of 1958 (72 Stat. 769), relating  
13 to guarantee of loans for the purchase of aircraft and air-  
14 craft equipment; title XIII, War Risk Insurance, of the  
15 Federal Aviation Act of 1958 (72 Stat. 800); the Great  
16 Lakes Pilotage Act of 1960 (74 Stat. 259); the Merchant  
17 Marine Act, 1920 (41 Stat. 988); the Merchant Marine  
18 Act, 1928 (45 Stat. 689); the Merchant Marine Act, 1936  
19 (49 Stat. 1985); the Shipping Act, 1916 (39 Stat. 728);  
20 the Merchant Ship Sales Act of 1946 (60 Stat. 41); the  
21 Maritime Academy Act of 1958 (72 Stat. 622); the Act  
22 of June 12, 1940 (54 Stat. 346), relating to assistance to  
23 maritime schools; the Act of August 30, 1964 (78 Stat.  
24 614), relating to the fishing fleet; the Act of September 14,

1 1961 (75 Stat. 514), relating to appointments to the Mer-  
2 chant Marine Academy; the Act of June 13, 1957 (71  
3 Stat. 73), to the extent it relates to operating-differential  
4 subsidies; the Act of June 12, 1951 (65 Stat. 59), relating  
5 to vessel operations revolving fund; the Act of July 24,  
6 1956 (70 Stat. 605), relating to the grant of medals and  
7 decorations for service in the United States merchant ma-  
8 rine; the Act of August 9, 1954 (68 Stat. 675), relating  
9 to emergency foreign merchant vessel acquisition and oper-  
10 ation; Reorganization Plan Numbered 21 of 1950 (64 Stat.  
11 1273); Reorganization Plan Numbered 7 of 1961 (75 Stat.  
12 840); Reorganization Plan Numbered 7 of 1949 (63 Stat.  
13 1070); and the Act of August 1, 1947 (61 Stat. 715), to  
14 the extent that it authorizes scientific and professional posi-  
15 tions which relate primarily to functions transferred by this  
16 subsection.

17 (b) (1) The Coast Guard is hereby transferred to the  
18 Department, and there are hereby transferred to and vested  
19 in the Secretary all functions, powers, and duties, relating  
20 to the Coast Guard, of the Secretary of the Treasury and of  
21 other officers and offices of the Department of the Treasury.

22 (2) Notwithstanding the transfer of the Coast Guard  
23 to the Department and the transfer to the Secretary of the  
24 functions, powers, and duties, relating to the Coast Guard,  
25 of the Secretary of the Treasury and of other officers and

1 offices of the Department of the Treasury, effected by the pro-  
2 visions of subparagraph (1) of this subsection, the Coast  
3 Guard, together with the functions, powers, and duties relat-  
4 ing thereto, shall operate as a part of the Navy, subject to the  
5 orders of the Secretary of the Navy, in time or war or when  
6 the President shall so direct, as provided in title 14, United  
7 States Code, section 3.

8 (3) Notwithstanding any other provision of this Act,  
9 the functions, powers, and duties of the General Counsel of  
10 the Department of the Treasury set out in the Uniform Code  
11 of Military Justice (10 United States Code, section 801, et  
12 seq.) are hereby transferred to and vested in the General  
13 Counsel of the Department.

14 (c) There are hereby transferred to and vested in the  
15 Secretary all functions, powers, and duties of the Federal  
16 Aviation Agency, and of the Administrator and other officers  
17 and offices thereof.

18 (d) There are hereby transferred to and vested in the  
19 Secretary all functions, powers, and duties of the Civil Aero-  
20 nautics Board, and of the Chairman, members, officers, and  
21 offices thereof under titles VI (72 Stat. 776) and VII (72  
22 Stat. 781) of the Federal Aviation Act of 1958.

