

TALKING POINTS PREPARED FOR  
SECRETARY OF TRANSPORTATION ELIZABETH HANFORD DOLE  
TO THE DES MOINES CHAMBER OF COMMERCE  
JULY 22, 1985

INTRODUCTION

\* THANK YOU, HARLAN "BUD" HOCHENBERG (FIRST VICE PRESIDENT OF THE GREATER DES MOINES CHAMBER OF COMMERCE) FOR THAT GRACIOUS INTRODUCTION.

\* MAC BALDRIGE STORY; "HALF A GRAPEFRUIT" OR:  
I'M REMINDED OF THE STORY OF THE OLD FARMER WHO FINALLY EQUIPPED HIMSELF WITH A NEW TRACTOR TO DO HIS PLOWING, AND HE FOUND HIMSELF WITH AN OLD SURPLUS MULE ON HIS HANDS. SO HE RAN A NOTICE IN THE PAPER ADVERTISING THE MULE FOR SALE. IN A DAY OR SO, A CITY SLICKER CAME TO THE FARM. HE WAS INTERESTED IN BUYING THE MULE. HE WAS IN SUCH A HURRY THAT HE DIDN'T ASK ANY QUESTIONS. HE JUST PAID THE FARMER AND LOADED THE MULE INTO THE TRAILER. THE NEXT DAY, THE CITY SLICKER DROVE UP HOPPING MAD. "THAT MULE IS BLIND," HE SAID. "I

TURNED THE ANIMAL OUT INTO A PASTURE, AND THE MULE GALLOPED HEADFIRST INTO A TREE. THEN THE MULE GOT UP AND GALLOPED INTO YET ANOTHER TREE." "NAW, MISTER," THE FARMER REPLIED. "THAT MULE JUST DON'T GIVE A DARN."

\* DELIGHTED TO MEET WITH THIS GROUP OF IOWA'S CIVIC AND BUSINESS LEADERS. I WISH I COULD GET TO DES MOINES NEXT MONTH TO VISIT THE FAMOUS IOWA STATE FAIR (A MAJOR TOURIST ATTRACTION IN THE STATE IN AUGUST).

\* VALUE YOUR COUNSEL AND APPRECIATE THIS OPPORTUNITY TO DISCUSS TRANSPORTATION ISSUES WITH YOU.

\* IOWA STANDS IN A CLASS BY ITSELF AS AN AGRICULTURAL STATE. IT SELLS OVER \$10 BILLION WORTH OF CROPS AND LIVESTOCK ANNUALLY. AND ALTHOUGH IOWA PRODUCES A TENTH OF THE NATION'S FOOD SUPPLY, THE

VALUE OF IOWA'S MANUFACTURED PRODUCTS IS THREE TIMES THAT OF ITS AGRICULTURE.

\* TRANSPORTATION IS AT THE HEART OF MUCH OF THE ECONOMIC ACTIVITY ESPECIALLY VITAL TO AN AGRICULTURAL STATE. IOWA'S RAILROADS, HIGHWAYS AND INLAND WATERWAYS ARE AN ESSENTIAL LINK BETWEEN FARM AND MARKET, FACTORY AND WHOLESALER, PRODUCER AND CONSUMER. I'M HERE TO ASSURE YOU WE ARE COMMITTED TO DOING EVERYTHING WE CAN IN WASHINGTON TO PRESERVE THAT TRANSPORTATION SYSTEM AND TO IMPROVE ITS EFFICIENCY AND SAFETY.

#### AVIATION

\* STATEWIDE, AIR SERVICE TO IOWA HAS BENEFITTED FROM DEREGULATION -- DEPARTURES ARE UP 9.4 PERCENT SINCE DEREGULATION. IN DES MOINES, DEPARTURES ARE UP ALMOST 12 PERCENT SINCE DEREGULATION.

\* AVIATION SECURITY: FOLLOWING HIJACKING OF TWA FLIGHT 847 IN ATHENS; INCREASE AIR MARSHALS AND SECURITY TRAINING FOR FLIGHT AND CABIN CREWS; SECURITY COORDINATORS; SURVEILLANCE OF AIRCRAFT WHILE BEING SERVICED; NEW BAGGAGE SECURITY RULES; HOLDING CARGO FOR PERIOD OF TIME OR X-RAY OR INSPECTION OF FREIGHT, CARGO AND MAIL; PROHIBITING SALES OF TICKETS TO LEBANON; REVOKED AUTHORITY OF MIDDLE EAST AIRLINES.

\* AVIATION SAFETY: "WHITE GLOVES" INSPECTION OF 350 AIR CARRIERS; ON-GOING INSPECTION OF GENERAL AVIATION; INCREASE OF SAFETY INSPECTORS BY 25 PERCENT.

#### HIGHWAYS

\* THE INTERSTATE SYSTEM IS ESSENTIALLY COMPLETE IN IOWA -- ALMOST ALL OF THE 782-MILE SYSTEM IS OPEN TO TRAFFIC.

