

SECRETARY OF TRANSPORTATION ANDREW H. CARD, JR.
SOBRIETY CHECKPOINT PRESS CONFERENCE
JULY 1, 1992
WASHINGTON, D.C.

- Thank you, Ms. Milo (PRONOUNCED MY-LO) Kirk (MADD national president) for that introduction. And thanks to all MADD members everywhere for a truly remarkable 12 year partnership with the Department of Transportation -- one that certainly has reduced death and destruction by drunk drivers on our highways.
- "National Sobriety Checkpoint Week" is one of newest initiatives in this partnership.
- Our strategy has been to change and toughen the laws, see those laws enforced and reshape the attitude of people who drive.
 - Together, we supported a National Minimum Drinking Age Law and then worked to bring all states into compliance with it.
 - Together, with DADD and SADD, we supported a national designated driver program.
 - Together, we are working to convince Americans that safety belts are the best defense against drunk drivers.

- There have been other initiatives, and there will be many more. Although alcohol-related traffic fatalities dropped nearly 10 percent between 1990 and 1991-- marking the lowest alcohol fatality toll since 1982-- our work is far from finished.
- As Milo pointed out, we meet today on the eve of the deadliest holiday weekend of the year. More people are killed in highway fatalities over the July 4th weekend than at any other time.
- The carnage is senseless. If you have any doubts, ask Peg McCormick who is here from Lebanon, Connecticut. Her only two children were killed by a drunk driver on July 4, 1986.
- Or, ask George Murphy who is here from South Jacksonville, Illinois. He lost his daughter to a drunk driver on July 4, 1984. And there are thousands more relatives of such victims.
- Just yesterday I announced a new incentive grants program for states totaling \$25 million to battle drunk driving. One of the qualifications for the grant program is that the states have a statewide sobriety checkpoint program.
- These checkpoints are a tried and proven weapon against alcohol and drug impaired drivers who take to our streets and highways during the holiday.

- The public strongly supports sobriety checkpoints -- simply because they save lives.
- Many of you who are out on the highways this weekend may find more than one checkpoint -- because we mean business in keeping drunk drivers off the roads.
- Officers at those checkpoints will also be looking for drug users. And they will be checking to make sure motorists are buckled up and children are secured in child safety seats.
- In a few minutes we will test new state-of-the-art equipment to be used to detect alcohol impaired drivers. They are called Passive Alcohol Sensors.
- If you are stopped at a sobriety checkpoint this weekend, you may feel inconvenienced for a few moments. But consider yourselves lucky -- know that you are a part of a life-saving operation.
- As Secretary of Transportation, I have given my pledge to MADD and other similar organizations that the Department of Transportation and the National Highway Traffic Safety Administration will do all it can to support your programs. We must keep the problem of drunk driving at the very top of our list of priorities.

- We cannot afford to rest until every last drunk driver is off our nation's highways and streets -- and sobriety checkpoint are just one more effective means to accomplish that goal.
- Remember: With safety there is no finish line.

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SECRETARY OF TRANSPORTATION ANDREW H. CARD, JR.
AMVER AWARDS CEREMONY

JULY 3, 1992

NEW YORK CITY, NEW YORK

Event: Brief remarks.

- Thank you very much, Vice Admiral Welling, for the invitation to be here this evening. I'd like to welcome our guests from across the state and across the seas. It's a pleasure to be in the same room with so many distinguished members of the maritime community.
- As the old saying goes -- "A man who is not afraid of the sea will soon be drowned." Having been in the Merchant Marine I can attest to the fact that the ocean is no place for complacency. Storms, reefs, and ship accidents can and do happen to the best of captains, and without timely assistance an emergency can turn into a tragedy. That's why maximum participation in the AMVER network is crucial.
- No doubt, if an AMVER vessel would have been around when the S. S. Minnow went aground, the Skipper and the others would have been rescued earlier from Gilligan's Island!

- AMVER, as you all know, uses a sophisticated data base to provide vital search and rescue information. However, these computers -- advanced as they are -- can only relay information.
- What really makes the system work is the commitment of vessel masters, radio officers, owners and others who turn that information into lifesaving action. By voluntarily joining AMVER you have shown your willingness to put human life above considerations of cargo, profit, or nationality.
- One of the best things about the AMVER network is its international character. The fury of the sea knows no flag or registry. And when your ship is sinking you don't ask the nationality of the person throwing you the life preserver.
- We have numerous examples of adversaries helping each other on the high seas. In fact, the first Severe Storm at Sea Rescue Award went to a Coast Guard Cutter crew which saved a number of Russian sailors.

- AMVER is truly a unique coupling of high technology with humanitarian principles. It is a prime example of turning swords into plowshares. In 1958 when the network was created, the Cold War was in full swing. Yet, there were visionaries who saw the potential for peaceful application of this technology -- who sought to sow the seeds of international cooperation through its wider application.
- If the AMVER system is going to continue to succeed, we need more international cooperation. More ships need to be registered. More captains and companies need to become involved. We need to see more ships flying the colored AMVER pennants -- especially the purple ones, which signify 10 years of service.
- We salute all of you who willingly became members of the lifesaving AMVER network. A network which has made a difference in the lives of many a stranded sailor on board a sinking ship.
- Keep up the good work.
- On that note I give you my good friend Admiral J. William Kime -- Commandant of the United States Coast Guard.

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SECRETARY OF TRANSPORTATION ANDREW CARD, JR.
TALL SHIPS PARADE OF SAIL
JULY 4, 1992
NEW YORK, NEW YORK

Thank you, Walter (Cronkite) ... and a special welcome to Prince Phillip of Spain. Mayor Dinkins, distinguished guests, fellow Americans:

It was said of Columbus that he believed his discovery of the new lands beyond the gates of Hercules would usher in the Apocalypse -- the end of time.

In a way he was right -- for his voyages meant the end of the world as the Europeans and all the civilizations of the Americas knew it. With the massive exchange and encounter of peoples, foods and animals that came in Columbus' wake, a fantastic transformation took place throughout the societies of the Old and New Worlds. As these "seeds of change" took root on every continent, the boundaries of tradition were forever altered.

Columbus' voyage also meant a new beginning. For out of this crucible of cultures -- this mix of peoples from every corner of the globe -- an entirely new civilization arose here on this continent: an American civilization.

One based upon the principles of liberty, equality and democracy. Principles we celebrate each 4th of July -- America's Independence day.

Columbus' voyage was "apocalyptic" for another reason. Apocalypse comes from the Greek word "to be revealed" -- and more was revealed than simply the New World to the Old. What was also revealed was man's insatiable quest for knowledge -- the need to discover and explore no matter what the odds or the risk.

"We Americans celebrate discovery" -- President Bush recently said at a dedication ceremony marking Columbus Day -- "because we're never satisfied, because we are ever romancing the next horizon."

