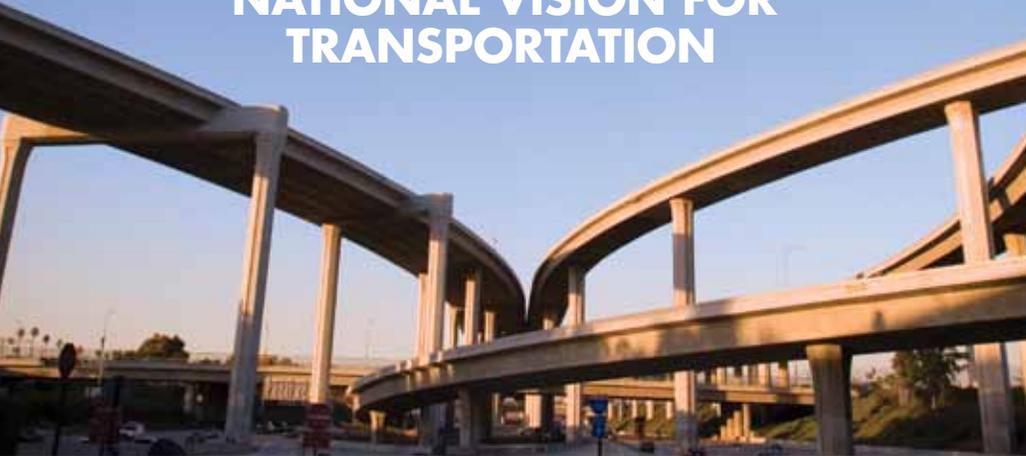


SECRETARY SLATER CALLS FOR A NATIONAL VISION FOR TRANSPORTATION



In an interview with *FOCUS* magazine, former U.S. Secretary of Transportation Rodney E. Slater, Esq. emphasized the importance of a national vision for the future of transportation in the context of the recently passed *American Recovery and Reinvestment Act of 2009*. He also explained the impact of the infrastructure provisions of the stimulus package on the African American community and the role of black elected officials in this process. The highlights of the interview follow:

FOCUS: What are your overall impressions of the infrastructure portion of the *American Recovery and Reinvestment Act of 2009*?

Secretary Slater: Well, I think that it is a significant breakthrough for infrastructure as it relates to the overall well-being of the U.S. economy. A number of provisions in the stimulus package speak to infrastructure directly, totaling in excess of about \$100 billion. There are a significant amount of stimulus funds for high-speed rail—well over \$8 billion. In addition, there is about \$8 billion for mass transit and about \$28 billion for highways and related investments. There is also a considerable amount of investment for the electric grid. When paired with major construction resources for the Corps of Engineers and other important agencies and departments that engage in infrastructure, we are talking about a sizeable commitment. This is just the beginning, though—Congress is now considering the upcoming fiscal year

budgets, and this will add to the significant investment in infrastructure that is already in place through the stimulus package.

FOCUS: How does this square with the actual infrastructure needs of the country, both short and long term? In other words, is the stimulus package sufficient?

Secretary Slater: I think it is a good start. Clearly, the infrastructure investment needs that we face extend beyond the more than \$100 billion provided by the stimulus package. But the objective of the stimulus package was to serve as a bridge between the dire economic straits that we currently find ourselves in and the upcoming round of budget investments that will strengthen our nation's future with a focus on the economy, energy, education, technology and other important initiatives espoused by the Obama administration. So, this is a very important first step. However, the Association of Civil Engineers has determined that we probably need anywhere from \$2.2 to 2.5 trillion of infrastructure investment over the next decade or so. So there is much to do. But, this is where the upcoming budget cycles become relevant. Also, there are some significant reauthorization bills, which represent multi-year commitments to infrastructure investments that will be coming up for approval in the U.S. Congress.

FOCUS: During the campaign, the President talked about some sort of infrastructure development bank. What is

your opinion on that issue and what is the likelihood of it happening?

Secretary Slater: I think it is very important, because what it permits you to do is to invest public sector dollars in this kind of entity and also attract private sector commitments, allowing you to leverage the monies many times over. It also provides the potential to direct resources towards regional or national projects of significance. It could also help some very important projects that may relieve bottlenecks and positively affect the nation's economy overall. So, a national infrastructure bank could be very effective in that regard.

FOCUS: Do you think that the current legislation contains adequate provisions to ensure that state and local officials have sufficient authority and sufficient flexibility to address the needs that they witness in their communities?

