



**U.S. Department of  
Transportation**

**Office of the Secretary  
of Transportation**

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Mark I. Shublak  
Brian J. Paul  
Ice Miller LLP  
One American Square  
Suite 3100  
Indianapolis, IN 46282

GENERAL COUNSEL

400 Seventh St. S.W.  
Washington, D.C. 20590

Dear Messrs. Shublak and Paul:

This is in further response to the August 2006 Joint Petition to Change Time Zones from Central to Eastern (Joint Petition). You filed the Joint Petition on behalf of Daviess, Dubois, Knox, Martin, and Pike Counties in Southwestern Indiana (the Southwestern or Petitioning Counties). The U.S. Department of Transportation (DOT) changed the time zone boundaries for the Southwestern Counties as well as Starke, Pulaski, and Perry Counties in a final rule issued on January 17, 2006.

In September, we responded to the Joint Petition by asking that certain procedural concerns be addressed. Specifically, we asked that each signature page include a certification that the request is the result of official action by the Board of County Commissioners, the vote of the Board members concerning the submission of the Joint Petition, the date of the vote, and the signature for each Board member. We said we would continue our review of the Joint Petition pending receipt of amended signature pages, but will take no action until amended signature pages are submitted. We received your response on November 14, 2006.

We have now completed a review of the Joint Petition and the Exhibits to Joint Petition to Change Time Zones from Central to Eastern (Exhibits) submitted with it. The Joint Petition provides detailed information about time zone impacts on businesses, workers, and the economy; transportation; radio, television, and the print media; and schooling, healthcare, and recreation. In addition, it references mail, safety, and energy impacts. The petition was accompanied by letters from Governor Daniels, the Indiana Economic Development Corporation, and the Indiana Department of Workforce Development. The Governor wrote in support of the Joint Petition, stating that putting more of the State on the same time zone will provide clarity on the time questions and advance economic growth. The two organizations addressed regional connectivity. They noted that they established regions based on their ability to deliver services. They did not establish regions based on time zones or stream of commerce.

We will need additional information before making any determination on whether to propose a time zone boundary change for the Southwestern Counties. We are seeking this information and its sources in an effort to assist DOT in making a careful assessment of the appropriate time zone for the Southwestern Counties. This letter also seeks clarification of some data. Finally, it describes the actions DOT might take in making a decision on the Southwestern Counties' petition.

### **Time Zone Boundary Considerations**

DOT uses a series of questions to assist communities and us in determining the impact of a time zone change on the "convenience of commerce," the statutory standard for a time zone change. We ask that petitions for a time change address, at a minimum, these questions in as much detail as possible. This section is organized around those questions and the Joint Petition's response to those questions. We are requesting additional or updated information and/or clarifications to support the Joint Petition.

1. *From where do businesses in the community get their supplies, and to where do they ship their goods or products?*

The Joint Petition refers to "key statistics" compiled by the Indiana Chamber of Commerce. To support a change to the Eastern Time Zone, the Joint Petition notes that one-third of Indiana's exports are sent to the Eastern Time Zone and over one-half of Indiana's imports come from a "point of origin" in the Eastern Time Zone.

The Joint Petition also refers to the location of Wal-Mart Stores to support a change to the Eastern Time Zone. It lists the three stores that service the five petitioning counties (all within the petitioning counties) and notes that Wal-Mart "has a major distribution center in Seymour, Indiana (Jackson County), which is in the Eastern Time Zone."

With regard to Dubois County, the Joint Petition says that most products are shipped to "major metropolitan areas up and down the East Coast." The Joint Petition recognizes that there are many customers and suppliers in the Midwest and South, but also contends that the "dollar volume of commerce in the county is driven by customers and suppliers in the Eastern Time Zone."

With regard to Knox County, the Joint Petition states that FIA Corporation (Futaba Indiana of America) built "a new manufacturing facility in Knox County to produce internal door frames for Toyota's Princeton, Indiana plant. FIA also ships products to Georgetown, Indiana (in the Eastern Time Zone)."

In order to assess the impact of a time zone change on businesses, it would be helpful if you would:

- Provide an explanation of how the “key statistics” from the Indiana Chamber of Commerce support a time zone change. If two-thirds of products are exported to locations in other than the Eastern Time Zone and just less than one-half come from a point of origin other than the Eastern Time Zone, how does being in the Eastern Time Zone serve the convenience of commerce?
- Provide the hours of operation for the Wal-Mart stores referenced in the Joint Petition, the location of the distribution centers from where they receive their products and the source of the information, and how a particular time zone serves the convenience of commerce.
- Explain how being in the same time zone will serve the convenience of commerce with regard to Dubois County businesses with customers “up and down the East Coast” since Dubois County has historically been on a different time than its suppliers and customers 7 months out of the year. (Although located in the Eastern Time Zone prior to April 2006, Dubois County did not observe Daylight Saving Time.)
- Clarify whether FIA’s products are shipped to Georgetown, Indiana, or Georgetown, Kentucky.
- Address the location of FIA’s other plants, the products they produce and where those products are shipped, and how a particular time zone serves the convenience of commerce.