This need to explore, to surmount almost any difficulty is part of our seafaring tradition. From our first days as a nation, we sent ships to explore our waterways and to seek new passages to the Far East for commerce.

This seafaring spirit of exploration continues today, of course, but no longer by clipper ships seeking new and quicker routes. Instead, it's underwater vessels exploring the unfathomable depths of the oceans, or space craft exploring the outer reaches of the heavens.

So the age of discovery is far from over. And like Columbus, we too seek to probe the secrets of the world.

What wonders will be revealed to us, again, is anyone's guess. But after 500 years, the adventure of exploration--which truly began with Columbus' voyage -- will continue well into the 21st century.

Thank you.

SECRETARY OF TRANSPORTATION ANDREW H. CARD, JR.
ACCEPTING GIFT FROM ITALY ON BEHALF OF PRESIDENT AT 10:45 A.M. AS
THE SHIP AMERIGO VESPUCCI PASSES THE REVIEWING STANDS
JULY 4, 1992
NEW YORK, NEW YORK

Thank you very much, Ambassador **Boris Biancheri** (Bee-ahn-kerri). On behalf of President George Bush and the American people, I accept this beautiful gift -- the Columbus Sail -- from the people of Italy. The monument is a symbol of the lasting ties and close friendship that bind our two nations. It will keep Americans ever mindful that Christopher Columbus' urge "to navigate, to fly, to dream," forever linked the Old World and the New.

Be assured that this magnificent sculpture will rest in a place of honor in our country -- for all Americans to view and treasure in the decades and centuries ahead. Mr. Ambassador, please take home to Italy the gratitude and good wishes of the President of the United States and the American people.

###

SECRETARY OF TRANSPORTATION ANDREW H. CARD, JR.
QUEEN ELIZABETH II CEREMONY
JULY 4, 1992
NEW YORK, NEW YORK

Foreign Minister **Luis (Lu-ees) Yanez-Barnuevo** (**Jah-nes-Bar-new-a-vo**), Ambassador **Boris Biancheri** (**Bee-ahn-kerri**), distinguished guests, ladies and gentlemen. As Secretary of Transportation and head of the United States Coast Guard, it is my pleasure to welcome you and the maritime world to New York Harbor.

Special thanks to Captain **Robin Woodall** for the gracious hospitality aboard the QE II -- and to **Dermot McDermott**, Chairman of Cunard Cruise Lines. You should be very proud of this outstanding vessel.

Congratulations to **Frank Donatelli**, Chairman of the U.S. Quincentenary Commission, and Dr. **Luis Lobato**, President of the Grand Columbus Regatta International Technical Committee. As this scene in New York harbor attests -- you have both provided remarkable leadership in putting together this tribute to Christopher Columbus.

The tall ships' visits to this harbor have become as much a part of our American Independence Day celebration as fireworks, music and patriotic speeches. Their sails are a welcome sight against the backdrop of our precious symbols of freedom and liberty and hope. The ships came here in 1964, and again in 1976 to celebrate our nation's bicentennial. And they returned in 1986 to help us rededicate the Statue of Liberty after it had a facelift.

But no visit has been as truly magnificent and spectacular as this one. The tall ships have greater significance today. They are important symbols of international cooperation, of seamless links in a world grown smaller and of camaraderie among sailors of the world.

Indeed this is a very, very special occasion. The Washington Post jokingly referred to the event as "the second coming of the Spanish Armada -- this time minus the cannons, and on our side of the ocean." Let me say this to you: Americans open their hearts, arms and minds to such an international armada -- an armada of peace and goodwill.

Of course, I am particularly proud that the first among the tall ships is the Barque Eagle, the U. S. Coast Guard's link between past and future. The Eagle is 56 years old and still used to train new Coast Guard officers.

Today as we celebrate the 500th anniversary of Christopher Columbus, let us remember that without his daring there might not be an America let alone an American Independence Day. Columbus certainly made great advancement in the world's transportation system. His voyage linked forever the Old World and the New. His courage and sense of adventure resulted in the development of permanently established water routes that are the highways uniting the world today.

America and the world owe much to Christopher Columbus and today -- on our U.S. Independence Day - - we pause to pay him that much deserved tribute.

Thank you very much. God bless America, and God bless all her friends throughout the world.

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SECRETARY OF TRANSPORTATION ANDREW CARD, JR.
SAIL BOSTON OPENING CEREMONY
JULY 10, 1992
BOSTON, MASSACHUSETTS

Thank you ... What a pleasure it is to be back in Boston and to welcome once again to our shore the international parade of Tall Ships .

Who can forget the majestic image of the world's tall ships when -- during the celebration of our Bicentennial -- they sailed past our harbor like graceful swans on a calm, mid- summers day.

This peaceful international armada of sail has returned to us to celebrate another joyous occasion -- the five-hundredth anniversary of the voyage of Christopher Columbus.

It was said of Columbus that he believed his discovery of the new lands beyond the gates of Hercules would usher in the end of time.

In a way he was right -- for his voyages meant the end of the world as the Europeans and all the civilizations of the America's knew it. With the massive exchange and encounter of peoples, foods and animals that came in Columbus' wake, a fantastic transformation took place throughout the societies of the Old and New Worlds. As these "seeds of change" took root on every

continent, the boundaries of tradition were forever altered.

Columbus' voyage also meant a new beginning. For out of this "crucible of cultures" -- this mix of peoples from every corner of the globe -- an entirely new civilization arose here on this continent: an American civilization and one which first took root and grew right here in Boston. A civilization based upon the principles of liberty, equality and democracy.

Columbus' voyage also revealed more than simply the New World to the Old. What was revealed was man's insatiable quest for knowledge -- the need to discover and explore no matter what the odds or the risk.

"We Americans celebrate discovery" -- President Bush recently said at a dedication ceremony marking Columbus' voyage -- "because we're never satisfied, because we are ever romancing the next horizon."

This need to explore, to surmount almost any difficulty is part of our New England -- our MASSACHUSETTS -- seafaring tradition. From our very first days as a colony, ships from Boston harbor set out to explore America's waterways and later to seek new passages to the Far East for commerce. For centuries this nation depended upon yankee sailors and cutters for contact and trade with both the communities of the

New and the Old World. The wealth of this nation was founded upon their sea adventures and trials

The rich heritage of the sea continues today in Massachusetts and throughout all New England. The lexicon of nautical language and literature -- of stems and keels, of Joseph Conrad and Herman Melville, of bowlines and clove hitches -- is still a real part of our lives. And -- I might add on a personal note -- gave me reason to go sign up with the Merchant Marine

This seafaring spirit of exploration goes on too, of course, but no longer by clipper ships seeking new and quicker routes. Instead, it's underwater vessels coming out of Woods Hole exploring the unfathomable depths of the oceans, or space craft run by software produced by a route 128 company, exploring the outer reaches of the heavens.

So the age of discovery is far from over for us. And like Columbus, we too seek to probe the secrets of the world.

