

**FAA ADMINISTRATOR DAVID R. HINSON**  
**TALKING POINTS FOR CHALLENGE 2000**  
**JULY 13, 1995**

I've asked you here today because I want to tell you about a new initiative that is part of my ongoing effort to streamline the FAA, and to make it a stronger and more efficient organization. We're calling this new initiative CHALLENGE 2000.

In CHALLENGE 2000, I am commissioning a high-level task force to take a fresh look at the way we do things, by conducting a thorough review of the agency's regulation and certification policies and procedures.

I have set a deadline of July 26 for the first meeting of the task force. I expect it to take approximately 6-9 months for the task force to complete the review.

Good management requires us to reassess our way of doing business periodically, to ask and answer certain fundamental questions, and to examine the relationship between the way we do things and our reason for doing them.

I believe we need to take action now to determine what capabilities will be necessary for the FAA to meet the increasing challenges of regulating the aviation industry and certifying rapidly changing technologies as America enters the 21st century. And this review is absolutely critical if we are to continue making progress toward our goal of zero accidents.

CHALLENGE 2000 will examine the FAA's regulation and certification capabilities, evaluate whether they are adequate to cope with the challenges aviation will face as we move into the 21st century, and determine what we must do to prepare for the future.

The CHALLENGE 2000 task force will be chaired by Barry Valentine, FAA assistant administrator for policy, planning and international aviation. Barry has more than 35 years of aviation experience and he is an excellent manager. I'm confident he will do a good job.

The task force will consist of three components:

- 1) a team of private management consultants and aviation experts, which will conduct an independent examination of regulation and certification processes;
- 2) Gen. James Abrahamson, chairman of the FAA Research and Development Advisory Committee, and other advisory committee members under his direction, who will evaluate the FAA's relationship to the technology environment and the agency's ability to respond strategically to rapid technological changes;

3) a team of senior FAA officials, whose responsibility will be to assist other members of the task force, to provide essential expertise and perspective on the FAA and its current practices, and to facilitate the review.

The only assumption we're starting with is that it's always possible to do a better job. We want to take a hard look at every aspect of our regulation and certification work — not only what we do, but also how and why we do it.

Everything having to do with regulation and certification at the FAA is on the table for review. Nothing is excluded. As Tony Broderick told me in one of our discussions about this initiative, "If we take something off the table, we lose the opportunity to improve it."

Like the industry we regulate, the FAA must meet the challenges of tomorrow by planning and preparing for them today.

When I took the job as FAA administrator two years ago, the mandate from President Clinton and Transportation Secretary Federico Peña was to evaluate the structure and function of the agency. I was told to fix any existing problems I might find, to redefine and reorganize as necessary, and to fine-tune processes and organizations as appropriate.

CHALLENGE 2000 is part of that third phase, and a logical extension of other management initiatives I have undertaken at the FAA since I arrived.

During my first two years at the FAA, we have reorganized the agency into six distinct lines of business, increased accountability, and established better ways to measure productivity. I'm proud of those accomplishments, but it is time to take the next step in that management process.

In less than five years, we will enter a new century and a new era for aviation — quite possibly the most challenging that the industry has ever known. The 21st century will bring with it many changes:

- increasingly limited resources;
- unprecedented growth in air travel;
- rapid changes in technology; and
- the continuing globalization of aviation.

We must manage those changes carefully and strategically.

As administrator of the Federal Aviation Administration, my job is to make sure that the FAA is as well prepared tomorrow as we are today to fulfill our mission of ensuring the safety and efficiency of U.S. aviation.

When it comes to the FAA, the challenges I have just outlined probably have the greatest effect on two of our organizations: Air Traffic; and Regulation and Certification.



We have already done a lot of work in Air Traffic. They have the CIP, and they're working in accordance with that plan. We still have a lot of work to do there, of course, but I believe that the Air Traffic organization is on the right course for the future.

I want to make sure that Regulation and Certification has the same opportunity and the help it needs to get on course for the future.

The FAA's Regulation and Certification organization, headed by Tony Broderick, plays a vital role in the FAA's mission.