2. *From where does the community receive television and radio broadcasts?*

The Joint Petition includes two charts (pages 6-7) of the strongest AM and FM radio signals. For example, for Knox County’s AM stations, it lists WAOV, WAKO, and WIBC. While Exhibit page 29 includes these three stations, it also includes several others. Exhibit page 41 does not list WIBC with a marking of “very strong signal” but indicates that WRAY, in Princeton, Indiana, located in the Central Time Zone, is among the strongest signals.

The Joint Petition states that the counties are served by “various cable systems and a variety of satellite systems, as well, which for the most offer programming that is not time-zone specific.”

To ensure the accuracy of the data upon which DOT will assess from where the community receives radio and television broadcasts, we request that you:

- Review and clarify or correct, if necessary, the information in the Joint Petition as it relates to AM and FM radio signals and the time zones from which they originate.

- List the channels offered by any cable providers in each county that could be described as locally generated and the location and time zone of the broadcasts.
- Provide any additional information as to why the Eastern Time Zone serves the convenience of commerce for purposes of radio and television as opposed to just keeping the Southwestern Counties in the same time zone.

3. *Where are the newspapers published that serve the community?*

With regard to newspapers that serve the Southwestern Counties, the Joint Petition states that the *Indianapolis Star*, published in the Eastern Time Zone, has a circulation of 4,251 and that the *Evansville Courier and Press*, published in the Central Time Zone, has a circulation of 12,740. The petition notes in footnote 23 that the *Evansville Courier and Press* is not delivered in Martin County. Although the Joint Petition does not cite to a particular exhibit in support of this statement, in providing circulation numbers, the Joint Petition referred to Exhibits pp. 48-49. Exhibit page 49 is an email from Dwayne Bivona, Circulation Director, Evansville Courier Company.

With regard to local news, the Joint Petition lists local newspapers serving the Southwestern Counties and the county of publication and the time zone “if the petition is granted.” The Joint Petition concludes, “Given that residents of the Petitioning Counties receive their local news from papers in or adjacent to their own counties, it best serves the convenience of commerce if all of the Petitioning Counties are transferred together to the Eastern Time Zone.”

The Joint Petition discounts the overwhelming circulation of the *Evansville Courier and Press* over the *Indianapolis Star* in the Southwestern Counties, by noting that these newspapers “almost exclusively focus on national news and news particular to their cities.”

With regard to newspaper publishing, it would be helpful if you would:

- Confirm the circulation information with regard to Martin County. (Information submitted to the docket indicates that the *Evansville Courier and Press* is distributed in Martin County. See Document OST 2005-22114-5454.)
- Address the advertising in the *Evansville Courier and Press* and the *Indianapolis Star* and how it affects businesses and consumers in the Southwestern Counties.
- Provide any additional information as to why the Eastern Time Zone serves the convenience of commerce for purposes of newspaper

publishing as opposed to just keeping the Southwestern Counties in the same time zone.

4. *From where does the community get its bus and passenger rail services; if there is no scheduled bus or passenger rail service in the community to where must residents go to obtain these services?*

With regard to bus service, the Joint Petition states, “Given that three of the four nearest major bus stations are on Eastern Time, the citizens of the Petitioning Counties are best served by being transferred together to Eastern Time.”

The Joint Petition refers to CSX, Norfolk Southern, and Indiana Southern Railroad rail lines and the movement of goods on these lines. The Joint Petition is silent as to passenger rail service.

DOT has no additional questions concerning bus service. However, in order to assess the impact of a time zone change on passenger rail service, it would be helpful if you would:

- Address the availability of passenger rail service to residents of the petitioning counties and how changing to the Eastern Time Zone would impact such services.

5. *Where is the nearest airport; if it is a local service airport, to what major airport does it carry passengers?*

The Joint Petition states, “The region is served by three major airports, one in Central Time (Evansville) and two in Eastern Time (Indianapolis and Louisville). While the Evansville airport is closest for some residents in some parts of the Petitioning Counties, it offers the least number of daily departures (only about 35), and in many instances these flights are not direct flights but connections to Indianapolis or Louisville. *See Exhibits p. 57.*” In addition, the Joint Petition also states that “nearly all of the *Indiana-based* local airports would be in the Eastern Time Zone if this Petition is granted.”

