Correspondence – Aircraft Owners and Pilots Association

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AIRCRAFT OWNERS AND PILOTS ASSOCIATION
Washington, D. C. 20014 Cable address: AOPA, Washington, D. C.

May 9, 1974

STATEMENT OF ROBERT E. MONROE, VICE PRESIDENT - POLICY AND TECHNICAL PLANNING, AIRCRAFT OWNERS AND PILOTS ASSOCIATION (AOPA) PREPARED FOR HEARINGS BY THE SUBCOMMITTEE ON TRANSPORTATION OF THE COMMITTEE ON APPROPRIATIONS OF THE U. S. HOUSE OF REPRESENTATIVES REGARDING TRANSPORTATION APPROPRIATIONS FOR FY 1975.

AOPA is a national association of over 181,000 individuals who use private aircraft for business and personal purposes. We appreciate this opportunity to present our views respecting the FAA budget application for FY 1975.

The FAA budget has grown enormously in recent years. This has provided money for FAA programs which we think are inimical to general aviation's progress and continued existence. Simultaneously, great pressures have arisen for more taxes and charges on selected users of airport and airway facilities and services to offset federal costs of these and related programs. We believe it is time for a critical reappraisal of the FAA budget and its justifications.

Federal Payment to Trust Fund

The FAA request includes an appropriation of $821,683,000 from federal funds to the Airport and Airway Trust Fund. This request is contingent upon enactment of legislation permitting trust fund financing of normal expenses of the FAA for operations, maintenance and administration. The Secretary of Transportation has submitted a legislative proposal for this purpose and it was referred to the Committee on Interstate and Foreign Commerce. (Congressional Record, 4/10/74, p. H2916, E. C. 2174. See also Budget Appendix, pps. 720-721.)

We oppose this proposal and have so advised the Chairman of the Interstate and Foreign Commerce Committee. Our reasons are two-fold:

1. The opportunity to pay FAA operating expenses from the Trust Fund led to improper diversion of that fund and finally forced Congress to remove this option. (See P. L. 92-174.) If that option were reinstated, the pressure for diversion would in all probability be irresistable. Ultimately, it would result in the general taxpayer being relieved of any obligation for the things which he requires by law. This would be grossly unfair.

2. In the light of the experience of the last four years with the Airport and Airway Development and Revenue program, we think that P. L. 91-258, as amended, should be repealed. It has fostered wasteful expenditures; induced needless planning, development and certification activities; and imposed burdensome taxes which those engaged in aviation can ill-afford. The

development of aviation activity and interest has been adversely affected as a consequence.

We urge rejection of the request for a Federal Payment appropriation should it become authorized.

General Provisions - Section 315 - Administrative Fees

The Administration has proposed that Section 315 of Title III - General Provisions be deleted. This section prohibits, in the form of a limitation, the Department of Transportation from raising existing or imposing new fees administratively which were not in effect on January 1, 1973.

AOPA urges that this limitation be retained. The reasons for its initial adoption still prevail. The Secretary of Transportation has again deferred, probably until late in the year, submission of Part 2 of the Cost Allocation Study report. Administrative fees and legislative user taxes should be considered en bloc - not separately. Nor should the general public escape financial responsibility for the burdensome paperwork imposed upon the aviation community in the name of public safety -- and that is very likely what will happen if the limitation is removed.

Operations

We recommend that no increase over last year be allowed in the Operations appropriation and favor a substantial reduction. Nor should any increase in personnel, including controllers, be permitted. One major incentive for this recommendation is OMB's denial of staffing for the Enroute Weather Advisory Service, now called Flight Watch, beyond the initial experimental setup

on the West Coast and tying approval for further staffing to acceptance of FSS consolidation, a matter which we will review in a moment.

All but perhaps a dozen of the busiest towers should be reduced to 16-hour days. No staffing should be allowed for towers not already commissioned.

Check rides for airmen and other airman examinations should be delegated to industry. The FAA should cease maintaining a fleet of aircraft to train FAA inspectors.

Class III medical examinations should either be abolished or authorized to be given by family physicians. The designation of Class III examiners should cease.

Other reductions are practical and possible in airport, medical and research program management and we will come to those issues shortly.

These actions would permit a substantial reduction in the Operations appropriation.

