



**REMARKS FOR
CYNTHIA QUARTERMAN
ADMINISTRATOR,
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
NATIONAL ASSOCIATION OF SARA TITLE III PROGRAM OFFICIALS
ANNUAL CONFERENCE
PISMO BEACH, CALIFORNIA
MAY 11, 2010**

Thank you Tim [Gablehouse] for that wonderful introduction and to each of you for giving me the opportunity to speak here today.

Let me say how delighted I am to be here. The Obama Administration, Secretary LaHood, and our team at the Pipeline and Hazardous Materials Safety Administration all appreciate having you as partners in fulfilling our commitment to public safety and environmental protection.

I appreciate the participation of the U.S. Environmental Protection Administration (EPA) in this meeting and I am looking forward to closer cooperation with EPA in improving hazardous materials safety for the nation's communities and emergency responders.

My whole career has been spent on transportation and hazardous materials issues in jobs that spanned both the public and private sector. So, I understand many of the issues and concerns you may have, and am open to hearing any issues of importance to you.

I want to assure you of DOT's commitment to transportation safety. Both the Secretary and Deputy Secretary recently reaffirmed that their first priority is transportation safety. As is mine, ensuring the safety and preparedness of America's emergency responders is an important part of PHMSA's and the Department's mission.

PHMSA & Hazmat Commerce

PHMSA is proud of its safety mission. We oversee the safe and secure movement of over 1 million daily movements of hazardous materials by air, rail, water, and highway. Large volumes of the hazardous materials also move by pipelines, out of the view of most Americans.

It is important that our communities, as well as the workers engaged in hazardous materials commerce, are able to count on the safe and secure transport of these shipments.

Currently, more than 3 billion tons of regulated hazardous materials – including explosive, poisonous, corrosive, flammable, and radioactive materials – are transported each year. And while it is easy for the public to get the wrong impression when they hear the term “hazardous materials,” in reality, we are talking about materials that are essential to our citizens and our economy.

Hazardous materials fuel automobiles, heat and cool our homes and offices, and are used in farming, medicine, manufacturing, mining, and other industrial and food processes. Shipments of hazardous materials frequently move through populated or sensitive areas where an accident could result in loss of life, serious injury, or significant environmental damage.

While we take our regulatory oversight responsibilities at the Department of Transportation very seriously, we also recognize that regulation alone is not enough to fulfill our safety mission. This is why it is important for us to continue to strengthen our relationships with you and the first responder community.

With American businesses creating new technologies containing complex chemical compounds and products, we must all consider their implications on our communities and emergency responders safety. These new chemicals pose very unique emergency response challenges as I am sure you know. Only by working together to understand them can we be ready to help communities prepare. Our concern is less “if” these new products can be moved safely, but “how” – and how we can contribute to making it happen easier and sooner.

PHMSA is refocusing its efforts to help build State and local government hazardous material emergency response capabilities through hazardous materials planning and training The Hazardous Materials Emergency Preparedness (HMEP) Grants Program provides the resources needed to promote effective response to hazardous materials transportation emergencies at the community level.

I am proud to confirm that the National HMEP Grants Program will continue to be funded at approximately \$28 million in FY10 and the President’s budget includes a similar request for FY11.

In a final rulemaking published just this past March 30th, PHMSA amended the statutorily mandated registration and fee assessment program. For the approximately 6,725 hazardous materials shippers and carriers not qualifying as a small business or not-for-profit organization, this rulemaking would adopt a fee increase from \$975 to \$2,975, plus a \$25 administrative fee for registration year 2010-2011 and following years. The fee increase was necessary to fully fund the HMEP Grants Program.

Importance of NASTTPO

This funding will flow to the local emergency responders for hazmat training and Local Emergency Planning Committees (LEPCs) for preparedness planning. DOT could not implement many of its transportation safety emergency and preparedness efforts at the State, Tribal or local level without the assistance of strong stakeholder groups such as the National Association of SARA Title III Program Officials (NASTTPO). You, along with the State Emergency Response Commissions and LEPCs across the country, form the backbone of hazardous materials accident and incident response.

PHMSA wants to work even more closely with you to ensure that funds are used appropriately within the regulated eligible categories. As you probably know, PHMSA has come under withering criticism recently for its oversight of the Hazmat Safety Program. As a result we are redoubling our efforts to assure that all its programs have adequate internal controls. That includes the HMEP Grant Program. We are augmenting our grants staff to provide additional assistance. We need your cooperation to ensure legal requirements are fulfilled and your applications and reports are complete, accurate and submitted in a timely manner.

