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Fact Sheet

AIRPORT AND AIRWAY DEVELOPMENT ACT OF 1975 AND AIRPORT AND AIRWAY REVENUE ACT AMENDMENTS OF 1975

Today the President is transmitting legislation to Congress designed to restructure the Federal airport and airway development programs. This will provide approximately \$3 billion over five years, mostly on a formula basis, thereby substantially reducing Federal involvement while increasing State and local discretion over aviation facilities development.

PURPOSE

- Extends and restructures the existing Federal airport and airway development programs.
- Provides approximately \$3 billion over five years, FY 1976-1980, for capital airport and airway development.
- Reduces Federal involvement in local airport development and increases State and local flexibility in the use of funds.
- Strengthens the principle of user responsibility for financing most of the airport and airway programs and allocates the user fees more equitably among aviation users.

MAJOR PROVISIONS

- Provides direct formula grants to air carrier airports (\$240 million per year, which will increase as aviation grows) which replaces the present project-by-project approval program.
- Expands projects eligible for funding to include passenger and baggage handling facilities.
- Establishes an across-the-board 25% local matching requirement and removes Federal restrictions which currently prevent State and local governments from imposing certain airport taxes.
- Allocates \$50 million per year for general aviation grants on a formula basis to the States with gradual shift of program management and funding responsibility to the States. As of the end of fiscal 1978, the last year of transition, the Federal program will be eliminated and the Federal general aviation taxes reduced appropriately.

- Establishes a \$60 million per year discretionary capital assistance and planning program for air carrier needs which are not adequately covered by the formula grant program.
- The aviation user fees would be restructured to achieve greater equity among the users by:
 - reducing domestic airline passenger ticket tax from 8% to 7% (about \$100 million annual reduction)
 - raising the international per passenger enplanement fee from \$3 to \$5 (about \$35 million annual increase)
 - increasing the general aviation fuel tax on non-commercial users from 7¢ per gallon to 15¢ (about \$65 million annual increase)
- Continue funding Federal air traffic control and navigation equipment at the present \$250 million annual level.
- Expand the Aviation Trust Fund to cover the direct maintenance costs of operating the airways facilities system. Currently, the Trust Fund covers only airway and airport capital costs.

FUNDING

Annual amounts for capital programs:

- Air carrier and reliever airports \$300 million
 (about \$240 million directly to air carrier airports by formula and \$60 million by Secretarial discretion)
- General aviation airports \$ 50 million
 (block grant to States, terminates in fiscal 1979)
- Federal airway facilities programs \$250 million



March 17, 1975

Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

In my fiscal year 1976 Budget Message, I stated that my Administration would transmit legislation to restructure existing Federal airport and airway development programs. Following extensive consultations with members of the Congress, State and local governments, aviation groups, and others, I am today sending a comprehensive legislative program to the Congress.

To help ensure continued improvement in the safety and efficiency of the Nation's excellent air transportation system, this program will extend for five years the 1970 Airport and Airway Development Act to provide funding authorizations for fiscal years 1976-80.

As an additional step to enable State and local officials to plan and to manage Federal airport assistance effectively, this bill would establish a multi-year, predictable formula to allocate the bulk of the aviation grants funds directly to States and local airport sponsors. This formula approach, coupled with other features of this bill which provide more flexibility in the use of Federal assistance, will enable State and local officials to address their highest priority airport needs while reducing burdensome Federal red tape. I am also proposing removal of federal restrictions which currently prevent State and local governments from imposing certain airport taxes.

One of my principal goals is the establishment of strong partnerships among Federal, State and local governments in the execution of national domestic programs. Consistent with this goal, this legislation provides for gradually increasing the responsibility of the States in the general aviation program. With many States using new general aviation facilities to stimulate community development, this is an appropriate step at this time.

The legislation I am proposing today also includes a separate measure to adjust the revenues accruing to the Airport and Airway Trust Fund. These adjustments are designed to generate financial contributions from the users of the aviation system which more equitably match the system benefits they receive. In this connection, I am requesting that user revenues also finance the direct costs of maintaining air navigation facilities.

I commend the Congress for initiating hearings on this important problem and for its prompt attention to the extension of the airport and airway development program. I have asked Secretary Coleman to work closely with the Congress to insure speedy enactment of the aviation program I have proposed to meet the challenges of a growing America.