Flight Service Stations

Regretfully, we recommend rejection of the FAA proposal for flight service station consolidation and modernization. We are neither against consolidation nor modernization. We have sought improvement of the station system for two decades. If some kind of consolidation and remoting will achieve that objective we are for it. But careful review of the FAA proposal, principally as expressed in the FAA's final report on the subject issued last August and in various briefings since, including the one before this committee last month, convinces us the

proposal is not adequately developed and many of the claims for it are fallacious.

The proposal has these faults:

1. It is more expensive than contended. It omits the costs of research, engineering and development; additional costs for direction finders, enroute weather advisory service, weather radar displays, teletypewriters for weather service, modernization of the Service B teletypewriter system for administrative messages, and expansion of the aeronautical fixed telecommunications network. These are substantial costs.

2. It relies heavily upon development of an automated aviation weather observing station -- a device the National Weather Service has tried and failed to develop for over two decades and still says is beyond the state of the art. Yet the FAA proposes to do it in four years. Pending that, the FAA would rely upon contract weather observers -- an alternative that might have been acceptable had not the NWS already tried it and found it wanting in serious respects.

3. The proposal is only a concept. No hardware or system has actually been developed and tested operationally. Moreover, the FSS Evaluation Team repeatedly noted that additional study and research would be necessary to validate the concept.

4. The costing techniques were similar to those employed by the Cost Allocation Staff and are loaded with similar assumptions and errors. The FSS Evaluation Team warned that its costs were not to be taken as real numbers but the FAA has presented these numbers anyway as if they were reliable.

5. It proposes a costly transitional system with a ten year life that is still not integrated with the regular ATC system. If the consolidation and remoting concept is indeed valid, it seems to us it would be better and less costly to remote directly to the ATC centers rather than to a new system of flight service station hubs. Then at least, the move would be to an integrated system.

6. Several years ago our support was sought for construction of the NWS Weather Message Switching Center in Kansas City. One of the benefits of that project was to be the same ability to secure on demand a current weather briefing such as is proposed by the FAA with its proposed Central Processing Facility -- except that with the FAA proposal, the message has to go through a hub station first. We haven't seen it yet.

In view of these and other deficiencies too numerous to review, we urge the committee to prohibit consolidation until the modernization concepts have been proven and demonstrated. If indeed, consolidation proves to be the way to go, then we urge that the consolidation be to the centers rather than to a new FSS system.

Facilities and Equipment

We recognize that the law provides a minimum level of $250 million for the Facilities and Equipment appropriation. If the committee would establish an administrative limitation at a lower level, we would applaud.

The truth is, we are getting more towers, more radars, and more positive control airspace than we want or the nation needs. We are also getting more instrument landing systems and other instrument approaches in some places than seems necessary. Often they are put in places where a useful instrument approach already exists and serves the purpose adequately.

Chicago-O'Hare has seven complete ILSs, one partial ILS, and a VOR. It has ~~23~~ 21 different instrument approach procedures to make use of these facilities. Dulles has three ILSs, a VOR and 11 different instrument approach procedures. There are other similar cases. Meanwhile, many public-use airports have no instrument approach but could use one. Some others have instrument approaches but no real use for them because of almost unvaryingly excellent weather. We think that airports which need but don't have an instrument approach, should get one before airports which already have one get additional ones.

This situation indicates that FAA's criteria for the provision of facilities should be revised in a major way. For instance, the criteria for towers is much too low. The traffic count required should be at least doubled.

Similarly, where a VOR or an NDB provides an instrument approach, an ILS should not be installed unless a significant improvement in landing minimums is needed and obtained.

We are grateful to the committee that our complaint about excessively costly installations is being investigated by the General Accounting Office. We await their findings with great eagerness.

In former years the FAA gave much more information in the Budget Appendix in the form of subaccounts for its F&E appropriations request than it has recently. We would appreciate it if the FAA were again required to publish this material in the Budget Appendix.

Grants-in-Aid for Airports

We have several difficulties with the airport program. Until these are resolved, we urge that this program be funded at the lowest possible level. We are aware that the legal minimum is set at $310 million but if the committee would impose an administrative limitation at a lower level we would applaud.

The nature and purpose of the grants-in-aid for airports program has been warped out of shape with the passage of years. It was originally conceived of as a "seed money" program to encourage a community to establish an airport. It has developed into a program of recurring doles for a few large airports and still has not solved their problems. After almost 30 years, the program still has not reached its original goal of providing some six thousand publicly owned airports. The goal now is barely two-thirds that number and only half that number have actually received aid. Meanwhile, Dallas-Fort Worth has received as much aid as the entire program amounted to annually before 1970.