23 (e) There are hereby transferred to and vested in the  
24 Secretary all functions, powers, and duties of the Interstate  
25 Commerce Commission under the Act of March 2, 1893 (27

1 Stat. 531), as amended by the Act of August 14, 1957 (71  
2 Stat. 352), the Act of March 2, 1903 (32 Stat. 943), as  
3 amended by the Act of April 11, 1958 (72 Stat. 86), and  
4 the Act of April 14, 1910 (36 Stat. 298), as amended by  
5 the Act of August 14, 1957 (71 Stat. 352), relating to  
6 safety appliances; the Act of May 30, 1908 (35 Stat. 476),  
7 relating to ash pans; the Act of February 17, 1911 (36 Stat.  
8 913), the Act of March 4, 1915 (38 Stat. 1192), the Act  
9 of June 26, 1918 (40 Stat. 616), the Act of June 7, 1924  
10 (43 Stat. 659), the Act of June 27, 1930 (46 Stat. 822),  
11 and the Act of April 22, 1940 (54 Stat. 148), the Act of  
12 May 27, 1947 (61 Stat. 120), the Act of June 25, 1948  
13 (62 Stat. 909), the Act of October 28, 1949 (63 Stat.  
14 972), the Act of August 14, 1957 (71 Stat. 352), relating  
15 to boiler inspection; Reorganization Plan Numbered 3 of  
16 1965 (79 Stat. 1320), relating to locomotive inspection;  
17 the resolution of June 30, 1906 (34 Stat. 838), relating to  
18 block signals; the Act of May 27, 1908 (35 Stat. 325), the  
19 Act of March 4, 1909 (35 Stat. 965), relating to investiga-  
20 tion and testing of appliances and inspection of mail cars;  
21 the Act of May 6, 1910 (36 Stat. 350), the Act of Septem-  
22 ber 13, 1960 (74 Stat. 903), relating to accident reports;  
23 the Act of March 4, 1907 (34 Stat. 1415), the Act of  
24 May 4, 1916 (39 Stat. 61), the Act of June 25 1948 (62  
25 Stat. 909), the Act of August 14, 1957 (71 Stat. 352),



1 relating to hours of service of employees; the Act of Feb-  
2 ruary 23, 1905 (33 Stat. 743), the Act of June 13, 1957  
3 (71 Stat. 69), relating to awards; title 18, United States  
4 Code, sections 831-835, relating to explosives and other dan-  
5 gerous articles; the Act of March 19, 1918 (40 Stat. 450),  
6 the Act of March 4, 1921 (41 Stat. 1446), and the Act of  
7 March 3, 1923 (42 Stat. 1434), as amended by the Act of  
8 June 24, 1948 (62 Stat. 646), relating to the Standard  
9 Time Act; and the following sections of the Interstate Com-  
10 merce Act (24 Stat. 379) ; sections 1 (10), 1 (11), 1 (12),  
11 1 (13), 1 (14) (a) (but not including establishment of the  
12 compensation to be paid for the use of any locomotive, car,  
13 or other vehicle not owned by the carrier using it), 1 (15),  
14 1 (16), 1 (17), 6 (8), the final sentence of 15 (4), 15 (10),  
15 and 420, relating to car service; section 25, relating to  
16 safety appliances, methods and systems; section 226, relat-  
17 ing to investigation of motor vehicle sizes and weights; sec-  
18 tion 1 (21) except to the extent that it relates to the exten-  
19 sion of line or lines of common carriers; section 204 (a) (1)  
20 and (2) to the extent that they relate to qualifications and  
21 maximum hours of service of employees and safety of opera-  
22 tion and equipment; and section 204 (a) (3), (3a), and  
23 (5), relating to safety.

24       Nothing in this subsection shall diminish the functions,

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1 powers, and duties of the Interstate Commerce Commission  
2 under sections 1 (6), 206, 207, 209, 210a, 212, and 216 of  
3 the Interstate Commerce Act or under any other section of  
4 that Act not specifically referred to in the first paragraph of  
5 this subsection.