What wonders will be revealed, again, is anyone guess. But after 500 years, the adventure of exploration -- which truly began with Columbus' voyage -- will continue well into the 21 century.

Thank you and have a great celebration.

SECRETARY OF TRANSPORTATION ANDREW H. CARD, JR.
SAIL BOSTON -- NORTH JETTY AND FISH PIER
JULY 11, 1992
BOSTON, MASSACHUSETTS

This spectacular sight of nearly 250 vessels and the festivities surrounding "Sail Boston" represent as many cherished traditions and hold as many sentiments as the diversity of people gathered here.

We in America honor our own spirit of freedom, born here in Boston Harbor, so many generations ago.

We also honor Christopher Columbus, without whose daring there might not be an America. Columbus' voyage linked forever the Old World and the New. His courage and sense of adventure resulted in the development of permanently established water routes that are the highways uniting the modern world.

So today "Sail Boston" joins people throughout America and the world in saluting the 500th anniversary of Christopher Columbus.

We in America also pay tribute to a new spirit of internationalism which has always existed in seafaring people, but today pervades the world. Transportation and communications have made the world much smaller. As we welcome visitors from 34 countries here today, let us hope that Operation Sail extends the spirit of international cooperation to all our endeavors.

But the most important sentiment we honor today is the love of freedom that blossoms around the world. This sentiment was expressed by a Ukrainian sailor in the Boston Herald a couple of days ago. He said his biggest thrill was the new flag flying on his ship's mast. This young sailor said hoisting the Ukrainian flag over his ship was something to remember. And it is something we should all remember about 1992. Certainly it's cause for celebration.

In most of the world freedom lives and maybe someday soon freedom will thrive around the globe.

Thank you very much. God bless America, and God bless all her friends.

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SECRETARY OF TRANSPORTATION ANDREW CARD
AUTOMOTIVE SUPPLIER ACTION COUNCIL
WASHINGTON, D.C.
JULY 15, 1992 DRAFT: 7/15 5:00

As many of you know I was recently in Detroit for a visit with the Big Three. It was a good trip and we packed an awful lot into two days. But I guess you can't really get a feel for the city unless you stop for a bite at Lafayette Coney Island or watch the cars zooming down the local drag-strip called Woodward Avenue. So I look forward to going back soon.

This is actually my third speech to an automotive group. While I was in Detroit I spoke to the Motor Vehicle Manufacturers Association and back in April I talked to the Association of International Auto Manufacturers.

Since April there have certainly been challenges: but the trend lines are up. Together -- with you and others -- we faced a major rail strike without seeing crippling economic damage. While at the same time, the Administration unveiled a new dynamic policy to save America's Merchant Marine and pumped billions of dollars into this nation's infrastructure for airports, mass transit and highways.

We expect more surprises, of course, and plenty of hard work ahead. But I can say things appear to be headed in the right direction.

This week, in fact, marks the occasion when back in 1938, Douglas Corrigan -- just another American airplane pilot -- took off from New York, supposedly to fly to California. The next day he arrived in Dublin, Ireland after an outstanding job of flying a plane that he insisted had taken him the wrong way. From that point on, he became known to history as "Wrong Way" Corrigan and his name has been symbolic of a total reversal of direction. Many suspected that "Wrong Way" Corrigan had actually known exactly where he intended to go all long -- but he just didn't advertise it.

The world in its time has often been advanced by those who did not hesitate to take a sharp turn in a different direction. And I wholeheartedly agree with so many others that the American automotive industry has made a dramatic turn in a new and better direction -- one stressing quality and manufacturing excellence.

The American people have seen this and responded enthusiastically. The Big Three have grabbed back a point and a half of market share from the Japanese in the first five months of this year. And although the pace of new cars sales has slowed compared to last month's

record level, we believe that the industry will continue to make a comeback.

I must tell you how impressed I was by what I recently saw in Detroit. By Ford's new modular engine design ... by Chrysler's impressive new Technology Center ... by General Motors' new electric car. America's automotive industry is making a dynamic and dramatic comeback and we -- President Bush and this Administration -- strongly support your efforts.

We know how vital the American automobile industry is to America --how one in every seven jobs in this country is directly tied to your industry.

But you do more for the nation than simply create jobs -- your industry is on the cutting edge of new technological innovations. Your research and development in ceramics ... battery powered engines ... alternative fuels ... IVHS technology ... will help define the future of international vehicle design and manufacturing. Equally important, your efforts in these high-tech developments will further our common goal of reducing congestion and pollution, and enhancing safety and fuel efficiency.

Of course, the question on your minds is what can we do to help your industry stay on this dynamic course -- of meeting the competition and satisfying customer needs

and wants. That's what I would like to talk to you about briefly this evening.

While trade and foreign imports are not a part of my purview as Secretary of Transportation, as a member of the President's Cabinet, I can say that President Bush, his Secretary of Commerce and his Special Trade Representative are all working hard to open those foreign markets. And I strongly believe that as a result of the President's earlier trip to Tokyo, headway has indeed been made in addressing a number of bilateral trade issues with the Japanese.

Already Japanese automakers have drawn up voluntary plans to increase auto parts procurements from the United States and progress has been made with them on auto standards and certification issues. In fact, I just read in the New York Times how Toyota is adding Chrysler as an auto parts supplier.

Of course, more still needs to be done, especially to counter the anti-competitive practices of the "Keiretsu" (KAR-RET-SU) system -- which is nothing more than a cartel. But the way to go about it is through tough negotiations and aggressive enforcement of already existing trade tools. Passing legislative proposals that would impose auto quotas or any other form of

protectionism simply won't help the American consumer or your industry.

We are committed to opening markets, not building barriers.

The Administration is especially committed to revising laws which restrain you from investing and working together to compete worldwide. The ankle weights of antitrust laws -- many of which are no longer relevant in a global market -- are coming off. Your industry's efforts to pool information and costs in the development of new technologies is to be encouraged. And we support many of your joint ventures --including your recent partnership to study the development of better crash-test dummies. To borrow a pun from the Wall Street Journal, that truly is a venture "destined for disaster."

We are also committed to lifting the regulatory burden on your industry. We are slashing red-tape in order to strengthen your ability to compete in the international marketplace. Simply put, we will no longer allow unnecessary federal regulations to hold back your industry. And the Department of Transportation has been at the forefront of the Administration's effort to pare down existing regulations.

Every one of DOT's operating administrations has looked at every single regulation with a critical eye as to its usefulness. We're now busy scrapping those that don't work or revamping them so they do. For the foreseeable future, our rulemaking will be subject to this one, simple golden rule -- does it make sense?

And one series of regulations which doesn't make much sense concerns fuel economy standards.

As I said recently in Detroit, the report by the National Academy of Sciences independently confirms what you and the Administration have been saying for years about CAFE -- that the program is seriously flawed.