Airport development criteria and priorities should be revised so that eventually the program is self-liquidating. There should be a maximum that any given airport can receive. That maximum

should be related to the purpose of the airport and the size of the community. Communities which have received no aid should be accommodated before those which have already received aid get more. When a community has exhausted its maximum, it should become ineligible for further aid.

We still contend that FAA's standards and requirements for airport development and construction are unnecessarily stringent. They should be modified to accommodate the kind of airport projects that many states are doing without the benefit of federal aid simply because it is cheaper, faster and simpler to do so.

We are still puzzled at why it should cost the FAA about ten times as much to give away a dollar of aid as it does the Federal Highway Administration.

We would like to see the FAA take a more promotional role in encouraging communities or other sponsors to develop new airports with minimum facilities commensurate with their needs and prospects. This applies also to the development of airports in rural and recreational resource areas. There is no valid reason why places like Yellowstone Park should not be accessible by small aircraft just as they are by automobiles.

The program for airport certification has likewise gone awry. Airport certification was sought by the airline pilots and won over the resistence of almost everyone else in the industry. It was intended to apply to some 500 airports regularly served by CAB certificated air carriers. However, the FAA has interpreted the law to mean that it applies to every airport used by an air carrier, including those used on an irregular or unscheduled

basis or by carriers using small airplanes. This has extended the certification program to an additional 350 airports that neither need nor want it. Some of these airports are unattended gravel strips in Alaska. An administrative limitation is needed to stop this until the situation is corrected. The program is unnecessary and a waste of money.

Research and Development Activities

The FAA is requesting a research and development program that totals close to $95 million with an overhead burden of about 13%. On the other hand, in previous years, FAA officials have said the R&D program must exceed about $22 million before any real R&D production is obtained. This suggests the real overhead burden is closer to 25%.

We are also aware that it takes enormous amounts of money to capitalize upon the dollars spent for R&D. Ratios for this relationship often range as high as 50:1 and 75:1.

We have watched the activities and product of FAA's R&D program for many years with increasing concern and skepticism. Very little of a really useful nature seems to emerge from it. Much of it seems to be directed at "enhancement" or improvements to compensate for failures in original planning, design or production of existing facilities.

These things lead us to recommend that NAFEC be closed, that all necessary R&D be contracted, and that the program level which now amounts to about 5% of the total FAA budget be reduced to about 1% of that total or about $18 million.

Medical research, including that at CAMI, should be eliminated entirely. It is largely similar to efforts by the military or NIH or unnecessary.

Weather research is the function of the National Weather Service and it has received substantial increases for that purpose. While the Weather Service has not devoted as much attention to improvements in observing, collecting and disseminating aviation weather information as we think it should, this is a failure on their part and the part of the FAA in stating requirements for aviation weather to them. The proper solution to this matter is to improve the coordination with and production of the NWS, not for the FAA to get deeply into the weather research business.

R&D related to aircraft is and ought to be the function of NASA. The FAA should leave it to them. NASA is also the proper place for R&D related to aircraft noise.

The problem of airports is getting enough of them in the right places. This is not an R&D problem and there is little to be gained from an R&D program related to airport design or construction.

This leaves air traffic management, aeronautical communications and air navigation as proper areas for FAA R&D concern. We offer four postulates:

1. If the number of aircraft is to grow as it can and should, the emphasis of research and development must shift from active control by a third party (the controller) to passive

management wherein pilots abide by procedural rules and utilize facilities which guide pilot response without the intervention of a controller except in unusual emergency circumstances.

2. A reasonable balance should be struck between facility reliability and redundancy. If redundant facilities are necessary, then the reliability of each facility need not be pressed to the maximum within the state of the art.

3. Living on the "leading edge" of "the state of the art" is thrilling but too expensive. Hence, FAA should take maximum advantage of proven developments rather than introduce unproven concepts or facilities which require costly incessant "enhancement" to make them live up to the promises rendered at the time approval for their purchase was sought.

4. Participation in a nationwide air traffic system by large numbers of people requires a high degree of stability and consistency in the system itself. Hence, the system should remain relatively simple to cope with, consistent in its components and subject to significant change at infrequent periods.

What do these postulates mean for FAA R&D?