The organization has regulatory, certification and oversight responsibility for:

- 120 major air carriers;
- 500 foreign carriers that fly to U.S. sites;
- more than 3,100 commuter airlines and on-demand operators;
- 680,000 active pilots and 202,000 aircraft of all types.

The organization also oversees more than 2,800 manufacturers and 4,800 repair stations — both foreign and domestic — around the world.

Regulation and Certification employees perform more than 400,000 safety inspections annually, and the organization is responsible for several major FAA programs and initiatives, including:

- the aviation safety rulemaking program;
- the international aviation safety assessment program and international harmonization of safety rules;
- approval and oversight of industry drug and alcohol testing programs;
- accident investigation; and
- the FAA response to recommendations from the National Transportation Safety Board.

In addition to CHALLENGE 2000, I have been working closely with Tony Broderick, associate administrator for regulation and certification, to develop several other near-term initiatives. In a moment, I will turn this over to Tony, who will explain a few of the initiatives we're announcing today.

CHALLENGE 2000 is not aimed at a specific problem, nor is it intended to bring any kind of predetermined result. Instead, it is a sincere effort to avoid future problems by applying "breakthrough thinking" to regulation and certification.

I can't predict exactly what this review will tell us, but I believe it will provide the information and the tools we need to chart a true course from where we are now to where we need to be in the future.

Both Tony and Barry have a few remarks to add to what I've told you. After that, we'll be happy to take your questions.

## **FAA REGULATION AND CERTIFICATION NEAR-TERM INITIATIVES**

To complement CHALLENGE 2000, FAA Administrator David R. Hinson and Anthony Broderick, associate administrator for regulation and certification, announced several near-term initiatives. Those initiatives include:

- an aggressive public education program to enhance safety by encouraging passengers to remain seated during flights with their seat belts fastened;
- issuance of an advisory circular for the voluntary accreditation of parts suppliers;
- and a status report after the end of the fiscal year on the 173 safety action initiatives that were developed jointly by government, labor and industry following the nationwide Aviation Safety Summit in January.

Hinson and Broderick also announced that they have put the FAA's top five rulemaking initiatives for safety on a fast-track. Those five rulemaking initiatives and their deadlines are:

### **Air Carrier Training Programs -- Final Rule, October 1995**

Requires all commercial operations of aircraft with more than 10 seats to meet the highest requirements for crew training, testing and qualifications. Requires training in Cockpit Resource Management to enhance crew coordination and performance.

### **Aircraft Simulator Use in Airman Training -- Final Rule, September 1995**

Allows the use of state-of-the-art simulator technology to enhance crew training.

### **Harmonization of Certification Regulations for Small and Commuter Category Airplanes -- Final Rules, December 1995**

Ensures that all small and commuter category airplanes manufactured in the United States and Europe meet the same strict safety requirements.

### **Pilot Duty Limitations and Rest Requirements -- Notice of Proposed Rulemaking (NPRM), November 1995**

Establishes a stricter set of duty and rest requirements for all flight crew members in commercial operations with more than 10 seats.

### **Flight Data Recorders -- NPRM, December 1995**

Increases the amount and type of information recorded during aircraft incidents to pinpoint the cause more quickly and to develop corrective actions more promptly.

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Talking Points  
ATN Consortium Agreement  
July 13, 1995

- The people in this room deserve a lot of credit for their personal commitment to bringing ATN Systems, Inc. into being. This corporation, formed by 11 of our leading airlines, will help us revolutionize air traffic control, make the nation's airspace more efficient, and greatly increase the safety of an already safe system.
- The consortium represents an unprecedented level of cooperation between the FAA, the Department of Defense, the Air Transport Association and the 11 member airlines to create technical advances for the common good.
- I want to give special thanks to our federally funded research and development center, which is operated by MITRE, for bringing us this collaborative concept.



- The corporation promises to deliver the benefits of the “Information Superhighway” to the nation’s airspace. Perhaps we should call it the “Information Jetstream.”
- This effort is absolutely essential because of the rapidly rising demand for air services. Last year alone, 555 million passengers boarded flights on U.S. carriers. we expect that to jump to about 800 million in less than a decade, and to more than one billion by 2010.
- To handle that remarkable volume of passengers and aircraft operations, data communications are expected to replace voice exchanges for most routine ATC instructions. So quick, efficient and reliable communication between air and ground will be essential.