As the organization of Hazardous Materials Emergency Preparedness professionals, NASTTPO is in a position to positively influence everyday community safety.

All of you come from diverse backgrounds including law enforcement, firefighting, civil defense, first aid, health and environmental response, and transportation to name a few. You are the front line of public safety when hazmat accidents and incidents occur. Thank you for the unique emergency and support services you provide. DOT could not ask for better safety partners.

New Leadership

Since I took over as Administrator I have moved to put in place a strong management team.

Dr. Magdy El-Sibaie is now the Associate Administrator for Hazardous Materials Safety. Dr. El-Sibaie comes to PHMSA from his previous position as the Federal Railroad Administration's Director of Research and Development. We are glad to have someone of Dr. El-Sibaie's vast experience and background on the PHMSA team.

Our new Chief Counsel Biz Scott was sworn in just a few weeks ago. That nearly completes the placement of our entire senior leadership team.

As I said earlier, Secretary LaHood regards transportation safety as the Department's primary mission, and these personnel moves make sure that PHMSA regards safety as its primary mission.

You will be getting greater detail on this year's HMEP Grants Program from our Executive Director Mrs. Tonya Schreiber and the HMEP grant staff during this conference.

HMEP Grants Program Internal Review

Over the past year, Tonya and the PHMSA HMEP grant staff completed a top-to-bottom review of the HMEP Grants Program. That internal review identified several areas in need of attention, to include technology upgrades, more program oversight, and the development of measureable goals and funding priorities. We have prepared an action plan and we are implementing it to eliminate identified problems.

One of our first actions was to integrate more technology into the program. Through the use of a Center of Excellence computer system we were quickly up-and-running with the "Grants Solutions" software program. This new computer system allows PHMSA more internal grants funding controls. This program has allowed us to now manage the grant program electronically; as all of you received your grant awards via email instead of the U.S. Postal Service. We believe our first year using the system has been very successful.

Our plan is to increase PHMSA's HMEP Grants Program staff by three new full-time employees, one of the three has already been hired. This will help to improve grantee services and program evaluations.

Other future plans and goals include improved transparency of the HMEP Grants Program. We are in the process of improving the functionality of our web-site and expanding the information available to aid grantees. We also are looking to improve our outreach to provide one-on-one assistance to answer your technical, closeout and reporting needs and to clarify new grants accountability requirements. I ask that you work closely with our grants staff in improving the overall quality of work produced and the representation of that work.

Grantee Missed Opportunity

Tonya tells me that this year there were several grantees that were not renewed or were turned down for HMEP grants funding. I know from my conversations last night with your Board members how important HMEP Grants are to your programs and how difficult that result must have been for some to accept. Some grant applicants were not approved because they did not use appropriate activities that were grants eligible. Please connect with the HMEP grant team early to iron out your grant application submissions. All of them are more than happy to help you.

Together, as we move forward with change, we will ensure the HMEP grants program provides the optimum value to the nation in contributing to hazardous materials safety.

Safety Culture

Before I close, I would like to discuss what I think is a most important topic – Safety Culture.

None of the efforts of DOT and our local and State transportation partners can succeed unless we all foster an overall Safety Culture. All of us in this room can attest to the fact that our primary mission is in one way or another tied to transportation safety. And, I am sure we can all agree it is not a job that we can do alone.

A true Safety Culture begins with the leaders and managers of an organization who focus the attention and needed resources to meet the safety goals and mission of that organization.

There has to be encouragement and open communication by and between supervisors and employees to bring up and address safety issues.

That Safety Culture then grows and spreads to those outside organizations we work with or come in contact with on a regular basis. Nothing great happens in a vacuum, it requires interaction and cooperation.

The only way we can truly improve on public and environmental safety is to work together on our common goals.

We at PHMSA are here to extend our hand to anyone willing to join us in improving the culture of safety in hazmat transportation.

With your insight and input, we can continue to ensure that key transportation safety programs, and the issues surrounding them, get the attention they deserve.

Together, we can keep the nation's hazmat moving safely, and move our economy to new heights.

I would like to thank each of you again for having me here today.

All of us at PHMSA, and across the Department of Transportation, stand ready and willing to work with you, and are proud to be your partners in hazmat safety.

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