In order to assess the impact of a time zone change on passenger air travel, it would be helpful if you would:

- Clarify whether the flights arriving and departing Evansville Regional Airport are connecting flights to and from Indianapolis or Louisville or direct flights.
- Provide a list of all of the *Indiana-based* local airports that carry passengers and their current time zone.

6. *What percentage of residents of the community work outside the community; where do these residents work?*

The Joint Petition notes, “The majority of workers live and work in their home counties.” For those that work outside of their home counties, the Joint Petition relies on commuting patterns for the Indiana Department of Revenue.

DOT has no additional questions concerning this issue.

7. *What are the major elements of the community’s economy; is the community’s economy improving or declining; what Federal, State, or local plans, if any, are there for economic development in the community?*

The Joint Petition states, “The Petitioning Counties are on the periphery of the regional, Evansville-based economy and have stronger economic and cultural connections to each other and the interior counties currently on Eastern Time than they do with the relatively few counties at the southern tip of Indiana on Central Time.” It further notes, “A significant project that will impact the economies of all of the Petitioning Counties in the years ahead is the extension of Interstate 69 (“I-69”) between Indianapolis and Evansville.” Two speeches by Congressman John Hostettler were provided in support at Exhibit pages 79-85.

With regard to Knox County, the Joint Petition provides information on the community’s economy and notes that healthcare and education are the two largest employers and then comments on other employers noting that the “manufacturing sector has experienced a 21% growth in job creation since 2001.”

With regard to Martin County, the Joint Petition raises the criticality of Crane Naval Surface Warfare (Crane) and its need to be located in the Eastern Time Zone. Exhibit page 127 is a letter signed by Crane’s employee organization leaders.

In order to assess the impact of a time zone change on the community’s economy, it would be helpful if you would:

- Provide updated information on the economic impacts of the expansion of the I-69 corridor in the Southwestern Counties.
- Provide an assessment of the relationship of Knox County’s economy with Toyota Motor Manufacturing Indiana in Gibson County.
- Explain how being in the Central Time Zone hinders Crane’s operations since Martin County has historically been on the same time as areas observing Central Daylight Savings Time 7 months out of the year.

8. *If residents leave the community for schooling, recreation, health care, or religious worship, what standard of time is observed in the places where they go for these purposes?*

### *Schooling*

The Joint Petition notes that there are no school districts in the Petitioning Counties that are in more than one time zone. However, it also states that schools in these districts must cross time zones for sporting events and that time zones differences have created “scheduling difficulties for students who must travel back and forth across time zones just to go to classes.” The Joint Petition provides statistics for vocational students in Martin County.

In order to assess the impact of a time zone change on schooling, it would be helpful if you would:

- Provide, as an example of time zone differences, the fall schedule (for one sport) for high schools in the petitioning counties and the county and time zone in which the opponent schools are located.
- Provide statistics for vocational students in Petitioning Counties, other than Martin County, who must who must travel back and forth across time zones just to go to classes.

### *Recreation*

The Joint Petition states, “Recreational facilities are fairly distributed evenly throughout the Petitioning Counties.” In addition, the Joint Petition specifically refers to a variety of sporting events and opportunities for golfers, boaters, tennis players, and people who fish.

The January 2006 Final Rule notes that the President and General Manager of Holiday World & Splashin’ Safari, a theme park in Spencer County, wrote in support of moving Dubois County to the Central Time Zone, based on the close economic ties to Perry, Spencer, and Pike Counties. He said that a time zone boundary between Spencer and Dubois counties would have a negative impact on visitors to the theme park and noted that 26% of seasonal employees commuted from Dubois County.

In order to assess the impact of a time zone change on recreation, it would be helpful if you would:

- Provide comments on time zone change as it relates to recreation and tourism surrounding Holiday World & Splashin’ Safari and the Southwestern Counties.

### *Healthcare*

The Joint Petition includes a list of primary local hospitals (page 29). Under Knox County it lists Lawrence County Memorial Hospital as being in the Eastern Time Zone.

The Joint Petition notes that “the best and closest specialty hospitals” are located in Indianapolis and Louisville, both in the Eastern Time Zone. It states, “There are no comparable hospitals with world-renowned specialists and facilities located in the Petitioning Counties.”

In order to assess the impact of a time zone change on healthcare, it would be helpful if you would:

- Clarify whether Lawrence County Memorial is located in Lawrence, Illinois, or Lawrence County, Indiana, and the time zone in which the hospital is located.
- Provide, if available, the number of patients from the petitioning counties seeking medical treatment in hospitals in Indianapolis and Louisville. (See, e.g. Good Samaritan Hospital “Health Connections,” Volume 14, 2004; Document OST-2005-22114-5520, which has a map of Indiana with county boundaries and the number of patients from each. See also Amended Petition from Pulaski County, Document OST-2005-22114-5406, pages 22-23.)

