

intent of Congress to complete the interstate system at the earliest possible date, and have adversely affected the safety program on the nation's highways."

Lack of mass transportation facilities was declared a central problem because it affects jobs, welfare, racial problems, business, recreation and even senior citizen needs. As a remedy, the California report calls for concentration of efforts on developing coordinated urban and rural mass transportation systems.

It declared that each locality should determine the forms of transportation required and methods to pay for them. Federal and state governments are relegated to the comparatively minor roles of coordination, research and integrated planning. Programming mass transportation systems in urban areas would be aided by combining the Department of Housing and Urban Development with the Department of Transportation.

In dealing with safety problems, federal traffic safety standards are declared to be minimum bases which each state should surpass.

The alcoholic driver is identified as a prime cause of preventable accidents and the report urges each state to take the lead in barring drunk drivers from highways.

Other safety recommendations include broader representation of the states on the National Highway Safety Committee, that Congress authorize a more flexible time schedule for traffic safety reports required by federal law, and more precise definitions of state safety programs which can qualify for federal funding.

Federal-aid programs are classified as a problem. The basic complaint centers about the high cost of federal administration and the inherent rigidity. The report noted that California drivers will pay a billion dollars more in federal highway user taxes than will be returned to the state for interstate construction.

Once the interstate system is complete, Reagan recommends reduced federal participation and controls plus pro-rating future finances on the basis of need with monies dedicated well in advance so that careful planning can take place.

"Federal highway trust funds should not be diverted to other forms of transportation after completion of the interstate program. Localities in states should be allowed to determine the forms of transportation best suited to their needs, and any such programs of mass transportation should be directed and developed in the states rather than by the federal government," the report declares.

Federal policy which penalizes states that fail to meet environmental criteria for highways was criticized. The California governor believes a program through which incentives are offered for meeting beautification standards would be far more effective.

He recommended that the "federal government increase its share in transportation projects when proper planning is accomplished rather than threaten to penalize governments as has been the case in the past.

"States should be encouraged to further scenic highway programs, improve landscaping, and add to the enjoyment of highway users. A basic highway design should be offered to localities and they in turn should be allowed to decide the best environmental approach in their area and participate in the funding of special amenities essential to the improvement of their area.

"Principal responsibility for beautification programs should be with states and local governments."

The imperative need for airport planning and funding was noted along with the probability that some future taxation will be required. "We oppose a federal airport users tax fund, since federal overhead and inflexibilities tend to reduce the effectiveness of such an approach. States should be allowed to keep and utilize any such users tax free of federal controls on such a program."

"Possibly, matching funds or tax incentives should be available from the federal government to encourage proper future airport planning but studies should be made before a final recommendation is made on such funding."

The need to encourage future modes of transportation is noted, especially in the field of water transportation, and the recommendation is made that research and development funds be dedicated to the improvement and refinement of existing facilities.

Automobile accident insurance is identified by Reagan as a problem because costs of insurance claims are continually increasing with a resulting increase in insurance premiums. The increase in losses is causing insurance companies to be more selective in accepting new policy holders and in renewing existing policies.

He attributed merit to an American Bar Association study of a proposal to abolish damage suits in auto accidents and substitute a system whereby an auto