Effort should be focused on eliminating active control by third parties, i.e., the controllers.

Inexpensive facilities, which through redundancy will provide the requisite degree of reliability, should be installed rather than searching for more exotic facilities with higher reliability at greater cost.

Communications and the need for them, should be reduced rather than expanded.

More attention should be given to seeking a practical airborne solution to the collision avoidance problem.

More attention should be given to determining to what extent interim microwave landing systems will fulfill the essential needs for this kind of service and efforts towards the "ultimate" MLS should be deferred until it is learned whether they are really necessary.

In short, we have more R&D than we can afford. A substantial amount of it should be eliminated and the rest redirected.

National Capital Airports

The FAA proposes that accounts for Operations and Maintenance and for Construction for Washington National and Dulles International Airports be combined. These appropriations are not large, as federal appropriations go, and we do not object in principle to their combination. We do object to the resulting loss of information which appears in the Budget Appendix as a result of such consolidations.

The 1973 Appendix presents three full pages of detail (p. 704-706), the 1974 Appendix has less than 2½ pages (p. 696-699) and the 1975 Appendix has but 1½ pages (p. 684-685) for these accounts. Revenue and expense material has been deleted entirely for the last two years. Program activity categories for Operations and Maintenance have been reduced from five to one this year and for Construction from four to two. As a consequence, it is impossible to decipher where the FAA proposes to spend this money or for what. It is also difficult to follow its "business like" activities with respect to revenue and expense.

We urge the committee to deny the consolidation unless the FAA provides the detail in the Appendix which has been deleted.

We will be grateful for your favorable consideration of these views. I will be happy to respond to any questions you may have.

August 1, 1974

Mr. J. B. Hartranft, Jr.,
President
Aircraft Owners and Pilots Association
AOPA
Washington, D.C. 20014

Dear Mr. Hartranft:

Thank you for your letter of July 19. I share your concern that our nation develop a transportation policy which reflects different individual needs within our communities. I am enclosing a copy of our issue analysis paper on transportation which may be of interest to you. Please let me continue to have the benefit of your thinking.

Sincerely,

Jimmy Carter

JC/scg
Enclosure

Transportation

AIRCRAFT OWNERS AND PILOTS ASSOCIATION / WASHINGTON, D.C. 20014 / Tel: (301) 654-0500 / cable address: AOPA, Washington, D.C.

July 19, 1974

Governor Jimmy Carter
Democratic National Committee
P. O. Box 1524
Atlanta, Georgia 30301

Dear Governor Carter:

This responds to your very kind letter of July 11 inviting our views for consideration by the National Democratic Party.

Enclosed are documents which reflect a summary of AOPA's objectives and policy, our views on national transportation policy -- particularly as it relates to general aviation, and recent recommendations respecting budget requests for the Federal Aviation Administration.

I hope that these documents provide the information you desire. If additional information is wanted, we will be happy to supply it.

Cordially,

J. B. Hartranft, Jr.
President

movements

When writing ALWAYS use your AOPA number

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(Continued)

Based on the number of flights, the chances of a person getting into an airline airplane and returning to the ground without being involved in a fatal accident is 99.99985%. A conservative estimate of general aviation flights shows a safety factor of 99.99873%.

Other forms of transportation—1972 Fatalities

Total Highway		56,300
Pedestrians	10,900	
Bicycles	1,100	
Motorcycles	2,410	
Autos, Trucks, etc.	40,615	
Railroad Grade Crossings	1,275	
Railroad		590
Marine		1,789
Commercial	352	
Recreational	1,437	
Pipeline		62

FEDERAL AVIATION ADMINISTRATION (FAA)

Major Aeronautical Facilities, as of May 31, 1973

	FAA	Mil.*	N/F*	TOTAL
Air Traffic Control Centers	27	—	—	27
Air Route Surveillance Radar	91	—	—	91
Remote Center Air/Ground	400	—	—	400
VOR	147	19	22	188
VORTAC	704	—	—	704
TVOR	60	5	26	91
VOR/DME	8	—	1	9
L/MF Radio Ranges	23	1	—	24
Non Directional Beacon	295	66	359	720
Air Traffic Control Tower	319	14	33	366
Combined Station/Tower	37	—	—	37
Radar Approach Control	30	—	—	30
Airport Surveillance Radar	99	2	—	101
Instrument Landing System	433	1	9	443
Flight Service Stations	320	—	—	320
International FSS	10	—	—	10
Remote Communications Outlets	50	—	—	50