6 (f) There are hereby transferred to and vested in the  
7 Secretary all functions, powers, and duties of the Secretary  
8 of the Army and other officers and offices of the Department  
9 of the Army under section 7 of the River and Harbor Act  
10 of March 4, 1915 (38 Stat. 1053), and the Act of April 22,  
11 1940 (54 Stat. 150), relating to water vessel anchorages;  
12 section 5 of the Act of August 18, 1894 (28 Stat. 362),  
13 relating to drawbridge operating regulations; the Act of  
14 June 21, 1940 (54 Stat. 497), relating to obstructive  
15 bridges; section 4 of the Act of March 23, 1906 (34 Stat.  
16 85), section 503 of the General Bridge Act (60 Stat. 847),  
17 section 17 of the Act of June 10, 1930 (46 Stat. 552), the  
18 Act of June 27, 1930 (46 Stat. 821), and the Act of August  
19 21, 1935 (49 Stat. 670), relating to the reasonableness of  
20 tolls; the Oil Pollution Act of 1961 (75 Stat. 402), relating  
21 to the detection of oil pollution and enforcement of measures  
22 against same; and section 9 of the Act of March 3, 1899 (30  
23 Stat. 1151), the Act of March 23, 1906 (34 Stat. 84), and  
24 the General Bridge Act (60 Stat. 847), insofar as they relate

1 to the location and clearances of bridges in the navigable  
2 waters of the United States.

3           TRANSPORTATION INVESTMENT STANDARDS

4       SEC. 7. (a) The Secretary shall develop and from time  
5 to time in the light of experience revise standards and criteria  
6 consistent with national transportation policies, for the formu-  
7 lation and economic evaluation of all proposals for the invest-  
8 ment of Federal funds in transportation facilities or equip-  
9 ment, except such proposals as are concerned with (1) the  
10 acquisition of transportation facilities or equipment by Fed-  
11 eral agencies in providing transportation services for their own  
12 use; (2) an interoceanic canal located outside the contigu-  
13 ous United States; (3) defense features included at the  
14 direction of the Department of Defense in the design and con-  
15 struction of civil air, sea, and land transportation; or (4)  
16 programs of foreign assistance. The standards and criteria  
17 for economic evaluation of the transportation features of  
18 multipurpose water resource projects shall be developed by  
19 the Secretary after consultation with the Water Resources  
20 Council, and shall be compatible with the standards and  
21 criteria for economic evaluation applicable to nontransporta-  
22 tion features of such projects. The standards and criteria  
23 developed or revised pursuant to this subsection shall be

1 promulgated by the Secretary upon their approval by the  
2 President.

3 (b) Every survey, plan, or report formulated by a Fed-  
4 eral agency which includes a proposal as to which the  
5 Secretary has promulgated standards and criteria pursuant to  
6 subsection (a) shall be (1) prepared in accord with such  
7 standards and criteria and upon the basis of information  
8 furnished by the Secretary with respect to projected growth  
9 of transportation needs and traffic in the affected area, the  
10 relative efficiency of various modes of transport, the available  
11 transportation services in the area, and the general effect of  
12 the proposed investment on existing modes, and on the  
13 regional and national economy; (2) coordinated by the pro-  
14 posing agency with the Secretary and, as appropriate, with  
15 other Federal agencies, States, and local units of government  
16 for inclusion of his and their views and comments; and  
17 (3) transmitted thereafter by the proposing agency to the  
18 President for disposition in accord with law and procedures  
19 established by him.

20 AMENDMENTS TO OTHER LAWS

21 SEC. 8. (a) Section 406 (b) of the Federal Aviation  
22 Act of 1958, as amended (72 Stat. 763), is amended by  
23 adding the following sentence at the end thereof: "In apply-  
24 ing clause (3) of this subsection, the Board shall take into  
25 consideration any standards and criteria prescribed by the

1 Secretary of Transportation, for determining the character  
2 and quality of transportation required for the commerce of  
3 the United States and the national defense.”

4 (b) Section 201 of the Appalachian Regional Develop-  
5 ment Act (79 Stat. 10) is amended as follows:

6 (1) The first sentence of subsection (a) of that section  
7 is amended by striking the words “Commerce (hereafter in  
8 this section referred to as the ‘Secretary’)” and inserting in  
9 lieu thereof “Transportation.”

10 (2) The last sentence of subsection (a) of that section  
11 is amended by inserting after the word “Secretary”, the  
12 words “of Transportation”.

13 (3) Subsection (b) of that section is amended by in-  
14 serting after the word “Secretary”, the words “of Com-  
15 merce”.