Secretary Slater: Well, I think more importantly, you need a specific national vision for transportation. Then, localities can develop programs that serve and promote that vision. I think this can be done in a way that would still respect the roles of state and local transportation officials and policymakers. The reauthorization bill that is coming up for a vote in Congress will seek to address those concerns and the infrastructure bank initiative will probably be a part of that vision. I am certain that there will be a continued emphasis on rail investment in the reauthorization bill; there may even be some focus on freight corridors. But again, that is where those major policy considerations will have to be balanced. The key is to have a national vision that focuses on issues of national significance while recognizing the roles that state and local officials play in such an endeavor.

FOCUS: What about provisions for citizen input and public accountability?

Secretary Slater: Citizen input generally occurs in Metropolitan Planning Organizations where elected officials and other public sector representatives play a role in the policy process. It is through that

process that citizens and local leaders develop projects that become a part of a metropolitan plan and potentially, the ultimate state plan. Also, in regard to the stimulus package, the Obama administration has developed a Web site that tracks projects that are benefiting from the stimulus finds. If I'm not mistaken, I think there have been as many as 2,000 infrastructure projects that are moving forward under stimulus provisions.

FOCUS: What about the impact on the African American community? In what ways do you see the infrastructure provisions of this package and any further infrastructure development activities affecting the black community in terms of mobility, access to education, employment and entrepreneurship?

Secretary Slater: First of all, transportation has always played an important role in our development as a community. Transportation in many respects has been the tie that binds—one that would bind individuals to a certain opportunity whether they are living in the inner city and getting to a job opportunity or an educational opportunity across town or outside of the city limits. A majority of the focus, especially in years past and I am sure going forward, will revolve around the issue of individuals moving from dependence to independence, from welfare to work. Transportation is integral to this progression. It is even more critical in a time of economic contraction and upheaval. I think that this administration is committed to investing stimulus dollars in areas that are the hardest hit in these economic times, and in some sense, that means the African American community and the minority and low-income communities at large. Within the infrastructure program, there is a disadvantaged business enterprise initiative, which is designed to ensure that minority- and women-owned businesses participate fully in the provision of transportation investments. However, that participation can involve not only participation in specific

contracts as general or subcontractors, but also in training programs and professional development. I think this bodes well for the African American community and other minority communities as we move forward. Also, with the stimulus package, there are some opportunities to transform land that has fallen into disrepair into green spaces where African Americans, other minorities and low-income individuals could live. Also, while I was a Federal Highway Administrator and then Secretary at the Department of Transportation, the *Crosan* decision was finalized by the Supreme Court. As you will recall, this infrastructure case dealt with the question of what parties benefit from not only the investment of the resources, but also from the use of those resources to bring jobs and educational activities to the communities served.

FOCUS: What advice would you give black elected officials as they seek to ensure that the spending for highways and bridges and other infrastructure is used effectively and equitably?

Secretary Slater: Well, I would encourage them to seek to engage this administration in a concerted, strategic manner as major pieces of legislation move through the Congress and are signed into law. Then, at the state and local level, I would encourage them to engage the policy makers who are involved in the distribution process of public resources. Generally, the funds will flow to state transportation departments or, when it comes to transit, local transit authorities. State and local officials can engage the state government, the transit authorities and the local Metropolitan Planning Organization to ensure that their communities are adequately served based on the resources that are provided under the various national programs.

On another topic, I want to say a word about the way the administration is managing the automotive front. When you think about it, this is the industry that was the pathway to success for so many people in urban areas. The automotive industry is historically significant in that sense.

FOCUS: On that note, what is your sense of the administration's management of the Chrysler and General Motors situations?

Secretary Slater: Well, I think that they did everything they could to actually avoid bankruptcy with GM. Still, bankruptcy itself does provide a means in which a business can shed many of the burdens that may limit its future viability. The idea behind declaring bankruptcy is that many of these concessions have been voluntarily provided, which makes them more controlled. Chrysler may, in fact, emerge from bankruptcy today. Further, the hope is for GM to complete the bankruptcy process in 60 to 90 days. That would be a significant turnaround for the auto industry. So, I think that the way they have handled it has been good. I also think that organized labor has really played a very important role in this entire process, building on the significant concessions that have been made in some of the more recent labor/management negotiations. When you talk about stakeholders, I think that labor has recast itself, and this story is going to unfold as labor continues to play the role of a full partner in this process alongside the private sector, the government and other stakeholders.

FOCUS: Are you optimistic for the future of the auto industry?

Secretary Slater: I am. It will be a different industry in many respects, but it can still be a very viable and profitable industry going forward. I think that good days are ahead.

Rodney E. Slater, Esq. is a partner with Patton Boggs, LLP, specializing in advocacy, consultation and advice, and public policy related to transportation and infrastructure, homeland security, defense and technology transfer issues. He was U.S. Secretary of Transportation during the second term of the Clinton Administration. During the first term of the Clinton Administration, he served as Director of the Federal Highway Administration—the first African American to do so. Secretary Slater is a former member of the Joint Center Board of Governors.