- The Aeronautical Telecommunications Network, or ATN, will give us just that. Fast, error-free datalink communications between computers on the ground and in the cockpit. Seamless switching between satellite, ground-based and terrestrial links. Super-accurate surveillance using GPS-based position information will be possible in remote and oceanic airspace.
- ATN Systems, Inc. is a major step toward making the ATN a reality. For the first time, the products, requirements and benefits of the ATN will be very well defined. The airlines participating in the consortium will be able to develop realistic cost estimates, implementation schedules and reasonable projections for a return on their investment of equipping their aircraft.
- The expected efficiency and capacity benefits will eventually spread world-wide. ATN is a pivotal part of the Future Air Navigation System, or FANS, adopted by ICAO.



- Just as important as the technical wizardry is the way we're creating it. The consortium represents a new level of cooperation between government and industry. This cooperation is helped by the transfer of FAA-funded, MITRE-pioneered ATN technology to ATN Systems, Inc.
- We're working together to foster the timely development and deployment of the equipment and systems needed instead of creating separate and costly research efforts. The result is a better return on investment for both American taxpayers and the airlines' stockholders.
- You have the FAA's full support in this endeavor.



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Talking Points Prepared for  
David R. Hinson, Administrator  
Federal Aviation Administration  
Federal Women's Program Training Conference  
July 18, 1995

- I am delighted to have the opportunity to talk to members of the Federal Women's Program. Your organization plays an integral role throughout the Federal government, especially the FAA.
- I certainly welcome the guidance you provide me on the employment needs and barriers faced by women in the FAA. And you have taught me about the "glass ceiling" and the "sticky floor."
- When President Kennedy established the Federal Women's Program in 1963, I was just getting my aviation career off the ground. I was surprised back then to see how few women actually worked in the aviation business.
- But with maturity came wisdom, and I've come to understand some of the difficulties women face in entering fields traditionally occupied by men.
- I do want to reassure you, however, although I may not know all of you on a first-name basis, at least not yet, I do share with each of you an intense interest in aviation and a passion for enhancing the role that women play in this dynamic field and in the FAA.
- The FAA needs you. American aviation needs you -- and a lot of other women just like you -- as controllers, as aviation inspectors, as security experts, and everywhere in-between.
- One goal of conferences like this one is to reach out and work with FAA's female employees to groom them to become the next generation of aviation experts.
- I firmly believe that our society can only continue to grow and succeed if its opportunities are as diverse as its people.
- The same is true for the FAA -- and for every other business. Both public service and private enterprise should be blind to color, gender, and disabilities.
- As a nation, as a Federal agency, and as an industry, our future success will depend on how well we use our available resources -- including all of our manpower and *womanpower*.



- As women, you have a perspective that is uniquely your own -- one shaped by your history and your work experience.
- There have been solid gains for women over the past several decades, and most of them have happened in recent years.
- Many of you can probably remember a different time when old patterns of power and privilege prevailed.
- Times are changing, albeit sometimes slowly.
- The women of the FAA are now found throughout the agency, working in all kinds of jobs.
- Thanks to organizations such as the Federal Women's Program, women are more involved than ever in making major decisions -- the ones which really matter to us all.
- I am solidly committed to providing women the opportunity to succeed.
- Peggy Gilligan has just become Deputy Associate Administrator for Regulation and Certification. Lynne Osmus is moving into Peggy's old job as Chief of Staff.
- Beth Yoest is Deputy Director for Aircraft Certification. Cynthia Rich is Assistant Administrator for Airports. Sandie Allen holds the same position for Public Affairs.
- Fanny Rivera is now our acting Assistant Administrator for Civil Rights; Ruth Leverentz is our acting Budget Director -- a position of acute importance for the agency in these dynamic days when funding levels seem to change almost by the hour. Kay Frances Dolan is our acting director of Human Resources.
- Three women are Regional Administrators: Carolyn Blum, Arlene Feldman, and Jackie Smith. Woodie Woodward heads up the Center for Management Development down in Florida.
- I could name a dozen or more others. This is the first time that the FAA has had so many women in senior positions.
- This rise to prominence comes at a critical juncture. It's a time when the agency is on the verge of fundamental and far-reaching change.
- And, change we will.
- Six months go, I selected Fanny Rivera to be the agency's diversity advocate.