The NAS study confirms our belief that achievement of energy conservation in the transportation sector simply cannot rely on fuel economy standards. The NAS study supports our view that large cars are generally safer than small ones. And the NAS study exposes the problems of applying a single fuel economy standard to all manufacturers.

As I also mentioned in Detroit, I have decided not to go ahead with the Phase 2 study of CAFE. Because of the comprehensive nature of that study, we believe we have the information we need to move ahead and formulate policy.

Regulations governing safety standards for motor vehicles are also being closely reviewed. And my new Acting Administrator of the National Highway Traffic Safety Administration -- Marion Blakey. -- will now be working closely with you on these safety issues.

You will find Marion to be an aggressive promoter of safety through public education and our initiatives with states and localities. With her broad experience in government, she will be actively conscious of the need to coordinate regulatory activities, not just within DOT, but government wide.

While our commitment to safety always remains a top priority, we're equally committed, as I said earlier, to regulations that work and that can be phased in appropriately and that make sense for all of us.

In fact, the auto industry has shown that it is ahead of the curve on many government requirements for safety -- and I know it will stay that way.

You're offering air bags on a faster schedule than the law requires, you're making anti-lock braking systems increasingly available on a wider selection of models, and you've taken the lead on tackling the problem of safety belt fit. It's not surprising that one size really doesn't fit all. Differences in height and weight do make a difference. "Refrigerator" Perry -- Chicago's

massive defensive lineman -- and Art Monk -- Washington's svelte wide- receiver -- definitely don't match up with a seat belt in the same way.

Again, your industry has responded quickly and decisively to engineer a solution: all without government direction. We have recently issued an advance notice of proposed rulemaking on the fit of safety belts, and look forward to your insight into the problem.

To help your industry become more productive and efficient we are also attacking those regulations which hinder the flow of your goods to market -- be it across state lines or across international borders.

I don't have to tell you how much your industry continues to pay as a result of outdated state imposed trucking reg's -- some \$565 million a year. And we are urging the Congress to pass legislation to eliminate the last vestiges of trucking regulation at both the federal and state level. Finally, through new Maritime reform policies, we hope to make the seas less costly for your shipping needs.

Overall, only by working together on these and other issues, can we boost your industry's and America's competitive stance in world markets. The days of confrontation between government and business are

over. Cooperation is the watchword of this and the coming century.

The Administration is committed to free market solutions to your problems. It is committed to eliminating restrictions which blunt your competitive edge. And it is committed to involving you in our rule making process.

Only by pulling together as a team, can we become Gold Medal winners in the tough race for global markets. But unlike "Wrong Way" Corrigan, we plan to let the whole world know what direction we are headed.

Thank you and have a good evening. Let me now open the floor to questions.

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SECRETARY OF TRANSPORTATION ANDREW H. CARD, JR.
SWEARING IN OF FAA ADMINISTRATOR GENERAL THOMAS C. RICHARDS
JULY 17, 1992
WASHINGTON, D.C.

It is my privilege to welcome Tom Richards, and his wife, Meredyth to the DOT family. Let me say at the outset, Tom, you are taking over the helm of one of the most outstanding agencies in the federal government. Here at the Federal Aviation Administration, we have a highly motivated team of dedicated individuals. And I know they will benefit from your leadership as you will from their experience.

Before he accepted this appointment, I knew Tom best for his work as a member of the Commission on Aviation Security and Terrorism. President Bush appointed Tom to that commission, which -- as many of you remember -- grew out of the bombing of Pan Am 103 over Lockerbie, Scotland.

I was involved with the commission when I was Deputy Chief of Staff at the White House. And I know that Tom and the other commission members worked tirelessly to investigate many aspects of terrorism and to develop a report which led to changes in aviation security. The commission's report was the foundation for changes which have strengthened the aviation industry's programs to fight terrorism.

So Tom comes to the FAA with an abundance of knowledge and sensitivity on one of our most important issues -- aviation security.

I wanted you to know that bit of background because it's easy for Tom's military experience to overshadow all his other accomplishments.

He rose through the ranks from an enlisted man to four star general, which is quite an accomplishment in and of itself. He is the recipient of many decorations.

But Tom's four stars were earned as much for his achievements at high levels of management as they were for his performance in battle.

For over 20 years he held challenging senior management positions -- as Commandant of Cadets at the Air Force Academy, head of the Keesler Technical Training Center, and head of the Air University at Maxwell Air Force Base.

He is an old pro when it comes to budgeting, planning and policy formulation. If a decoration existed for bravery in bureaucratic battles, I'm sure Tom Richards would be wearing it.

At this time the FAA is undergoing a dramatic transformation as its air traffic control modernization programs become an actuality. There's a new sense of urgency about education and training to maintain the skills and high quality of our workforce. Tom -- perhaps more than anyone else -- understands this problem and knows what must be done.

And now, it is my pleasure to administer the oath of office to the 12th Administrator of the FAA, Thomas C. Richards.

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Richard
Barbara
for your
files - Contain

UNITED STATES OF AMERICA

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DEPARTMENT OF TRANSPORTATION

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ORIGINAL

JULY 20, 1992

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COLUMBUS, OHIO

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ANDREW H. CARD, JR.

SECRETARY OF TRANSPORTATION

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(TRANSCRIBED FROM TAPES PROVIDED BY THE AGENCY)

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4218 LENORE LANE, N.W.
WASHINGTON, D.C. 20008

P-R-O-C-E-E-D-I-N-G-S

GOVERNOR VOINOVICH: ... design engineer in the private sector.

Secretary Card served as a member of the Massachusetts House of Representatives for eight years and was named Legislator of the Year by the National Republican Legislators Association in '82, the same year he ran for governor of Massachusetts. Can you imagine what a different state Massachusetts would have been with Andy Card as the governor?

(Laughter)

GOVERNOR VOINOVICH: Secretary Card went on to serve in several capacities in the White House under both Presidents Reagan and Bush, an insider in the White House, folks, that knows how it is on the street; and in the White House you deal with constituents, you listen to complaints. People are fed up with dealing with the Federal bureaucracy.

Andy, I am sure that there were many times when people called you and moaned and groaned and said, man, would I like an opportunity to get out there and deal with that bureaucracy. Well, folks, he's doing it. He's doing an outstanding job as Secretary of Transportation.

I can tell you from my own personal

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1 experience several matters that have been very, very
2 important to the State of Ohio, including one that
3 we're still working on but I think is going to come
4 into fruition.

5 Andy Card has been able to pierce the
6 bureaucratic wall that's there, get down, as you know,
7 into the bowels of the Department of Transportation,
8 and make that agency function.

9 I want you to know one other thing, and
10 President Bush is getting no credit for it, but this
11 administration is doing a fantastic job of getting the
12 government off our back and streamlining the operation;
13 and it's because of the class guys like Andy Card that
14 you got working for us. Let's hear it for Andy and the
15 State of Ohio.