*Military-Non/Federal

Total FAA Employees, May 31, 1973		
Authorized positions		55,565
Positions Filled		51,707
Air traffic controllers		
in towers	9,120	
in centers	9,781	
in FSS	4,105	
other	890	
Total	23,896	

APPROPRIATIONS Fiscal Year (1974)

Operations	$1,200,500,000
Facilities and Equipment	250,000,000
Research, Engineering and Development	73,595,000
Airport Aid previously contracted	200,000,000
Airport Aid new contract authority	300,000,000

PEOPLE CARRIED—1972

Airlines	
Revenue Passengers Enplaned	191,349,000*
General Aviation Total	163,025,580#
General Aviation Intercity	82,880,750#

**Includes domestic and international. Revenue Passenger Enplanements means total revenue passengers boarding in scheduled service, including originating, stop-over or on-line connecting passengers. Does not include crews.*

#AOPA estimate based on study showing 38% of general aviation flights at airports with traffic control towers and average load factor of 3.1 persons per flight. Total includes all flights, training, patrol, local, etc. Inter-city is itinerant movements.

Aircraft Owners and Pilots Association

Box 5800, Washington, D.C. 20014

(301-654-0500)

Help others to understand the importance of general aviation. Fold and keep this card in your wallet. Refer to it for facts about general aviation which you can use in letters and discussions with Congressmen, local officials, friends and business associates. The data are the most recent available and taken from many sources.

PILOTS

Active as of Jan. 1, 1973	750,869
Student	181,477
Private	321,413
Commercial	196,228
Airline Transport	37,714
Rotorcraft	7,987
Sailplane	4,080
Other (balloon, etc.)	1,970
Instrument rated	187,909
Employed by scheduled U.S. airlines	26,880

Totals more than 100% because of duplicate ratings held.

AIRCRAFT

Total civil active aircraft as of Jan. 1, 1973*	141,326 (100%)
Scheduled Airlines	
Piston	63
Turbine	2,249
Rotorcraft	14
Total scheduled airlines	2,326 (1.7%)
General Aviation	
Single-engine, 1-3 place, piston	47,266
Single-engine, 4-place or more, piston	67,735
Single-engine, turbine (turbojets, turboprops)	118
Multi-engine, piston	16,800
Multi-engine turbine (turbojets, turboprops)	2,581
Rotorcraft	2,800
Gliders, balloons, etc.	1,700
Total general aviation	139,000 (98.3%)

**In August, 1973, the latest figures available from the FAA were for December 31, 1971. The above figures are from the Air Transport Association for airline aircraft and AOPA projections for general aviation aircraft.*

U.S. Aircraft Production—1972	10,576
General Aviation	9,774
Single-engine	7,898
Multi-engine, piston	1,548
Turboprop	179
Turbojet	149
Airlines (Commercial Transport)	227
Helicopters for civil use	575

U.S. manufactured general aviation aircraft exported, 1972—2,233

U.S. manufactured airline type aircraft exported, 1972—148

AIRPORTS

Airports of Record, Jan. 1, 1973	12,405 (100%)
Airports	10,846
Heliports	1,098
Seaplane bases	461
Publicly owned	4,481 (36.5%)
Privately owned	7,924 (63.5%)
Privately owned, open to public use	3,004
Privately owned, closed to public use	4,920
With lighted runways	3,827 (30.8%)
Lighted but not paved	841
With paved runways	4,390 (35.3%)
Paved but not lighted	1,404
Receiving scheduled airline service	501 (4%)
Points receiving scheduled airline service (some cities have more than one airport used by airlines)	471

Activity at 10 busiest airports with FAA control towers—1972

Airport	Total Operations	Airline	General Aviation
Chicago O'Hare	670,737	581,607	85,545 (12.7%)
Van Nuys (Calif.)	574,417	70	568,412 (99.9%)
Santa Ana (Calif.)	571,195	23,285	546,915 (95.8%)
Long Beach (Calif.)	548,659	10,247	518,331 (94.8%)
Los Angeles Inter.	485,280	371,563	106,339 (21.9%)
Atlanta	447,427	414,717	61,489 (13.7%)
Ft. Worth Meacham	467,058	9	446,546 (100%)
Dallas Love	405,071	263,781	137,726 (34%)
Torrance (Calif.)	390,036	0	388,942 (100%)
Opa Locka (Fla.)	389,062	1	374,128 (100%)

Difference between Airline + General Aviation and total = Military.