- Fanny has looked at all the diversity plans created by our various offices and is putting a working team together to develop an agency-level diversity plan.
- The most important milestones will be incorporated into the FAA Strategic Plan, and managers will be held accountable for carrying them out.
- The working group will be made up of high-level senior managers from the operating organizations, representatives of employee groups -- like the Federal Women's Program -- and the unions that wish to participate.
- If all goes well, and I am confident that Fanny will see that it does, the plan should be ready by October 1.
- The growing number of women in technical professions, and in positions of influence, tells me that we are moving in the right direction.
- The challenge is to maintain our momentum in the difficult and uncertain times ahead for all federal agencies.
- While I am here, I will work to make sure that this agency's women are recognized and rewarded for their work -- with equal opportunity, equal pay, promotions, and greater responsibility.
- When I leave, I want to know that I opened the door a little wider for the next generation of women.
- And I know that all of you, by your presence here at this conference, are my allies, my peers, and my colleagues in that effort -- not only at the FAA, but throughout aviation and throughout the Federal government.
- That's the way it should be.
- We live in a world that is beset by increasingly critical and complex problems.
- To exclude what women have to offer is to ignore at least half of the wisdom, insight, and creativity that should be applied to making the world, and the FAA, a better place to live and work.
- To keep women on the margin means giving in to old patterns of sexism, discrimination, and ignorance. It is time to change all that.
- It is time for us, for this society, to change not only the misperception that women do not belong in positions of power, but also the realities that sometimes interfere with their ability to succeed in any field.



- We do not have to give in to old problems of sexism and discrimination.
- If we don't like the way things have been, we need to change them.
- That's what I'm doing. And, I need your continued help.
- Yesterday's direction is not leading us where we want to go. It's time to set new goals and chart a new course.
- I know you want the freedom to do your jobs well, without being patronized, without having artificial obstacles thrown in your way.
- In short, you want the same things men want. Nothing more, nothing less.
- You can call it affirmative action if you like -- I just call it fair.
- I am proud to be part of an Administration which believes that this kind of fairness should be a way of life -- where a new day for women is not only encouraged, but embraced.
- That is not tokenism. It's power -- women's power.
- Women have brought to the FAA a vital sense of mission, a strong commitment to safety, and a dedication to public service that is extremely valuable.
- Since I've been at the FAA, I've noticed that this agency's women have advanced because of their courage, commitment, and their desire to achieve.
- You have fought for the opportunity to be of service to this agency -- and you have prevailed.
- I believe we share a common commitment, and nowadays we must share a common concern about the future -- for our careers and for the agency.
- The next few months will probably be the most critical in our entire history.
- All of us in the Clinton Administration came into office determined to make government more productive.
- That means doing more with less -- shrinking the workforce and eliminating programs which don't work or are no longer necessary.
- We've already shown we're up to the challenge.



- While air traffic has grown more than 6 percent over the last two years, we've seen the FAA budget experience a real decline for the first time in more than a decade. A six percent drop. Six hundred million dollars.
- We've managed by eliminating technology programs that are no longer warranted.
- We've overhauled other projects that were going to cost too much.
- By the end of this fiscal year, we will have reduced our work force by more than 5,000 employees.
- We took these actions in the spirit of reinventing government.
- We knew the result would be a leaner, more efficient FAA that could perform its critical aviation missions even better than before.
- Now, the situation is different.
- We are facing the prospect of enormous budget reductions by the Congress and a consequent scaling back of FAA programs.
- That could have damaging long-term consequences.
- The House and Senate recently agreed on a budget plan that includes \$180 billion for DOT for fiscal years 1996 through 2002.
- While we still don't know the specifics of how the FAA will be affected, one thing seems clear.
- The budget does not give us enough money to continue today's level of service to the American public.
- As you know, the President has offered a method to assure a source of continued funding: the U.S. Air Traffic Services Corporation.
- USATS would give us flexibility in hiring and procurement.
- And it protects the gains we have made in creating a genuinely diverse workforce of the highest quality.
- Other ideas have been offered. But the broad bipartisan effort to balance the federal budget makes it very likely that the FAA will undergo a fundamental change in the coming months.