16 (4) Subsection (c) of that section is amended by strik-  
17 ing the first sentence and inserting in lieu thereof the fol-  
18 lowing sentence: “Such recommendations as are approved  
19 by the Secretary of Commerce shall be transmitted to the  
20 Secretary of Transportation for his approval.”

21 (5) The second sentence of subsection (c) of that sec-  
22 tion is amended by inserting after the word “Secretary” the  
23 words “of Transportation”.

24 (6) Subsection (e) of that section is amended by in-

1   serting after the word "Secretary" the words "of Transpor-  
2   tation".

3       (7) Subsection (f) of that section is amended by in-  
4   serting after the word "Secretary", the words "of Com-  
5   merce and the Secretary of Transportation". Subsection  
6   (f) of that section is further amended by striking the word  
7   "determines" and inserting in lieu thereof "determine".

8       (8) Subsection (g) of that section is amended by  
9   striking the period at the end thereof and adding the follow-  
10  ing: "to the Secretary of Commerce, who shall transfer funds  
11  to the Secretary of Transportation for administration of proj-  
12  ects approved by both Secretaries."

13       (c) Section 206 (c) of the Appalachian Regional De-  
14  velopment Act of 1965 (79 Stat. 15) is amended by insert-  
15  ing after "Interior," the words "Secretary of Transporta-  
16  tion,".

17       (d) Sections 12, 13 (1), 13 (2), 20 (except clauses  
18  (3), (4), (11), and (12) thereof), 204 (a) (except  
19  clauses 4 and 4a thereof), 204 (c), 205 (d), 205 (f), 220  
20  (except subsection (c) thereof), and 222 (except subsec-  
21  tions (b) (2) and (b) (3) thereof) of the Interstate Com-  
22  merce Act (27 Stat. 379) are amended by inserting "(Sec-  
23  retary of Transportation with respect to the establishment  
24  and enforcement of reasonable requirements with respect to  
25  qualifications and maximum hours of service of employees,

1 safety of operation and equipment, and car service)” im-  
2 mediately after “Commission” where it first occurs in each  
3 such section, and by inserting “or Secretary of Transportation  
4 as the case may be” after Commission in every other place  
5 where it occurs in each such section, except where it occurs  
6 in the proviso of section 220 (a) and the last time in section  
7 222 (h).

8 (e) Section 212 (a) of the Interstate Commerce Act (49  
9 Stat. 555) is amended by striking “of the Commission” the  
10 second, third, and fourth times those words occur.

11 (f) Section 13 (b) of the Fair Labor Standards Act of  
12 1938 (52 Stat. 1067) is amended by striking the words  
13 “Interstate Commerce Commission” and inserting in lieu  
14 thereof “Secretary of Transportation.”

15 (g) Section 18 (1) of the Interstate Commerce Act  
16 (24 Stat. 386) is amended by inserting “or Secretary of  
17 Transportation with respect to the establishment and en-  
18 forcement of reasonable requirements with respect to quali-  
19 fications and maximum hours of service of employees, safety  
20 of operation and equipment, and car service” after “Com-  
21 mission” where it last occurs therein.

22 (h) The second sentence of section 3 of the Federal  
23 Explosives Act (40 Stat. 385) is amended as follows:  
24 “This Act shall not apply to explosives or ingredients which  
25 are in transit upon vessels, railroad cars, aircraft, or other

1 conveyances in conformity with statutory law or with the  
2 rules and regulations of the Secretary of Transportation.”

3 ADMINISTRATIVE PROVISIONS

4 SEC. 9. (a) In addition to the authority contained in  
5 any other Act which is transferred to and vested in the  
6 Secretary, the Secretary is authorized, subject to the civil  
7 service and classification laws, to select, appoint, employ,  
8 and fix the compensation of such officers and employees, in-  
9 cluding attorneys, as are necessary to carry out the pro-  
10 visions of this Act and to prescribe their authority and  
11 duties.

12 (b) Subsection b of section 505 of the Classification  
13 Act of 1949 (63 Stat. 959), relating to the maximum  
14 number of positions authorized at any one time for grades  
15 16, 17, and 18 of the General Schedule of such Act, is  
16 further amended by striking the number “twenty-four hun-  
17 dred” and by inserting in lieu thereof “twenty-four hundred  
18 and forty-five.”

