

State of the Union

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Our republic spans a large continent and reaches beyond its western shores into the Pacific. In sheer physical terms the unity we enjoy would not be possible without our magnificent transportation system. Our network of highways, railways, seaways and airways provides our people unparalleled commercial and personal mobility.

Our transportation industry is at the threshold of a refreshing new era of economic freedom. Thousands of regulations, numerous regulatory offices, and even an entire regulatory agency -- the Civil Aeronautics Board -- have been abolished during our Administration. In the transport industry that has experienced the most dramatic deregulation, the airlines, consumers are enjoying lower prices, more choices and improved services, and the industry is much healthier for it. While we will continue to remove economic constraints on aviation we will maintain strict oversight of safety standards.

Elsewhere in transportation we will propose further deregulation of the trucking industry and continue to lift needless restraints on bus and railroad industries. The Shipping Act of 1984 streamlined maritime regulations and will enable America's Merchant Marine to be more competitive in international waters.

Secretary Elizabeth Dole is making important strides toward getting government out of the transportation business. Under her direction we are turning over major transportation operations from government to private hands -- as with the freight railroad (Conrail) which we hope to sell this year. And to state and local authorities -- as with our transfer of the Alaska Railroad to Alaska last month and our plan to transfer to local control the two major airports serving our nation's capital. In every

sector of transportation, we will stand firm against any attempt to reimpose government regulation where it does not belong.

We are also ready to launch a new era in our nation's highway system. Before anything else is done, Congress must act to end the impasse over the so-called Interstate Cost Estimate. More than seven billion federal highway dollars earmarked for the states have been held up from distribution since last October because of the insistence by some in Congress that the Administration approve more than 70 new highway projects costing several billions of additional dollars. I appeal to the Congress to release these funds without further delay, and without the attachment of projects we cannot now afford. Secretary Dole has just transmitted emergency legislation to that end.

That is only the first step. After the monies are distributed to the states, we must reduce the federal government's role in the nation's road system. In the spirit of federalism, Washington's proper concern is not with local roads, only with the major interstate highways on which our national commerce depends. Construction of our magnificent interstate highway system, begun during President Eisenhower's Administration, is for practical purposes now completed. With this achievement, the time is right for us to reduce federal restraints on the states' prerogative to manage their own highway resources. I will ask the Congress for legislation to forge a new relationship between the federal government and the states on highway matters, returning more power and funding to authorities closer to the people.

Even as we restore proper freedoms to the marketplace and power to the people, we must not risk American lives and resources with anything less than the most prudent safety measures. Thanks to grassroots efforts, there is renewed concern about auto

safety devices and growing awareness that alcohol is the crucial factor in half our fatal highway accidents. The appalling waste of innocent human life on the highways has prompted the Administration to urge states to raise the drinking age to 21 and to encourage the use of seatbelts by auto drivers and passengers. To confront a parallel problem, we are taking stronger measures against alcohol and drug use on the job by personnel in all the sectors of public transportation.

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