- We are working with the Congress to determine what that change will be.
- We all agree that it is essential that we find a rational way to protect the future of our aviation system.
- Whatever change we make must provide a reliable revenue stream for the FAA, and we must ensure the agency maintains a diverse and well-qualified workforce.
- Now I'd like to hear from you. Who has the first question?



REMARKS PREPARED FOR  
DAVID R. HINSON  
ADMINISTRATOR, FEDERAL AVIATION ADMINISTRATION  
NEW ORLEANS MOISANT TOWER DEDICATION CEREMONY  
July 20, 1995

- Thank you Leonard (Parmely) for that nice introduction.
- I am delighted to be here among so many distinguished guests to help dedicate the new tower, especially Marc Morial [More - ee - al] (Mayor, New Orleans), Justice Revius Ortique [Or - teak] (Chairman, New Orleans Aviation Board), General Jude Patin [Pah - ten] (Louisiana Secretary of Transportation), and Aaron Brussard [Brew - sard] (Mayor, Kenner).
- It's also nice to see members of the FAA family here: Donald Berkowicz (Acting Manager, New Orleans Airway Facilities Sector), Archie Archilla, Quentin Taylor, Jim Washington, and Doug Murphy, among others.
- And, I am always happy to be here amongst my Southwest Region family. New Orleans is one of my favorite cities.
- Before I begin, I want to thank everyone in the FAA who helped work on this project.
- This was an effort which called upon many separate services of the FAA -- Air Traffic, Airports, Logistics, and Airway Facilities, among many others.
- Before I go on, I want to personally congratulate the Airways Facility office in Baton Rouge for being named FAA's 1995 Airways Facilities sector of the year -- an honor they truly deserve.
- We also couldn't have undertaken this tower project without tremendous support from the Mayor and Aviation Board here in New Orleans. Ours was truly a cooperative effort.
- For years we have been partners working toward a shared vision of tomorrow.
- I see here the faces of those who have performed vital roles, defined the critical issues, and provided creative insights to make this tower a reality.
- I should probably not be so presumptuous, but I would like to speak for all flyers -- both today's and tomorrow's -- by simply saying thank you for your commitment to excellence.



- You are all public servants in its finest sense as you sustain the partnership that made this tower possible, and will continue to make America aviation so special and strong.
- This is truly a historic event, as we herald the beginning of a new air traffic control era here in New Orleans.
- This tower and TRACON represents the finest FAA can offer in terms of technology, housing state-of-the-art equipment including the airport surveillance radar, airport surface detection equipment, and sophisticated communications equipment.
- This tower is also an example of our modernization program at its best.
- It will enhance both efficiency and safety at the airport. And, the TRACON will support 15 surrounding airports.
- More than anything else, the new tower here at New Orleans represents the FAA's continued commitment to modernization and our commitment to safety.
- Safety is our highest priority.
- And, it has also been one of our greatest achievements.
- Safety is the fundamental thread running through everything FAA does.
- In fact, our goal is zero defects because America expect nothing less.
- As an integral part of our continuing efforts to improve safety, the FAA is even more committed today, than it was in the past, to modernizing the national airspace system.
- This tower is evidence of that commitment.
- But, in this day of diminishing resources and decreasing budgets our modernization program may possibly slow down.
- We realize that we can no longer count on increasing budgets, and must look for other means by which to accomplish our modernization mission.
- In an era of diminishing resources and increasing demands, doing more with less is more than an idealistic goal.
- How we finance all of our activities is obviously the question on everyone's mind -- ours, yours, and the Congress.



