

LEGISLATIVE CHRONOLOGY OF THE
DEPARTMENT OF TRANSPORTATION BILL

January 12, 1966 - President's intention to propose a Department of Transportation made in the State of the Union address.

January 14, 1966 - Formation of an interagency Task Force with representatives of the major agencies involved under Bureau of the Budget chairmanship.

January 21, 1966 - Initial draft bill prepared by Commerce Department staff and circulated to Task Force members.

February 1966 - Discussion and resolution of various issues relating to agencies and functions to be included in the new Department.

Agreement was reached that the bill would be concerned only with organizational matters and that maximum flexibility should be provided in his administration of the Department.

March 2, 1966 - President transmits the bill with a special message on transportation.

March 29, 1966 - Opening of Senate hearings.

Senator Magnuson raised several issues which were later to prove controversial, i.e. Section 7 relating to transportation investments (see discussion below); the degree of independence of the Federal Aviation Administrator and the transfer of safety functions from the CAB. Senate hearings recessed until May 3.

April 6, 1966 - Opening of hearings before the House Government Operations Committee.

During the next several weeks of hearings in the House, it became apparent that modifications and amendments to the bill would be required. The Administration supplied the Committee staff with a number of technical amendments but did not attempt at this time to provide language which would resolve the major issues.

May 25, 1966 - Final executive session of House Government Operations Committee.

June 22, 1966 - The House Government Operations Committee reported out the bill by an overwhelming vote.

June 28, 29, 1966 - Final Senate hearings.

August 29, 1966 - Opening of House floor action on the bill.

August 30, 1966 - Passage of the bill after deletion of the transfer of the Maritime Administration from its provisions. Section 7 was also dropped from the House passed bill with the tacit approval of the Administration.

September 1966 - The Administration focused its activity in the Senate where Senators Monroney and McClellan held the key to the fate of the bill. Senator Monroney planned to propose an amendment to vest functions under the Federal Aviation Act directly in the Federal Aviation Administrator. Such an amendment would have seriously undermined the principle of vesting all authority in the Secretary. Thereupon ensued a series of meetings between Senator Monroney's staff and Administration staff to try and find some workable formula to accommodate the varying viewpoints.

September 22, 1966 - Senate Government Operations Committee met in executive sessions. Senator Jackson had taken the formula advanced by Senator Monroney and applied it to other modes as well. In addition, Senator Monroney's views had prevailed and aviation accident investigations was transferred to the NTSB. As originally proposed the Board was to act in a quasi-judicial fashion to determine the cause of transportation accidents, relying on the staff of the Department to conduct the actual investigation. It was to have only a very small staff of assistants, while the large technical staff of investigators, including those from the CAB, were to be in the appropriate elements of the Departments.

September 29, 1966 - The DOT bill passed the Senate (64-2) and was sent to conference. Prior to the meeting of the conference committee the Administration tried to reach a compromise with interested maritime groups to save the Senate passed provision for the transfer of the Maritime Administration. Agreement was not reached and the House conferees insisted on deletion of the Maritime transfer. Other disputed elements of the bill such as the revised Section 7, provision for the execution of certain aviation functions by the Administrator, and the transfer of accident investigations to the NTSB were accepted in the Senate version.

October 13, 1966 - Both Houses accept the conference committee bill.

October 15, 1966 - President Johnson signs the Department of Transportation bill.

Section 7

The most controversial section of the Administration's bill turned out to be "Section 7" dealing with standards for transportation investment. At the outset of the Task Force's deliberations there was agreement that congressional opposition to any radical change in the status of the Corps of Engineers, such as shifting it to the Department or giving the Secretary of Transportation a specific veto over Corps projects, might prove fatal to the bill. On the other hand there was a strong feeling that the Secretary of Transportation must have a role in navigations projects if he was to fulfill the leadership role in transportation which was envisaged for him. As a compromise, Section 7 of the bill was drafted. This section would have allowed the Secretary to establish standards and criteria to be applied to transportation investments of other agencies, which would include navigation projects.

Concern over the section was voiced by Senator Magnuson at the initial hearings. Later in the House, Chairman Fallon of the Public Works Committee expressed reservations and proposed amendments to insure that its provisions would not apply to the Highway Trust Fund. Witnesses representing the

waterways carriers voiced fears that under this section congressional prerogatives were being destroyed and that too much power was being shifted from Congress to the executive branch.

During the House hearings and later while the Committee was considering the bill, a good deal of work was done in trying to explain the intent of Section 7. By early May, Administration spokesman had met informally with inland waterways representatives to get their views and to discuss possible compromise language. Not only was there trouble in the House, it appeared that a basic although as yet unstated demand of Senator McClellan was action to meet some of the Congressional and industry objections to changes the Administration had made in 1964 in the formula for calculating cost-benefit ratios on waterways projects.

By August, it became clear that major concessions would have to be made in order to save Section 7. Within the Administration voices were being raised that it would be best to strike this section from the bill altogether. Others, led by the Budget Bureau, believed useful authority could still be salvaged. Additional fall-back positions modifying Section 7 language were prepared for possible use in negotiation with Senator McClellan.

In the House, the Government Operations Committee modified Section 7 exempting all grant-in-aid programs from the section. When further modifications were proposed on the House floor, Congressman Holifield agreed to delete it altogether and rely on the Senate to salvage the section.

In the Senate, however, the prospects of Section 7 took an undesirable turn. Senator McClellan stated that he would propose an amendment specifically excluding water resources projects from the purview of Section 7. In addition, his amendment would provide that any standards created under authority of the section would be promulgated only after approval by Congress... Moreover, language was to be provided that the so-called "water compelled rates" formula formerly used by the Corps, which had been abandoned at BOB's urging in 1964, was specifically to be laid down as the formula to be used in the future. The Administration was suddenly faced with having Section 7 converted from a useful device for Secretarial policy to an undesirable and probably costly restriction on operations of the Corps of Engineers.

At this point the Administration abandoned hopes of gaining any advantage from Section 7 and expressed its desire to eliminate it from the bill. To its dismay, however, Senator McClellan was adamant about keeping the revised section in the bill. Indeed, he did so and strongly resisted any attempts to remove the provision by the conference committee. As a result, the final bill contains a provision which provides that standards may be promulgated only after approval of the Congress, negating the original intent of the section to strengthen the role of the Secretary of Transportation. The section also places a specific cost-benefit formula in law, restricting the flexibility of the executive branch in developing the most efficient methods of evaluating the budgets of waterways projects.

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