19 (c) The Secretary may obtain services as authorized  
20 by section 15 of the Act of August 2, 1946 (60 Stat. 810),  
21 but at rates not to exceed \$100 per diem for individuals  
22 unless otherwise specified in an appropriation Act.

23 (d) The Secretary is authorized to provide for par-  
24 ticipation of military personnel in carrying out his functions.  
25 Members of the Army, the Navy, the Air Force, or the



1 Marine Corps may be detailed for service in the Department  
2 by the appropriate Secretary, pursuant to cooperative agree-  
3 ments with the Secretary of Transportation. Members so  
4 detailed shall not be charged against any statutory limitation  
5 on grades or strengths applicable to the military departments.

6 (e) (1) Appointment, detail, or assignment to, accept-  
7 ance of, and service in any appointive or other position in  
8 the Department under the authority of section 4 (1) and  
9 section 9 (d) shall in no way affect status, office, rank, or  
10 grade which officers or enlisted men may occupy or hold  
11 or any emolument, perquisite, right, privilege, or benefit  
12 incident to or arising out of any such status, office, rank, or  
13 grade. A person so appointed, detailed, or assigned shall  
14 not be subject to direction by or control by his armed force  
15 or any officer thereof directly or indirectly with respect to  
16 the responsibilities exercised in the position to which ap-  
17 pointed, detailed, or assigned.

18 (2) The Secretary shall report annually in writing to  
19 the appropriate committees of the Congress on personnel  
20 appointed and agreements entered into under subsection (d)  
21 of this section, including the number, rank, and positions of  
22 members of the armed services detailed pursuant thereto.

23 (f) In addition to the authority to delegate and redele-  
24 gate contained in any other Act in the exercise of the func-

1 tions transferred to or vested in the Secretary in this Act,  
2 the Secretary may delegate any of his functions, powers, and  
3 duties to such officers and employees of the Department  
4 as he may designate, may authorize such successive redele-  
5 gations of such functions, powers, and duties as he may deem  
6 desirable, and may make such rules and regulations as may  
7 be necessary to carry out his functions, powers, and duties.

8 (g) The personnel, assets, liabilities, contracts, prop-  
9 erty, records, and unexpended balances of appropriations,  
10 authorizations, allocations, and other funds employed, held,  
11 used, arising from, available or to be made available, of the  
12 Federal Aviation Agency, and of the head and other officers  
13 and offices thereof, are hereby transferred to the Secretary.

14 (h) So much of the personnel, assets, liabilities, con-  
15 tracts, property, records, and unexpended balances of ap-  
16 propriations, authorizations, allocations, and other funds  
17 employed, held, used, arising from, available or to be made  
18 available in connection with the functions, powers, and duties  
19 transferred by sections 6 (except section 6 (c) ) and 8 (d) ,  
20 (e) , (f) , and (g) of this Act as the Director of the Bureau  
21 of the Budget shall determine shall be transferred to the  
22 Secretary.

23 (i) The transfer of personnel pursuant to subsections  
24 (e) and (f) of this section shall be without reduction in clas-  
25 sification and compensation, except that this requirement

1 shall not operate after one year from the date such transfers  
2 are made.

3 (j) Any offices and any agency heretofore established  
4 by law, all the functions, powers, and duties of which are  
5 transferred pursuant to this Act shall lapse: *Provided, how-*  
6 *ever,* That this sentence shall not apply to the Coast Guard:  
7 *And provided further,* That any person holding a position  
8 compensated in accordance with the Federal Executive Sal-  
9 ary Schedule who, without a break in service, is appointed  
10 in the Department to a position having duties comparable to  
11 those performed at the effective date of this Act shall con-  
12 tinue to be compensated at not less than the rate provided  
13 for such level for the duration of his service in such position.