- Budget constraints are a clear and present reality -- no longer just a prediction.
- Since 1993, the FAA has sustained dollar reductions of more than 8 percent. And while our fiscal year 1996 budget is under development, it is likely -- given the hard budget freeze -- that the restrictions are continuing.
- Certainly the FAA will be leaner and trimmer in the future.
- To do that, we have been, and we continue to work refining our mission, redefining it where that is necessary, and sharpening it where that is possible.
- Hard choices are being made.
- This is a very serious effort to move forward and plan for a safer, more efficient, more cost-effective future for the federal government and the aviation industry.
- If we, and I mean all of us, want to continue as effective stewards of the nation's aviation resources we must embrace change and lead this process.
- I hope that all of you will join those of us in government who are working hard to do the right thing.
- This monumental effort cannot be business as usual because there is nothing usual about what we have to do.
- Overall, I think we all realize that failing to reform and modernize could jeopardize the economic viability of the industry.
- This is an investment we can't afford not to make.
- To this end, timely and effective responses on the part of the government are essential if we expect to handle the ever growing demands and volume of air traffic.
- If we cannot meet that challenge, all of this progress is meaningless.
- In the meantime, we will continue working toward our goal to move aircraft safely and efficiently.
- The new tower and TRACON we are dedicating today is evidence of that commitment to safety and efficiency.



- In a very real sense, this tower helps mark the transition between the old 1950s technology and an air traffic control system which belongs to the age of space satellites, computers, and digital communications.
- The FAA is committed to this type of modernization, because it improves efficiency and capacity.
- This is essential here in New Orleans. This airport witnessed a 20 percent growth between 1993 and 1994.
- And, statistics show that growth in the first quarter of 1995 was 9 percent over the first quarter in 1994.
- Such growth is being evidenced all over the region.
- Currently FAA has provided AIP funding for several projects. For example, AIP funds are being used at New Orleans International Airport, New Orleans Lakefront Airport, and Slidell Airport.
- Considerable Federal and local funds are being used to enhance and improve the area's transportation network -- to prepare the region for the air transportation demands of tomorrow.
- Our goal is clear: to make the changes necessary to allow air travel and the air traffic control system to be as safe, efficient, and cost-effective as it can be -- for today, tomorrow, and into the next century.
- Thank you.



Talking Points  
EAA "Theater in the Woods"  
Oshkosh, Wisc.  
July 30, 1995

- Coming to Oshkosh is one of my favorite activities as FAA Administrator. I've been a pilot for 40 years and I've flown airplanes of all shapes and sizes.
- I've also been a fixed-base operator and was once the Pacific Northwest distributor for Beech. So I know and care about general aviation.
- I really think of the FAA and general aviation as true partners. This is an important time; we have to work together to keep the revitalization of this important segment of American aviation going.
- Look at what's happened in GA during the past year. Cessna broke ground for a new plant and Piper came out of bankruptcy. We're moving very rapidly to implement GPS. Activity at GA airports across the country is increasing; there are some real success stories. So I think all the signs of a GA renaissance are there.
- We're doing our part. The FAA has many continuing programs to encourage general aviation airport operations, develop advanced general aviation technology, lessen regulatory and certification burdens and educate pilots and maintenance personnel.
- I know you're doing your part, too. Paul Poberezny and the EAA were a driving force behind our proposed update to the Part 61 certification requirements for pilots, instructors and certified flight schools.
- The EAA petitioned us to let pilots who are willing to fly within the more restrictive operating limitations of recreational pilots evaluate themselves as medically fit to fly. EAA members made more than 1,000 comments, almost all supporting this position. We heard your concerns, and incorporated them in the revised rule.
- You're probably aware that we have completed a comprehensive revision of Part 67 as well. For private pilots under age 40, medical certificates will now be good for three years instead of two. The certificate remains good for two years for pilots age 40 and over. Some other important Part 67 revisions include simplified vision standards and modernized hearing tests.
- These are just a couple of instances where we are taking a hard look at our rules and the regulatory process. The bottom line is that we want to reduce user costs while maintaining or increasing safety. Let me give you an update on several areas that I know interest you.
- Simulation. Some of you disagree with our requirement that time in a simulator be certified by a flight instructor. Right now, we're responding to comments from DOT. We expect a final rule in September.
- Biennial Flight Review. Some commenters have suggested eliminating this requirement. The comment period closed in January 1995, and we are now analyzing those comments.