OPERATIONS—1972

	Airlines	General Aviation
Aircraft Hours Flown	6,372,000	27,300,000
Aircraft Miles Flown	2,664,100,000	3,400,000,000

1972 Aircraft Operations At Airports	
With Towers	53,255,919 (100%)
General Aviation	40,213,990 (75.5%)
Airlines	9,698,397 (18.2%)
Military	3,343,532 (6.3%)
Instrument Operations	20,586,111 (100%)
General Aviation	6,979,794 (33.9%)
Airlines	9,561,559 (46.4%)
Military	4,051,758 (19.7%)
Instrument Approaches	1,815,486 (100%)
General Aviation	781,484 (43.1%)
Airlines	897,608 (49.4%)
Military	136,394 (7.5%)

Operations = takeoffs + landings. Instrument operations = operations on IFR flight plan. Instrument approaches = approach on IFR flight plan during less than VFR weather conditions.

SAFETY—1972

	Certificated and Supplemental Airlines	General Aviation
Accidents		
Total	50	4,230
Fatal	8	677
Fatalities	190	1,357
Rates		
Per 100,000 aircraft hours		
total	0.785	15.5
fatal	0.126	2.48
Per million aircraft miles		
total	0.019	1.24
fatal	0.003	0.199

(Continued over)

AOPA PURPOSES, OBJECTIVES AND POLICY

AIRCRAFT OWNERS AND PILOTS ASSOCIATION

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AOPA is a national association of over 181,000 individuals who own or rent aircraft and use them for business and personal purposes. Our membership accounts for the ownership of about 70% of the nation's civil aircraft and about 65% of the hours flown by civil aviation. We represent a substantial transportation resource and have a great interest in national transportation policy. We appreciate this opportunity to present our views.

Formulation of a transportation policy connotes identification of a transportation goal and selection of a course of action to reach it. Doing this on a national basis connotes a requirement for substantial public agreement and support for both the goal and the course to it. We think that success in

formulating a national transportation policy is contingent on the observance of several fundamental ideas commonly held about the nature and purposes of the United States of America and of certain lessons of history.

Our nation traces its foundation to a concern by individuals for life, liberty and the pursuit of happiness. Our government is founded on principles of federalism which suggest that while a national policy may be appropriate, it should not ignore or necessarily override state and local, as well as individual, interests. The preamble of our Constitution also implies that federal government programs should meet one or more of several tests. A policy that fails to conform with these concerns and principles seems unlikely to generate broad public support.

History suggests several lessons that should be remembered.

Government should confine its efforts to public goods. A public good may be defined as having three characteristics: (1) The collective public desires a set of goods and/or services which the marketplace does not provide; (2) The public is willing to pay for obtaining these goods and services; and (3) The public is willing to resort to the force of law to assure that these goods and services are provided.

It is our observation that when anyone of these characteristics is missing --- and most often it is the willingness of the public to pay --- the policy and related programs become

contentious and lack broad public support. In our view, the proper remedy in this case is either to reject or abandon the policy and program --- not to shift the burden of its financial support to a selected minority of citizens who happen to be users or beneficiaries of some particular kind.

The federal government has established a broad spectrum of programs responsive to specialized interests. In principle, we have little objection to this. It has resulted in a situation where almost everyone is subsidizing everyone else. This has served the politically desirable objective of creating a feeling of community and common purpose in promoting the general welfare. What we do object to strongly is the latter day effort to destroy this sense of common purpose by forcefully imposing the burden of certain programs, mandated by Congress in the public interest, upon selected individuals rather than the general public. A national transportation policy which pursues this latter course is doomed to continual resistance.

While we have little objection in principle to the establishment by the federal government of specialized programs which advance the general welfare, evidence abounds that the government has often attempted to do more along this line than either the general taxpayer was willing to support financially or than could be expected realistically to be achieved. It seems obvious that the appetite for public programs exceeds the public pocketbook and that greater discrimination will have to be exercised in their selection and enactment.

We observe that the masses tell us with every device at their disposal that they do not really want mass transportation. They want personal transportation instead. (Even many of the most disadvantaged families have autos). Every mechanism of mass transportation we have seen has either ultimately failed, been superseded, or survives with great difficulty despite massive infusions of public subsidy for capital investment, operating costs, market regulation or all three. We draw several conclusions from this history.