GERALD R. FORD



THE WHITE HOUSE,
March 17, 1975

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MEMORANDUM

NATIONAL SECURITY COUNCIL

November 6, 1975

MEMORANDUM FOR: LES JANKA

FROM: DAVID ELLIOTT *D.E.*

SUBJECT: Move on the House Floor to
Exclude the Concorde

The Bill authorizing the annual expenditures under the Airport and Airway Development Act (ADAP) will be taken up on the House floor sometime around November 13. This Bill was reported out by the Aviation Subcommittee of the House Public Works Committee. The full committee disapproved an amendment offered by Congressman Stanton which would have denied any of the ADAP funds to any airport which allowed the Concorde to land. A copy of the Stanton amendment is at Tab A. Stanton intends to offer this as a floor amendment and Glenn Anderson, the Aviation Subcommittee Chairman, is somewhat pessimistic about being able to defeat the amendment on the floor.

The Stanton amendment is objectionable from at least four standpoints:

- It preempts the outcome of the hearings which are scheduled in early December by the Aviation Subcommittee to consider the question of the Concorde.
- A detailed set of procedures were set up under the National Environmental Protection Action requiring the formulation of an Environmental Impact Statement for any major federal action, public hearings, a governmental review process, and finally a decision by the head of the affected agency. This process is now underway within the Department of Transportation in considering the question of Concorde access to the U.S. It is poor government to set up procedures by one law and then preempt them by the actions of another law. Congress should allow the NEPA procedure to be followed.
- The Stanton amendment is highly discriminatory and unfair because it effectively denies access to any U.S. airport because the Concorde does not meet the noise standards of Part 36 of the Federal Aviation Regulations. Eighty percent of U.S. jet aircraft do not meet these standards. The owners and operators of Concorde, and the countries they represent, could only view this as a discriminatory action as proscribed by the provision of the Chicago Convention on international air traffic.

-- There is a vast investment in money and prestige on the part of the British and French. Any possible U.S. action or decision to exclude the aircraft should be taken only after the most detailed analysis and thorough diplomatic contacts. The Stanton amendment is the meat-axe approach and is bound to maximize the adverse foreign reaction.

We should ask the White House Congressional people to make these points on the Hill among the leadership and to appropriate people on the International Relations Committee. It would also be a good idea to contact some or all of those Republicans who supported a similar attempt to legislate against the Concorde in July. At Tab B is a listing of such Republicans.



Amendment offered by James V. Stanton in Public Works Committee

On page 30, after line 25, add the following new language:

"(d) Section 15 of the Airport and Airways Development Act of 1970 is further amended by adding at the end thereof a new paragraph which is to read as follows: (d) No funds authorized for obligation and apportionment under paragraphs (a) and (b) of this section shall be made available to any airport which permits the landing within the United States of America of ~~any~~ civil supersonic aircraft engaged in scheduled or non-scheduled commercial service, which aircraft do not comply with the noise standards established for supersonic aircraft by the Federal Aviation Administration under Federal Aviation Regulation (FAR) 36, presently in force and effect."

Republicans Who Supported Anti-Concorde Amendment, July 1975

Broyhill
Burke (Fla.)
Carter
Coughlin
Derwinski
Esch
Fenwick
Fish
Forsythe
Gilman
Grassley
Gude
Hastings
Heckler (Mass.)
Heinz
Horton
Hyde
Jeffords
Lent
Lujan
Madigan
Miller (Ohio)
Mitchell (N. Y.)
Myers (Pa.)
Peyser
Pressler
Rinaldo
Schulze
Sebelius
Skubitz
Stanton, J. William
Walsh
Wydler

December 1, 1975

MEMORANDUM FOR:

TED MARRS

FROM:

CHARLES LEPPERT, JR.

SUBJECT:

Status of H. R. 7142

You asked for a status report on a bill introduced by Rep. Lester Wolff concerning maintenance of aircraft owned by the Civil Air Patrol.

H. R. 7142, to amend the Airport and Airways Development Act of 1970 was introduced on May 20, 1975 and referred to the Committee on Ways and Means. The purpose of H. R. 7142 is to provide that no federal tax is imposed on aircraft owned by the CAP which are used for search and rescue operations. The Committee on Ways and Means has taken no action on the bill.