14 (k) The Secretary is authorized to establish a working  
15 capital fund, to be available without fiscal year limitation,  
16 for expenses necessary for the maintenance and operation of  
17 such common administrative services as he shall find to be  
18 desirable in the interest of economy and efficiency in the De-  
19 partment, including such services as a central supply service  
20 for stationery and other supplies and equipment for which  
21 adequate stocks may be maintained to meet in whole or in  
22 part the requirements of the Department and its agencies;  
23 central messenger, mail, telephone, and other communica-  
24 tions services; office space, central services for document re-  
25 production, and for graphics and visual aids; and a central

1 library service. The capital of the fund shall consist of the  
2 fair and reasonable value of such stocks of supplies, equip-  
3 ment, and other assets and inventories on order as the Sec-  
4 retary may transfer to the fund, less the related liabilities and  
5 unpaid obligations, together with any appropriations made  
6 for the purpose of providing capital, which appropriations  
7 are hereby authorized. Such funds shall be reimbursed from  
8 available funds of agencies and offices in the Department,  
9 or from other sources, for supplies and services at rates which  
10 will approximate the expense of operation, including the ac-  
11 crual of annual leave and the depreciation of equipment. The  
12 fund shall also be credited with receipts from sale or exchange  
13 of property and receipts in payment for loss or damage  
14 to property owned by the fund.

15 (1) The Secretary shall cause a seal of office to be  
16 made for the Department of such device as he shall approve,  
17 and judicial notice shall be taken of such seal.

18 CONFORMING AMENDMENTS TO OTHER LAWS

19 SEC. 10. (a) Section 19 (d) (1) of title 3, United States  
20 Code, is hereby amended by striking out the period at the  
21 end thereof and inserting a comma and the following: "Sec-  
22 retary of Transportation."

23 (b) Section 158 of the Revised Statutes (5 U.S.C. 1)  
24 is amended by adding at the end thereof:

25 "Twelfth. The Department of Transportation."

1 (c) The amendment made by subsection (b) of this  
2 section shall not be construed to make applicable to the  
3 Department any provision of law inconsistent with this Act.

4 (d) Section 303 of the Federal Executive Salary Act  
5 of 1964 (78 Stat. 416) is amended as follows:

6 (1) subsection (a) of that section is amended by adding  
7 at the end thereof the following:

8 “(11) Secretary of Housing and Urban Development.

9 “(12) Secretary of Transportation.”

10 (2) subsection (c) of that section is amended by strik-  
11 ing “(6) Under Secretary of Commerce for Transportation”  
12 and inserting in lieu thereof “(6) Under Secretary of Trans-  
13 portation”.

14 (3) subsection (d) of that section is amended by add-  
15 ing the following:

16 “(22a) Assistant Secretaries, Department of Transpor-  
17 tation (4)”.

18 “(47a) General Counsel, Department of Transporta-  
19 tion”.

20 (4) subsection (e) of that section is amended by add-  
21 ing the following:

22 “(27a) Assistant Secretary for Administration, Depart-  
23 ment of Transportation”.

24 “(101) Chairman, National Transportation Safety  
25 Board, Department of Transportation”.

1 (5) subsection (f) of that section is amended by strik-  
2 ing out "thirty" and inserting in lieu thereof "thirty-nine."

3 (6) Immediately following subsection (g) of that sec-  
4 tion, the following new subsection is added:

5 " (h) The President is further authorized to place one  
6 position in level III."

7 (e) Subsections (b) (7), (d) (2), and (e) (12),  
8 (13), (14), (76), (82), and (89) of section 303 of the  
9 Federal Executive Salary Act of 1964 (78 Stat. 416) are  
10 repealed, subject to the provisions of section 9 of the Depart-  
11 ment of Transportation Act.

12 (f) The Act of August 1, 1956 (70 Stat. 897), is  
13 amended by striking the words "Secretary of Commerce"  
14 where they appear therein and inserting in lieu thereof  
15 "Secretary of Transportation."

16 (g) Title 18, United States Code, section 1020 is  
17 amended by striking the words "Secretary of Commerce"  
18 where they appear therein and inserting in lieu thereof "Sec-  
19 retary of Transportation."

20 (h) Subsection (1) of section 801, title 10, United  
21 States Code, is amended by striking out "the General Coun-  
22 sel of the Department of the Treasury" and inserting in lieu  
23 thereof "the General Counsel of the Department of Trans-  
24 portation."

## ANNUAL REPORT

1

2       SEC. 11. The Secretary shall, as soon as practicable after  
3 the end of each fiscal year, make a report in writing to the  
4 President for submission to the Congress on the activities of  
5 the Department during the preceding fiscal year.