16 (Applause)

17 SECRETARY CARD: Thank you very much.
18 Governor Voinovich is doing just a fantastic job for
19 Ohio, and when we are not doing our job for Ohio,
20 believe me, Governor Voinovich makes the call that
21 makes the difference. So I say, you're lucky to have
22 him, and we're lucky to have his input, because he
23 tweaks us in the right direction all the time. So,
24 thank you.

25 (Applause)

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WASHINGTON, D.C. 20008

1 Mayor Lashutka, Reagan and I had breakfast
2 in the White House before he -- just as he was getting
3 ready to start his campaign for Mayor, and he's made a
4 tremendous difference for this city, and we're proud
5 that he's on the team. He's really a star, and watch
6 for him to go a long way. He's going to be a real
7 standout, and Bob Bennett is doing a terrific job for
8 the party, and I would be remiss if I didn't mention
9 him.

10 (Applause)

11 Governor Romer, who has really been a
12 friend to Presidents and a supporter of President Bush
13 for a long time and helped him provide great
14 leadership. So I say thank you to Governor Romer.

15 (Applause)

16 This election is turning out to be all
17 about change and how lucky we are, because we are the
18 party of change, and George Bush is the agent of
19 change. I can give you a long list of changes that he
20 brought to reality and an even longer list of changes
21 that he is going to bring to reality, once we can
22 change Congress.

23 I'd like to see your help in that, because
24 that's the change that has to take place in Washington,
25 is to change Congress; but I want you to look back.

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WASHINGTON, D.C. 20008

1 The Governor mentioned it, but just look back three
2 years ago today.

3 The Berlin Wall separated Berlin. East and
4 West Germany were two nations. Poland, Czechoslovakia,
5 and Hungary were Communist countries; behind a barbed
6 wire fence, the Iron Curtain. The Soviet Union hung as
7 a dark cloud over all democracies of the world and a
8 threat to our children.

9 Now take a look today. The Wall is down.
10 Germany is one. Poland, Czechoslovakia, and Hungary
11 are democratic. The Soviet Union doesn't exist. We
12 have new allies, greater opportunities.

13 That is the most dramatic change in our
14 lifetime, and President Bush made that change possible
15 by standing on the foundation that Ronald Reagan built
16 and carrying the torch of freedom and passing it at the
17 right time.

18 That's real change, but America is looking
19 for other changes as well. They're looking for change
20 at home. President Bush has been looking for changes
21 at home, and he's called on Congress to bring those
22 changes to reality.

23 Right after the success of Desert Shield
24 and Desert Storm when the President took the rostrum in
25 the House of Representatives to speak not just to

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1 America but to the whole world, the President didn't
2 end by talking about what had just happened in the
3 Persian Gulf. He talked about what had to happen in
4 America.

5 He challenged Congress to bring change to
6 America by moving forward within 100 days -- Remember
7 that charge? -- pass within 100 days a crime bill; take
8 a look at tort reform; pass an education bill; deal
9 with health care; deal with our economy; and pass a
10 transportation bill.

11 Now you might say, pass a transportation
12 bill? The President talked about passing a
13 transportation bill within 100 days, because he knew
14 what it would mean for America. So the President
15 pushed and pushed and pushed; but, you know, literally
16 on this day the 100 days expired, and Congress didn't
17 do any of its job.

18 (Boo. Boo.)

19 There was 0 for everything.

20 The good news is Congress finally did its
21 job on transportation, but it didn't happen until
22 December of last year, and they passed and put into law
23 a brand new law with two brand new words in it: One
24 word, intermodal. Strange word, never existed in law
25 before, but it means the common sense, seamless

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1 transportation network that we have to have for
2 Congress.

3 The other word is an old word, but it's one
4 that's always understood in the real world but never
5 remembered in government, and that's efficiency. The
6 name of the bill is the Intermodal Surface
7 Transportation Efficiency Act, and the President signed
8 it into law last December, and it has represented a
9 revolution in transportation, not a revolution that
10 makes front page news but a revolution that changes the
11 way work is done and thinking is done in transportation
12 in Congress's move.

13 Now that bill, which the President called
14 for during his greatest opportunity, does something
15 else. It creates jobs. Think what would have happened
16 if that bill that pumps \$150 billion into our economy -
17 - if that bill had passed in June a year ago.

18 We would have had \$20 billion to start
19 spending on roads and bridges and buses and transit
20 systems and highways, starting last September. We
21 would have had 220,000 jobs supported as a result of
22 that \$20 billion investment, and it would have started
23 in the pipeline last September, just when our economy
24 needed it, just when we needed that boost, and you
25 would have found great opportunities, but Congress

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1 didn't act in time.

2 So now we're having to push the system all
3 that much harder to get that \$20 billion up, and the
4 good news is we're starting to do it. The bad news is
5 we could have done it last September.

6 That is the President's thinking about this
7 economy. He knows that we have to jump start it with
8 jobs, and he's doing it.

9 I want to tell you what we just witnessed
10 in New York City. We witnessed some terrific rhetoric,
11 some of the best speakers in politics, Jesse Jackson,
12 Mario Cuomo, Zell Miller gave rousing speeches, and the
13 rhetoric flowed.

14 Bill Clinton and Al Gore -- They can all
15 spin a phrase. They can tell a great story, but they
16 don't tell the truth, because their rhetoric doesn't
17 match their record, and it certainly doesn't match the
18 Democratic platform.

19 That's what we have to do. We have to make
20 sure that people look beyond their rhetoric to their
21 record, to the Democrat platform, because their
22 rhetoric was change. Their record is status quo.

23 The rhetoric was change, but the platform
24 is change for the bad. It's change to the way Jimmy
25 Carter brought change. It's change to the way Walter

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1 Mondale promised change. It's change to the way
2 Michael Dukakis promised a miracle.

3 That platform is not what we're all about
4 in change. That platform is a \$150 billion tax
5 increase over two years. That platform is \$220 billion
6 of new spending over two years. You don't have to be
7 a mathematical genius to add up \$150 billion -- or
8 subtract \$150 billion from \$220 billion and realize
9 there's a deficit.

10 That means the deficit goes up. So the
11 Democratic platform is the platform of the Democratic
12 party of old and the Democratic party of tomorrow.
13 It's no change at all.

14 Bill Clinton is a failed governor of a
15 small state. His state ranks at or near the bottom on
16 every single item, just about as bad as you can get;
17 and he had a Democratic legislature to help him get to
18 the bottom.

19 (Applause)

20 Al Gore -- Mr. Moderate, Al Gore: The
21 National Journal rated Al Gore at a 92 percent liberal
22 rating and a zero percent conservative rating. That's
23 not moderate. Al Gore had the National Taxpayers Union
24 rate him in 1989 and 1990 as the biggest spender in the
25 Senate, bigger than Ted Kennedy, bigger than Al

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1 Cranston, bigger than Howard Metzenbaum. That's --

2 (Applause)

3 That's what the Democrats are all about,
4 the same old game, tax and spend for special interests.
5 So if we talk about change, we know what real change
6 is, because the President has provided it. He's
7 provided it to the world.