\* DUE TO THE 1982 NICKEL-A-GALLON INCREASE IN GASOLINE TAXES, WE'VE BEEN ABLE TO DOUBLE THE AMOUNT OF MONEY GOING TO THE STATES FOR REPAIR OF ROADS AND BRIDGES. FOR IOWA, THAT HAS MEANT THE DIFFERENCE BETWEEN \$91.7 MILLION IN FUNDS IN 1982 AND RECEIVING \$212.5 MILLION IN APPORTIONED FUNDS FOR FISCAL YEAR 1985. THIS YEAR, IOWA WILL RECEIVE \$38.3 MILLION IN APPORTIONED "4R" FUNDS TO IMPROVE ROADS AND BRIDGES IN THE STATE.

#### MASS TRANSIT

\* IOWA RECEIVED JUST OVER \$8 MILLION IN OBLIGATED FUNDS IN FISCAL YEAR 1984 FOR MASS TRANSIT CAPITAL AND OPERATING SUBSIDIES.

\* DES MOINES RECEIVED \$2.7 MILLION FOR MASS TRANSIT CAPITAL AND OPERATING SUBSIDIES IN FISCAL YEAR 1984 FOR CONSTRUCTION OF THE WALNUT STREET TRANSIT MALL AND BUS EQUIPMENT.

CONRAIL

\* A MAJOR ITEM ON OUR NATIONAL TRANSPORTATION AGENDA. IN 1981, CONGRESS DIRECTED US TO TAKE THE GOVERNMENT OUT OF THE FREIGHT RAILROAD BUSINESS. CONRAIL ORIGINALLY SEVEN BANKRUPT OR FAILING RAIL COMPANIES IN THE NORTHEAST AND MIDWEST. NORFOLK SOUTHERN -- \$1.2 BILLION IN CASH AT CLOSING; SURRENDER OF TAX BENEFITS (\$1.8 BILLION IN NET OPERATING LOSSES AND \$306 MILLION IN INVESTMENT TAX CREDITS); COVENANTS ARE THE HEART OF THIS PROPOSAL.

\* SHIPPERS IN THE MIDWEST AND PLAINS STATES WILL MOST LIKELY SEE NO CHANGE IN THE SERVICE THEY NOW RECEIVE WHEN INTERCONNECTING WITH CONRAIL. THE NORFOLK SOUTHERN-CONRAIL PLAN PROVIDES FOR RETENTION OF ROUTES FROM THE MIDWEST GATEWAYS TO THE PARTS OF THE NORTHEAST REGION THAT ARE NOW SERVED BY CONRAIL. AS A RESULT OF THE POTENTIAL

DIVESTITURE OF LINES BY THE NORFOLK SOUTHERN TO GUILFORD TRANSPORTATION INDUSTRIES, THE SAME NUMBER OF COMPETITIVE CHOICES WILL STILL BE AVAILABLE TO SHIPPERS USING THE CHICAGO AND ST. LOUIS GATEWAYS.

\* (NOTE: IOWA IS ONE OF FIVE MIDWESTERN STATES WHICH HAVE TAKEN A POSITION AGAINST THE PROPOSED SALE OF CONRAIL TO THE NORFOLK SOUTHERN BECAUSE OF THE PERCEIVED NEGATIVE IMPACT ON REGIONAL CARRIERS SERVING THE STATES. THREE REGIONAL RAILROADS THAT OPERATE IN IOWA, CHICAGO AND NORTH WESTERN, SOO-MILWAUKEE AND ILLINOIS CENTRAL GULF, HAVE ARGUED THAT A NORFOLK SOUTHERN ACQUISITION OF CONRAIL WOULD DIVERT SUBSTANTIAL TRAFFIC AND REVENUE FROM THEIR OPERATIONS AND THREATEN THEIR LONG TERM VIABILITY.)

HIGHWAY SAFETY

\* SAFETY HIGHEST PRIORITY; BIGGEST SAFETY CHALLENGE ON OUR NATION'S HIGHWAYS, WHERE 92 PERCENT OF TRANSPORTATION FATALITIES OCCUR.

\* DECISION ON AUTOMATIC CRASH PROTECTION -- WE NOW HAVE IN PLACE A RULE THAT IS ACTUALLY SAVING LIVES. A TOTAL OF 14 STATES HAVE ALREADY PASSED MANDATORY SAFETY BELT USE LAWS. IN THE FIRST FIVE MONTHS THE NEW YORK LAW WAS IN EFFECT, 104 LIVES WERE SAVED, A 24 PERCENT DECREASE OVER THE SAME PERIOD LAST YEAR. (NOTE: A BELT LAW IN IOWA PASSED THE STATE SENATE, BUT DIED IN THE HOUSE COMMITTEE.)

\* DRUNK DRIVING; MADD, BADD, SADD; 37 STATES HAVE AGE 21 DRINKING LAWS. (NOTE: THE MINIMUM DRINKING AGE IN IOWA IS 19 FOR ALL ALCOHOLIC BEVERAGES.)

CONCLUSION

\* DELIGHTED TO HAVE THIS OPPORTUNITY TO MEET WITH YOU. I WOULD BE GLAD TO ANSWER ANY QUESTIONS YOU MIGHT HAVE.

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