*Common carrier transportation has a great role in the movement of freight which the customer is willing to support.

*Common carrier transportation has a limited role to play in the movement of passengers in a small number of high density markets but will require massive perpetual subsidy --- and will be abandoned by its customers at the first feasible opportunity.

*Private transportation responds to individual desires for economy, flexibility, privacy, reliability, safety, security and utility. It is largely self supportive and requires comparatively little in the way of federal government intervention. It provides transportation to and from thousands of places which cannot justify or financially support mass public transportation programs. It is not very subject to the inconveniences, strikes, crime, sabotage, and hijacking that frequently plague common carrier transportation.

It would seem that a national transportation policy should acknowledge the individual desires of the people and seek to serve those desires rather than to try to force those people into a mass transportation system which they give every indication of resisting insofar as it is practical to do so.

Safety is a theme explicit or inherent in many pieces of transportation legislation. What role should it play in policy? It seems axiomatic that safety in the absence of a mission is unproductive --- and that a mission without safety is pointless. Risk of death is a condition of life and we all want to minimize that risk within the bounds of reasonableness that permit the achievement of a desirable mission. We think a riskless society and perfect safety is an unreasonable objective.

We observe that an increasing population provides greater numbers of people who travel and, correspondingly, a greater number of transportation related fatalities. Since most people who desire to travel give little evidence of hesitation in taking to the highways, waterways, and airways, it seems obvious that the risk of injury or fatality is not a major factor inhibiting travel by these modes. Property damage is insurable and replaceable. These facts suggest that what <u>is</u> practical as a matter of national policy is a reasonable pressure guided by cost/benefit studies focused on improvement of safety <u>rates</u> rather than reduction of total number of fatalities.

Our economy has achieved a high level of productivity through specialization. Transportation is the indispensable tool that makes it work as well as it does --- and transportation too has become highly specialized. This suggests that simplistic massive transportation systems are unlikely to respond adequately to the needs of a complex society. It may be that the problem is too complex for a satisfactory solution to be planned and developed by a central authority. There is the very real possibility that the problem can be solved

better by the application and encouragement of private initiative responding to thousands of smaller and more manageable parts of the problem.

We think the profit motive of private enterprise is a more powerful incentive for the efficient allocation and management of resources than is the desire of public servants to serve the public. This suggests that provision of facilities and services for public use in transportation by private enterprise should be encouraged in those areas where it does not now exist, and improved in those where it does, by providing an economic and regulatory environment in which they can survive and thrive.

Who should form national policy respecting transportation? We think it is the task of Congress. Congress is, after all, the body which writes our law. Advice from the public, the transportation community and the Executive often will be helpful in its formulation --- but the responsibility lies with Congress. In a sense, we already have a national transportation policy but it is more implicit in the legislation already enacted than explicit. Certainly, it has not been codified or coordinated in any meaningful way. In a changing society, we are not sure that it even can be or would be worth the effort if it could. That is a decision you will have to wrestle with --- and we do not envy you the task.

In consequence of these observations, we have these recommendations for a national transportation policy;

Tailor the policy and resulting programs so that individuals are assisted in doing what they want to do rather than forced into doing what others want them to do.

Minimize regulation so that competition encourages

service and moderates price.

Limit regulation for safety to cost/benefit directed programs where fatality rates are higher than is generally accepted.

Limit programs to those which the general taxpayer can afford and will support.

Repeal Title V of the Independent Offices Appropriations Act of 1952.

Acknowledge that whatever transportation programs you enact are for the public benefit and warrant public support of their costs.

In essence, we think that the federal policy should be to provide only those services which are of general benefit to the public. All other services and costs should be the responsibility of private enterprise.

Since we are advocates of that spectrum of aviation ineptly designated as "general aviation", a few words respecting policy matters of concern to it are appropriate.

AOPA's objective is an economic and regulatory environment in which almost anyone who wishes to may avail themselves of the benefits flowing from personal aircraft usage.

We know from experience that aviation provides many benefits for our people and the nation at large. We have seen it bring pleasure into people's lives, provide jobs where they did not exist, assist in the decentralization of business enterprise, and help people to sell themselves and their products or services. It has made activities and enterprises practical that were previously impossible or impractical.