8 When we talk about the need for change, we
9 talk about President Bush, because he offers it, and
10 with a changed Congress he will deliver it.

11 Thank you very, very much.

12 (Applause)

13 - - -

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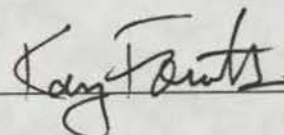
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CERTIFICATE

This is to certify that the foregoing transcript in the matter of
Press Conference,
Before U.S. Department of Transportation,
Held on July 20, 1992,
In the location of Columbus, Ohio,
represents the full and complete proceedings of the aforementioned
matter, as reported and reduced to typewriting from tapes provided
by the agency.



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U.S. Department of
Transportation

News:

Office of the Assistant Secretary for Public Affairs
Washington, D.C. 20590

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STATEMENT BY SECRETARY OF TRANSPORTATION
ANDREW H. CARD JR.
REGARDING THE USAIR/BRITISH AIRWAYS ALLIANCE
July 21, 1992

USAir and British Airways have asked us to review their innovative financial and operating agreement. Such transactions hold the promise of competitive benefits to carriers, to their customers, and to the communities they serve. The world's airline industry is clearly moving in the direction of cross-border alliances.

The Department of Transportation, as always, must review the proposed agreement in order to ensure that it passes the relevant legal tests, and we will do so on an expedited basis.

#

SECRETARY OF TRANSPORTATION ANDREW H. CARD, JR.
TAKE PRIDE IN AMERICA NATIONAL AWARDS CEREMONY
JULY 21, 1992
WASHINGTON, D.C.

Thank you "Mac" (Gerald McRaney -- "Major Dad"). And thank you Linda Evans, the Take Pride in America national spokesperson, for joining us today. When Secretary Lujan asked me to come over here this morning to participate in this "Celebration of the American Spirit," I was thrilled.

I know what Pride in America is all about and how important your points of light are. The President is keenly aware of your efforts in making America a better place to live and he supports all you have done to clean up of the environment and make America truly the beautiful.

I feel very strongly about our responsibility to be good stewards of our natural heritage and to preserve the beauty of our environment for generations to come.

Today we celebrate you, the Take Pride in America Award winners, and we salute all you do and have done.

Some of you may be surprised to learn that the United States Government's land managing agencies are caretakers for 750 million acres. State and local governments have charge of an additional 154 million acres.

These public lands and our historic and cultural resources belong to everyone in America. But we need a sense of individual ownership of these shared resources and the spirit of individual responsibility over every acre. All Americans -- not some government out there -- are the true owners of these treasures.

The Take Pride program illustrates the value of hands-on individual ownership of public property. Individuals who have invested their time, sweat, and enthusiasm in a project are most likely to be committed to that cause for the rest of their lives. They've earned "sweat equity." They feel a real sense of pride in what they have accomplished so others can benefit -- that's the American Spirit.

Each Take Pride in America volunteer is an important part of the solution.

Close to eight million Americans chose to be part of the solution by joining the 850 projects entered in this year's Take Pride National Awards Program. Eight million people! More than the combined populations of Montana, Idaho, Wyoming, Utah, and Arizona. Together, these 8 million people put forward more than 12 million hours of volunteer service. While this commitment is invaluable, if we had to put a dollar value on this spirit, it would be close to \$140 million.

From celebrities such as Linda Evans, who champions the take Pride message, to school children who clean up and beautify their schoolyard, and to the thousands of people who united in one mighty effort to clean up the Ohio River. Citizens are volunteering their time to improve our land for future generations. All of you are part of that great American Spirit -- the Take Pride partnership of Americans for America.

President Bush has challenged all of us to become more involved in community service. All of you are meeting this challenge. You are adding your own point of light to the thousands that are giving this nation such a bright future.

The spirit of the Take Pride in America program is a nationwide call to action -- to volunteer. It is a program with which there is no argument, no controversy, and no debate. So, today, I salute and congratulate you. And I urge you to continue to Take Pride in America.

Thank you very much.

#

SECRETARY OF TRANSPORTATION ANDREW H. CARD, JR.
VINCE AND LARRY PRESS EVENT
JULY 22, 1992
NEW YORK, NEW YORK

Today marks another important milestone for a couple of bruised and battered characters who literally crashed onto the scene seven years ago.

Who would have thought that after years of fruitless effort to convince Americans to use safety belts, a couple of dummies could get us to change our minds?

I'll tell you who : the creative people in the Ad Council, at Leo Burnett USA, and at the Department of Transportation's National Highway Traffic Safety Administration -- a team that worked brilliantly together to develop two of the most recognized public service characters of all time. And the most effective.

When Vince and Larry, the irrepressible crash dummies, burst through a windshield for the first time, safety belt use in America hovered just above 14 percent. Today, 59 percent of Americans wear belts and we estimate the number will reach 70 percent by year-end.

Vince and Larry had a lot to do with that. They show us the tragic consequences of being without a safety belt. So when they recommend safety belts to prevent serious injury, it makes perfect sense. We can all learn a lot from these dummies.

In particular, 27,000 Americans can be very thankful that they did. That's how many lives have been saved by belts since Vince and Larry made their public service advertising debut.

Frankly, I don't consider this a public service campaign as much as a public health campaign. Its a lot like a vaccination program -- vaccination against being killed in a car crash -- and it works extremely well.

The public justifiably questions much of what comes out of Washington. But the Vince and Larry success story is that fabled silver lining -- a sterling example of which we can all be proud.

The television networks rightly claim responsibility for a big share of our success, because they provide the electronic bridge -- a bridge over which Vince and Larry travel into tens of millions of American homes. We count on that participation, which has amounted to more than \$300 million in donated media time.

Vince & Larry would not have achieved national recognition without such unstinting participation.

Now, television's commitment is wavering a bit because of the apparent connection between Vince and Larry and the marketing of toy crash dummies by the TYCO company. We believe the adult dummies who speak to adults with adult humor are separate and distinct from the crash dummies, which speak only to kids in a child's idiom.

When TYCO approached us, we agreed to a limited venture which would achieve an important objective : reaching youngsters who had never before been approached with a safety belt message. The toy dummies offered the opportunity. And not incidentally, it works. The kids do understand.

More importantly, we specified that Vince and Larry could not appear in any toy commercials -- not their names, not their voices, not their costumes. We insisted on separating the two images, and we think that worked.

It should come as no surprise that in the free marketplace, the popularity of Vince and Larry might lead to a commercial spin off. What resulted was a generic toy that capitalized on the concept of surviving a crash with a buckled safety belt.