6

## SAVINGS PROVISIONS

7       SEC. 12. (a) All orders, determinations, rules, regula-  
8 tions, permits, contracts, certificates, licenses, and privileges  
9 which have been issued, made, granted, or allowed to be-  
10 come effective by any department or agency, functions of  
11 which are transferred by this Act, or by any court of com-  
12 petent jurisdiction, or under any provision of law repealed  
13 or amended by this Act, or in the exercise of duties, powers,  
14 or functions which, under this Act are vested in the Secre-  
15 tary, and which are in effect at the time this section takes  
16 effect, shall continue in effect according to their terms until  
17 modified, terminated, superseded, set aside, or repealed by  
18 the Secretary, or by any court of competent jurisdiction, or  
19 by operation of law.

20       (b) The provisions of this Act shall not affect any pro-  
21 ceedings pending at the time this section takes effect before  
22 any department, agency, or component thereof, functions of  
23 which are transferred by this Act; but any such proceedings  
24 involved in such transfer shall be continued before the De-

1 department of Transportation, orders therein issued, appeals  
2 therefrom taken, and payments made pursuant to such  
3 orders, as if this Act had not been enacted; and orders  
4 issued in any such proceedings shall continue in effect until  
5 modified, terminated, superseded, or repealed by the Secre-  
6 tary or by operation of law.

7 (c) The provisions of this Act shall not affect suits  
8 commenced prior to the date on which this section takes  
9 effect; and all such suits shall be continued by the Depart-  
10 ment of Transportation, proceedings therein had, appeals  
11 therein taken, and judgments therein rendered, in the same  
12 manner and effect as if this Act had not been enacted. No  
13 suit, action, or other proceeding commenced by or against  
14 any officer in his official capacity of any department or  
15 agency, functions of which are transferred by this Act, shall  
16 abate by reason of the enactment of this Act. No cause of  
17 action by or against any department or agency, functions  
18 of which are transferred by this Act, or by or against any  
19 officer thereof in his official capacity shall abate by reason  
20 of the enactment of this Act. Causes of actions, suits, actions  
21 or other proceedings may be asserted by or against the  
22 United States or such official of the Department as may  
23 be appropriate and, in any litigation pending when this  
24 section takes effect, the court may at any time, on its own



1 motion or that of any party, enter an order which will  
2 give effect to the provisions of this section.

3 (d) With respect to any function, power, or duty trans-  
4 ferred by this Act and exercised hereafter, reference in any  
5 other Federal law to any department or agency, officer or  
6 office so transferred or functions of which are so transferred  
7 shall be deemed to mean the Secretary.

#### 8 SEPARABILITY

9 SEC. 13. If any provision of this Act or the application  
10 thereof to any person or circumstances is held invalid, the  
11 remainder of this Act, and the application of such provision  
12 to other persons or circumstances shall not be affected  
13 thereby.

#### 14 CODIFICATION

15 SEC. 14. The Secretary is directed to submit to the  
16 Congress within two years from the effective date of this  
17 Act, a codification of all laws that contain the powers, duties,  
18 and functions transferred to and vested in the Secretary of  
19 the Department by this Act.

#### 20 EFFECTIVE DATE

21 SEC. 15. The President and the Secretary are authorized  
22 to nominate and appoint any of the officers provided for in  
23 sections 3 and 5 of this Act, as provided in such sections, at  
24 any time after the date of enactment of this Act. Such

1 officers shall be compensated from the date they first take  
2 office, in accordance with sections 5 and 10 of this Act.  
3 Such compensation and related expenses of their offices shall  
4 be paid from funds available for the functions to be trans-  
5 ferred to the Department pursuant to this Act. All other  
6 provisions of this Act shall take effect ninety days after the  
7 Secretary first takes office, or on such prior date after en-  
8 actment of this Act as the President shall prescribe and  
9 publish in the Federal Register.

89TH CONGRESS  
2d Session

**S. 3010**

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**A BILL**

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

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By Mr. MAGNUSON

MARCH 2, 1966

Read twice and referred to the Committee on  
Government Operations