### *Religious Worship*

DOT has no additional questions concerning this issue.

### *Regional Connections*

In the original rulemaking proceeding to change time zone boundaries from the Eastern Time Zone to the Central Time Zone, petitioning counties and commenters advocated for a move by referring to their ties to other Indiana counties currently in the Central Time Zone. Many referred to data from STATS Indiana, an information service of the Indiana Business Research Center at Indiana University’s Kelly School of Business. This includes Indiana Annual Commuting Trends Profile, based on Indiana IT 40 returns for tax year 2003. Commenters also referred to data from the Indiana Economic Development Corporation (IEDC), the Indiana Department of Workforce Development, the Indiana Department of Transportation and the Indiana Department of Education, and Designated Media Markets as defined by the Nielsen for use in television ratings.

DOT carefully reviewed these data and utilized them in reaching its decision. DOT recognizes the importance of regional connections and the benefits of similar time zones and regional ties among counties. As described in the January 2006 Final Rule’s summary of the hearings and comments to the docket, the Southwestern Counties have strong regional ties to each other and Central Time Zone Counties. DOT stated, “While Daviess, Dubois, Knox, Martin, and Perry border other Indiana counties in the Eastern



Time Zone, their ties to those counties is not as strong as they are to each other and to other counties to their south, which are currently in the Central Time Zone. Along with Pike, these counties are located in the same workforce, commerce, transportation, and education regions designated by Indiana.” Remaining in the same time zone and maintaining their regional ties better position counties to realize advantages in economic, cultural, social, and civic activities, thereby serving the convenience of commerce.

The Joint Petition does not address regional connections, as a specific, separate issue. It does, however, address regional connectivity as part of its answers to the questions raised by DOT. As noted above in response to Question 7 concerning the community’s economy, the Joint Petition concludes, “The Petitioning Counties are on the periphery of the regional, Evansville-based economy and have stronger economic and cultural connections to each other and the interior counties currently on Eastern Time than they do with the relatively few counties at the southern tip of Indiana on Central Time.” Regional connections are also addressed in letters from the Indiana Economic Development Corporation and the Indiana Department of Workforce Development.

The Joint Petition also refers to the United States Bureau of Economic Analysis (BEA) in its discussion of Martin County’s economy. (See page 23). According to BEA’s website, “BEA produces economic accounts statistics that enable government and business decision-makers, researchers, and the American public to follow and understand the performance of the Nation's economy. To do this, BEA collects source data, conducts research and analysis, develops and implements estimation methodologies, and disseminates statistics to the public. BEA's economic areas define the relevant regional markets surrounding metropolitan or micropolitan statistical areas. They consist of one or more economic nodes - metropolitan or micropolitan statistical areas that serve as regional centers of economic activity - and the surrounding counties that are economically related to the nodes.” (Emphasis added.) With the exception of Knox County, the Southwestern Counties are in BEA area 54, called the Evansville, IN-KY area, with other counties that are in the Central Time Zone. (Knox County is in a BEA area with counties in both the Central and Eastern Time Zones.)

In order to assess the impact of a time zone change on businesses, it would be helpful if you would:

- Address the regional connectivity of the Southwestern Counties with the other counties that are included in BEA area 54 as compared to other counties in the Eastern Time Zone.

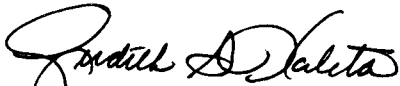
### **Departmental Next Steps**

DOT remains open to considering a time zone change for the Southwestern Counties if the change would be for the convenience of commerce. No further action will be taken on the Joint Petition until DOT receives a response to this letter. Upon receipt of additional information, DOT will thoroughly review the information to determine whether the Southwestern Counties have provided enough information to justify proposing to change

the Southwestern Counties from the Central Time Zone to the Eastern Time Zone. If we find that the Southwestern Counties have not provided enough information to justify proposing a change, we will deny the Joint Petition. If we find that the Southwestern Counties have provided enough information to justify proposing a change, we will issue a Notice of Proposed Rulemaking and provide a 30-60 day comment period. At the close of the comment period, we will analyze the comments submitted and decide whether to withdraw the proposal (and deny the Joint Petition) or issue a final rule. In order to avoid unnecessary confusion, DOT's final rules concerning time zone boundaries are usually effective on the appropriate changeover date between daylight saving time and standard time.

If you believe it would be useful, we are willing to have a telephone conference with the Boards of Commissioners and you to answer any questions. To schedule a call, please contact Brian Elson, Office of Government Affairs, at 202-366-9714.

Sincerely,



Judith S. Kaleta  
Senior Counsel for Dispute Resolution