We hope the networks and television public service directors will help to see to it that Vince and Larry's vital contribution to public safety remains unchanged and strong as ever. There is much at stake; Vince and Larry are not salesmen, they are symbols of everything that's right about wearing a safety belt. If they fade, the power of the belt message fades in direct proportion. We can't afford that.

Today I am gratified to unveil the newest Vince and Larry television public service campaign. Every year when we think Leo Burnett couldn't possibly come up with something better, they do, and we're delighted. We think you will be too.

But the worth of these ads goes far beyond the amusement they bring us. These spots will help America attain the 70 percent usage rate that ^{THE PRESIDENT HAS} ~~we have~~ targeted by year-end. And with the generous and vitally necessary participation of television networks and public service directors, we will maintain our momentum.

Now I'm pleased to ask Jill Baskin, who is a vice president and account supervisor for Leo Burnett USA, to introduce the new spots and discuss them. Jill

#

SECRETARY OF TRANSPORTATION ANDREW CARD
NEW YORK PFC ANNOUNCEMENT
NEW YORK
JULY 26, 1992
DRAFT 7/22/92 6:00

- PFC's are the cornerstone of our plan to revitalize this nation's airports. They are at the center of our efforts to expand capacity, promote competition, mitigate noise and create local jobs.
- All told, when the PFC is in place at airports around the country, we expect \$1 billion a year to be collected for airport improvements. These funds have the potential for creating up to 40,000 jobs nationwide.
- Today, New York city's regional airports are joining the growing list of airports -- 26 as of July 22, 1992 -- who are using PFCs to rebuild their infrastructure.
- DOT and the Port Authority of New York and New Jersey have worked closely together to find a solution to the challenges facing this region's airports -- and we have produced a productive agreement.
- Both FAA officials and those from the Port Authority are to be congratulated in coming up with a thoughtful response -- a response that takes into consideration all the various parties' concerns that the

PFCs meet their Congressionally mandated objective: rebuilding the nation's air transportation system.

- With this PFC authority, the Port Authority of New York and New Jersey will collect a \$3 PFC charge on passengers departing Newark, JFK and LaGuardia airports beginning on October 1st of this year. All told, it will raise some \$282 million over three years for a number of vital projects.
- This plan especially tackles a number of access difficulties addressed in the Port Authority PFC proposal.
- The PFCs will be used to fund highway overpasses serving LaGuardia and Newark airports and to fund automated people mover systems at Newark and Kennedy. These projects will help reduce traffic congestion at the airports -- which is costing airport users millions of dollars a year in time and lost productivity.
- A portion of the revenue, up to \$21 million, will be used to study the feasibility of rail links to improve access to all three area airports.
- These access improvements will bring true intermodal solutions to passengers using all three airports. In addition, they will lead to increased coordination and

cooperation between the Port Authority and other governmental agencies -- especially those agencies responsible for transportation planning and operations in the region.

- Overall, these projects will help in preserving and enhancing the key role that New York Airport's play in both the national and international air system -- they truly bolster their competitiveness.
- Our relationship with the Port Authority does not, of course, end here. We welcome further close cooperation to revitalize several of our nation's greatest airports.

####

SECRETARY OF TRANSPORTATION ANDREW H. CARD, JR.
AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS
JULY 27, 1992
CHARLESTON, SOUTH CAROLINA

INTRODUCTION

- Thank you **Ray Chamberlain** (President from Colorado) ... **Wayne Muri** (V.P. from Missouri) and **Frank Francois** (Executive Director).
- When I think about the efforts of AASHTO and DOT, I am reminded of a story about Sir Winston Churchill.

Following one of his speeches, Mr. Churchill took comments from the audience. A lady from the Temperance Union said, "I've heard that if you put all the brandy you've drank in this room it would come up to your waist."

Mr. Churchill looked down at his rotund waistline, and then the floor, and thoughtfully said with a great sigh: "Ah, such progress." Then he looked up at the ceiling and said "And yet so far to go."

- I can't tell you how much I value working with AASHTO -- in fact, one of my first meetings as Secretary back in March, was with Ray and some of AASHTO's members.

- As I travel around the country -- (just recently by rail no less) I've met many of you. And I hope that by the end of the next four years I will have met every single AASHTO member. I especially look forward to joining you and our host Dick Howard (South Dakota DOT Secretary) in Rapid City on October 5, 1992 at your annual meeting.

ISTEA

- ISTEA --you know its revolutionary. You are where the revolution hits the streets. I'm especially interested in two aspects of ISTEA: Giving states flexibility and increasing the focus on intermodalism.
 - Flexibility: Transferring highway monies for transit programs and visa versa. Valuable waivers for capital highway projects. Also similar local match waiver for capital projects on the transit side.
 - Soft Match: New DOT guidance on provision allows states capital expenditures on toll facilities to count toward making up state/local share on federal highway or transit projects.
 - Intermodalism: Need to think creatively -- tie in all modes of transportation into seamless network. Newly created DOT Office of Intermodalism. Robert Martinez is new Director.

GETTING FUNDS OUT OF PIPELINE

- As I promised back in March, we' ll do all we can to make sure ISTEA money is spend quickly and responsibly. In short, to get as much of it out of the pipe line as possible. Been busy calling and writing governors and others to get funds obligated.
- Let me give you a brief status report. As of July 21, the states had obligated \$11.6 billion of Federal-aid highway funds -- 72 percent of 1992 funding. Individual states range from virtually 100 percent (South Dakota) to about 35 percent (Hawaii).
- While South Carolina has obligated nearly 69 percent, 12 states have obligated over 85 percent. They include Arkansas, Indiana, Louisiana, Maine, Mississippi, Nebraska, Nevada, North and South Dakota, Wisconsin, Wyoming, and Puerto Rico.
- I know that the special circumstances in some states have made it difficult to take full advantage of ISTEA funds immediately. I renew my pledge to work with each of you to fill the pipeline.
- But spending money is not the only challenge -- need your help on developing National Highway System.

ENVIRONMENTAL CONCERNS

- At that earlier March meeting, your colleagues expressed concerns about environmental regulations slowing down construction. We have responded to your needs.
- In May, we signed a memorandum with EPA Administrator William K. Reilly and Army Assistant Secretary Nancy P. Dorn smoothing the way for compliance with the Section 404 permit program.
- We took leading role with Army Corp of Engineers to develop the Red Book .
- We sent interagency SWAT Team to several states for an intensive review of environmental problems.

CONGRESS AND THE BUDGET

- Now to what's happening on the Hill.
- House bill came up with required funding for highway programs -- but produced funding in a way that will damage the economy. House bill broke 1990 budget agreement -- we cannot let that action stand. Breaking the 1990 budget agreement gives clear signal to financial markets that it's business as usual in Washington.