- Aircraft Annual Inspections. Commenters suggested relaxing the current requirement, perhaps extending the inspection period to 2 years.
- The Action Plan Coalition is starting development of a data base on maintenance discrepancies found in annual inspections. The data based could help support rulemaking on inspection requirements.
- We're trying to make flying GA aircraft less expensive in other ways, too. For example, FAA has pioneered the use of GPS navigation for the GA community.
- More than 2,500 airports now have certified non-precision GPS approaches. We're working with state aviation directors to publish more GPS-unique approaches every year.
- When GPS is in widespread use, we'll have an airspace system that is safer, more efficient and more economical for users.
- I've been FAA Administrator for two years now. As I look back on all our accomplishments, I also try to think ahead to the day when someone else is standing here in the woods talking to you as Administrator.
- Ultimately, I want the legacy of my tenure at FAA to be an agency that is a trusted repository for operational data and the central player in making aviation accidents a thing of the past.
- This is a tough, long-term challenge. It requires all of us involved in aviation to make several intellectual shifts. I think we can do it — and I'm going to aim toward starting us all on that road for the rest of my term as your FAA Administrator.



**TALKING POINTS  
1995 EAA FLY-IN  
OSHKOSH, WISC.  
JULY 31, 1995**

- My second anniversary as FAA Administrator is approaching. But remember, I'm a pilot, too. I've been flying aircraft of all sizes and types for 40 years. So, I can look at general aviation issues from both sides of the fence.
- One of the most satisfying parts of my job has been seeing how the FAA and the general aviation community are working together. We have our differences, but we share a common goal: to keep revitalization of this important segment of aviation moving forward.
- The EAA/FAA partnership in particular has paid off handsomely during the last year:
  - "First Flight in Your Homebuilt Aircraft" video
  - Flight Advisor Program, a real move toward better homebuilt safety
  - Commercial Builders Assistance AC
  - National Designated Pilot Examiner Registry — working well with the Warbird community
  - ARAC: making progress on projects such as Ultralight initiatives, FAR65/66 GA Maintenance Technicians and STC field approvals.
  - Aircraft Certification: 13 active projects. You can see three completed aircraft in the primary category outside the building. And at the end of my remarks, I want to present Chris Heintz with the Type Certificate for the Zenith CH 2000.
- The FAA and the GA community at large have accomplished much in the past year as well.
- GA Revitalization Act. Just about a year ago, President Clinton signed a landmark piece of legislation: the General Aviation Revitalization Act. This new product liability law puts an 18-year limit on lawsuits for death, injury and property damages against manufacturers of small aircraft.
- The law will help light plane manufacturers generate innovative product lines, higher sales, and thousands of new jobs. Ultimately, it will mean that more of us will be able to fly more hours in modern made-in-the-USA aircraft.
- Cessna. We're already starting to see the impact of the new law. In May, Cessna broke ground for a new 480,000-square-foot plant in Independence, Kans., that will produce up to 2,000 aircraft per year by 1998. The factory will create about 1,000 new jobs in Independence and as many as 6,000 more jobs among suppliers and support organizations around the state.
- FAA is supporting Cessna's effort by making improvements to the Independence airport that will support increased operations. We have committed to installation and commissioning of an ILS system. For FY96, we expect to support a major rehab of a runway and taxiway, plus runway lighting.

- Also, Piper Aircraft came out of bankruptcy this year. The resurgence of this major force in general aviation aircraft is another sure sign that the industry is on its way back.
- General Aviation Action Plan. We are on track with almost all of our 1995 milestones.  
Highlights:
  - Part 61. We are revising the certification and training requirements for pilots, flight and ground instructors and pilot schools. Of particular interest to EAA members, recreational pilots will now be allowed to self-certify their medical fitness.
  - Aviation Safety Program funding is up 6 percent in FY95. Program has produced several new instructional videos. The program held national meeting of all program managers and assigned airworthiness inspectors to educate and standardize the program.
  - We are resolving comments on the four FAR 23 Harmonization NPRMs. All are on schedule.
  - The coalition and the FAA held workshops last December on a national policy for GA airports and efforts to increase the number of student pilots.
- GA Airports. The Airport Block Grant program is working well. There are many GA success stories across the nation. Examples:
  - Concord Regional Airport near, Charlotte, NC, is the first major new airport built entirely under the State Block Grant Pilot Program. It opened Last November, and is already home to 68 aircraft, with about 40 more expected by early '96.
  - Thanks to an award that we gave Bay Bridge Airport in Maryland several years ago, the airport has gone from a private facility that was about to close to a near-capacity public airport making a profit.
  - In FY 94 and FY95, we made block grants to extend, rebuild or construct runways at 9 GA airports in Iowa, Nebraska, Missouri and Kansas.
- Making Flying Less Expensive. We are going to have more GA airports, more GA aircraft and more certified pilots. But to really revitalize general aviation, flying has to become less expensive. FAA is trying to help you reach that goal in several important ways.
- Technology: Fewer than half the country's public use airports have any type of ground-based nav aids. FAA has pioneered the use of GPS navigation for the GA community.
  - More than 2,500 airports now have certified non-precision GPS approaches. We're working with state aviation directors to publish more GPS-unique approaches every year.
  - Widespread GPS use is spurring competition in the technology. A recent issue of AOPA Pilot had 10 ads for GPS receivers. Some GPS receivers are available in the \$500 price range.