Private enterprise and individual initiative will pay for and provide as many of these benefits as it can afford as soon as it can. If the public wants to obtain these benefits in greater number or at an earlier time, it seems only fair that the public should pay for that acceleration. This is the nub of our dispute with the concept of user charges and taxes --- and why we request the repeal of Title V and the repeal of the user taxes established by the Airport and Airway Revenue Act of 1970.

So long as Congress and the public were willing to pay for accelerated aviation development, we raised only occasional objections. We have thought for over ten years that the federal government was spending too much money on aviation and not spending it very wisely. The following table presents, admittedly, a simplified sketch of the money problem as we see it.

	AIR FAA	WATER CG	HIGHWAY FHWA-NHSTA
1974 Appropriations per vehicle	$12,300	$104	$42
1974 Vehicles per employee	2.6	1,237	19,714
1972 Fatalities	1,534	1,871	56,700

Even a proponent of aviation may be excused for asking if our national priorities have not been wrenched askew. Looked at another way, if the Coast Guard were involved in water related activities as the FAA is in aviation, it would have almost three million employees and a budget approaching nine billion dollars. Similarly, the highway agencies would

require 41 million employees and a budget well over a trillion dollars.

It is apparent to us, as it is becoming apparent to others, that an air traffic control system that seeks positive control of all aircraft, but becomes overloaded when the weather goes sour and ten percent of our aircraft try to use it, is not the answer.

It is apparent to us that an airport aid program that has turned into an annual dole for a few large cities --- when many other communities and recreational areas do not even have a paved and lighted airstrip --- is not the answer.

It is apparent to us that provision of costly control towers and associated facilities at airports with little traffic is not the answer.

It is apparent to us that the aviation fatality rate is at so low a level that it does not yield significant improvement despite massive expenditures justified in the name of safety. This is not the answer.

Meanwhile, a retarded aviation industry produces a few thousand vehicles annually while other modal industries produce millions; the average cost of our new aircraft has multiplied 16 times in the last 26 years; annual ownership turn over is the equivalent of 52% our total fleet; and we've been prevented from developing enough traffic to maintain a service operator at each public use airport. As a consequence, millions have been denied the pleasure and advantages of personal aircraft use.

We conclude that the mission and purpose of the FAA needs comprehensive, searching review and drastic revision. From

our parochial viewpoint, we find it galling that with respect to general aviation, the FAA's policy can be summed in these words from its policy statement issued in 1965, "Thus, the Agency's primary interest will be in safety and airworthiness rather than promoting utilization." It is small wonder that many general aviation people are unhappy with an FAA that has such a policy. And it is small wonder that they object to sharing the financial burden of programs designed to inhibit their activities while promoting the utilization of other sectors of the aviation community.

We are persuaded that if the present course of federal aviation programs continues, personal aircraft usage for business and pleasure purposes will, for all practical purposes, be priced out of existence. Therefore, we not only call for repeal of the aviation user taxes and the consequential repeal of the trust fund based upon them, but for repeal of the Airport and Airway Development Act of 1970 which they were devised to fund. We would also support a revision of the basic mandate of the FAA contained in the Federal Aviation Act --- or at least a revision of the FAA's interpretation of that mandate --- so that federal aviation programs were less inhibitive and more promotional in character.

If experience has proved anything in transportation, it has proved that the principal terminal should be downtown where the center of economic activity is located. In aviation, government practices the reverse. Consequently, we see new principal airports established far from the city center and slowly but inexorably the focus of economic activity moves to surround them. This history suggests to us that the nature

of urban renewal programs should be modified to put the main airport at the city center instead of other developments that have no hope of surviving there in the absence of economic activity.

The Airport and Airway Development Act has refocused our attention on another policy anomoly that is difficult to reconcile. For years, airport development assistance has been denied to privately owned airports provided for public use. The government is willing to subsidize private air carrier corporations to provide airline service but is unwilling to similarly subsidize private airport companies to provide service to the flying public. The 1970 Act exacerbated this situation by imposing user taxes on the fuel sales and aircraft at these private enterprise airports and allowing nothing in return. This is a peculiarly obnoxious form of enforced subsidy for competitive publicly owned airports and is another argument for the repeals we desire.

We think a wise government would limit its appetite for aviation programs to what the public will support and can afford, set realistic objectives for those programs, and monitor them with a frequent, skeptical and searching eye.

I will be happy to respond to any questions you may have.