- House bill knocks down "firewalls" or separate caps on domestic discretionary spending. House funded President's request for Federal-aid highways by spending "alleged savings" in the foreign aid budget category. As a result, House increases spending above what would otherwise occur under the Budget Enforcement Act. Adds to the deficit--that's not fiscal responsibility.
- House is breaking the budget agreement to:
 - Protect funding for highway demonstration projects of questionable value.
 - To increase funding for new rail transit projects that may not be cost effective.
- President's budget illustrates that there are responsible ways to achieve needed highway spending program without breaking the budget. Our budget proposed total obligations of \$19.2 billion -- a 13 percent increase over the current \$17 billion level.

- Untold Story: The House could only reach the President's spending level on infrastructure by breaking down fire walls. The House Transportation Appropriations Subcommittee **originally** recommended only \$17.4 billion for the highway program -- which was almost \$ 2 billion below the President's budget request.
- Senate Subcommittee expected to mark up DOT appropriations bill this week -- perhaps differences will be ironed out. If House language is adopted, President's senior advisors would recommend a veto.
- We will work aggressively to come up with a good bill the President can sign.
- I've spent enough time talking -- time to take Q&A.

###

SECRETARY OF TRANSPORTATION ANDREW CARD
AMER. ASSOC. OF AIRPORT EXECUTIVES/ AACI
LEGISLATIVE ISSUES CONFERENCE
WASHINGTON, D.C.
JULY 28, 1992

INTRODUCTION

- Thank you **Ralph Tonseth** (Chairman of AAAE) for the introduction and also to "**Chip**" **Barclay** (President AAAE) and **George Howard** (AACI) for the invitation.
- We value our relationship with "Triple A" E (AAAE) and AACI. Past Deputy Secretary James Busey talked to you back in mid-March -- now it's my turn.
- Aviation is always a front page story. And this week marks the anniversary of what may well have been the strangest automobile ride in history --possibly with the largest number of back seat drivers in history. Some 21 years ago, Apollo astronauts David Scott and James Irwin were watched by millions of TV viewers as they explored the surface of the moon on a specially designed electric car.

In one respect, the moon's first drivers were a lot like a speaker in front of an audience -- nobody knows in advance exactly where he is going and they can't wait for him to get there.

Mindful of this, I shall immediately shift into high gear and get rolling on those issues I want briefly to discuss with you today.

AIRLINE COMPETITION

- The Nation's airlines are giving the public what it wants : cheap fares, excellent service, and safe flights. But the airline industry is going through a very difficult period. Some major carriers have failed and 3 others are in bankruptcy reorganization. Even our healthiest airlines are now reporting very large losses -- and 1992 was to be the year for the industry to recover.
- But we remain confident that the industry will remain competitive when it emerges from this troubled period. It would be a mistake to get back into the business of regulating airlines.
- We are closely reviewing the new USAIR/ British Airways alliance. As I recently stated, "such transactions hold the promise of competitive benefits to carriers, to their customers and to the communities they serve." But we also want to assure that legitimate U.S. interests are protected.

PFCs

- AACI and AAAE know better than anyone the need to improve our airport infrastructure.
- The PFC -- along with the AIP -- are at the center of our efforts to enhance and expand capacity, promote competition and mitigate noise. We are trying to approve PFC requests as quickly as feasible. We are not, however, simply rubber stamping applications. As of yesterday (July 27) **30** have been approved for \$3.5 billion.
- In regard to PFC collection on frequent flyers, just yesterday I drafted a letter to Frank Lautenberg. To quote: "Of concern is the statutory provision to prohibit funds from being used for planning or executing any rules which would result in the levying of PFCs on frequent flyer tickets. This represents a troubling incursion into the management discretion of the department."

AIRCRAFT NOISE

- We're in the midst of implementing the precedent setting aircraft noise initiative that was hammered out over the past several years.

- We fought long and hard to establish a more predictable environment in which industry can respond to market demands and simultaneously achieve the orderly phase out of Stage 2 aircraft. And we're convinced that necessary noise relief can be achieved under this policy without extensive additional local restrictions.
- While all airports will benefit from the national rule, if relief is not sufficient or if special problems exist at particular airports -- then negotiations should be pursued within the context of the 1990 legislation.
- We strongly believe that voluntary agreements between parties should be the solution on local noise issues. Successful negotiations have been conducted at the local level in Los Angeles and Minneapolis/St. Paul. We are closely monitoring the situation at the Port Authority of New York and New Jersey and we have been in contact with all parties involved.

FAA REAUTHORIZATION

- Now to what's happening on the Hill.
- House reauthorization bill -- HR 4691 -- incorporates many of the Department's key proposals.

- The bill's enhancement of the military airport program and increasing funds for noise mitigation will contribute directly to new capacity. Support of Facilities and Equipment funding will allow us to continue modernization of the air traffic control system at an accelerated pace.
- We appreciated the decision to continue the PFC programs without modification. We are still concerned about the linkage between the PFC and specific AIP funding levels. We appreciate the work of the AAAE and AACI in making it clear to Congress how detrimental this action could be.
- House and Senate bills have some differences -- especially from the bill submitted by DOT. Funding levels in HR 4691 are somewhat higher than those submitted by DOT and significantly higher in the Senate bill -- S 2642. We believe that the \$1.9 billion is an appropriate funding level for AIP. And we believe that the length of the reauthorization should be 3 years as proposed by DOT and the Senate version.

- Both HR 4691 and Senate bill lack some items we requested including the establishment of a State Block grant program based upon the pilot program created back in 1987. The House has extended the current pilot program and increased the number of states participating from three to seven.

APPROPRIATIONS BILL

- Provides for funding for AIP at \$1.85 billion -- which is \$50 million less than Administration request. At this level, and if the linkage provisions and funding levels of HR 4691 become law, PFC applications submitted after September 30, 1993 could not be approved for new locations.
- Overall, House bill knocks down "firewalls" or separate caps on domestic discretionary spending. House funded President's transportation request by spending "alleged savings" in the foreign aid budget category. As a result, House increases spending above what would otherwise occur under the Budget Enforcement Act. Adds to the deficit -- that's not fiscal responsibility.

- Senate Subcommittee expected to mark up appropriations bill this week -- perhaps differences will be ironed out. If House language is adopted, President's senior advisors would recommend a veto.

AIRLINE COMPETITION ENHANCEMENT ACT OF 1992

- DOT opposes provisions governing computer reservation systems (CRS). Freezing -- in statute -- such diverse and detailed matters as CRS contract expiration dates, liquidated damages clauses, and the conditions for upgrading computer hardware or software, will create major problems as time change. In short, bill offers no flexibility.
- DOT also opposes bill because it extends the "on-time" reporting requirements to commuter air carriers that do not have sophisticated computer resources to perform electronic reporting. This could favor commuters associated with large carriers over independent carriers.

CONCLUSION

- I doubt if there's been an administration more supportive of -- and more friendly to -- the aviation community.

- I have full confidence it's going to stay that way-- especially with our new head of the FAA, Tom Richards.
- I've talked long enough -- it's time to take questions.

#