- Tort reform. I already alluded to the impact of the GA revitalization act. This act by itself isn't the complete answer to rising costs, but I believe it will cut the costs arising from product liability lawsuits. That could significantly affect prices in the long term.
- Regulations. FAA is taking a hard look at its rules and the regulatory process. The bottom line is that we want to reduce user costs while maintaining or increasing safety. Let me give you an update on several areas that I know interest you.
  - Simulation. Some in the GA community disagree with our requirement that time in a simulator be certified by a flight instructor. Right now, the FAA is responding to comments from DOT. We expect a final rule in September.
  - Biennial Flight Review. Some commenters have suggested eliminating this requirement. The comment period closed in January 1995, and we are now analyzing those comments.
  - Aircraft Annual Inspections. Commenters suggest relaxing the current requirement, perhaps extending the inspection period to 2 years.
  - The Action Plan Coalition is starting development of a data base on maintenance discrepancies found in annual inspections. The data based could help support rulemaking on inspection requirements.
  - We also received petitions on inspection rulemaking from Paul Poberezny and AOPA. The Aviation Rulemaking Advisory Committee is considering the petitions in making recommendations to the FAA.
- Part 67. Many commenters took exception to our proposed revision of the Airman Medical Standards and Certification rules. we have been analyzing the comments since February.
- To put the situation in perspective, look at this chart. During the last 5 years, we've received more than 2.3 million applications; denial rate has averaged just 7/10th of one percent.
- We heard and appreciated your concerns. They have been incorporated into our final revision.
- Enforcement. I've often said I don't believe we can regulate our way to safety; we must cooperate our way to safety. As this next chart shows, for general aviation there's been a fairly steady decline over the last five years in enforcement "writeups such as civil penalties, suspensions and warning letters.
- This reflects the FAA's increased use of its resources to promote safety in other ways — accident prevention counseling, for example. I believe that the public interest in safety is far better served by preventing violations than by addressing them after the fact.
- Budget. Unfortunately, all the progress we've made in general aviation during the last year is in jeopardy. Projected cuts in FAA funding threaten to force a drastic scaling back of our

programs. There could be damaging long-term consequences for the safety, efficiency, and economy of U.S. aviation.

- We still don't know all the specifics of how the FAA will be affected by the Congressional budget compromise, but even with the best possible outcome, our funding will fall far short of the amount we need to guarantee today's level of service and safety. Examples:
  - We will have massive layoffs of air traffic controllers, engineers, technicians, even safety inspectors.
  - We will have to close all Flight Service Stations and Level I & II towers.
  - We will be forced to slow research on projects to enhance system safety and capacity, even as air traffic continues to grow to record levels.
  - We will have to defer installation of new weather and windshear detection systems and new systems to prevent runway incidents.
  - Many of our current inspection and certification services would be terminated or transferred to private interests.
- We are working hard to make sure Congress and the White House have the information they need to make informed decisions about the future of American aviation. Ultimately, of course, their decisions will impact you in the GA community.
- Accidents. Let me just say a final word about the safety of amateur-built aircraft. You can see from my chart here that the number of accidents has remained about the same for the last three years; we may even see a drop this year based on the figures through June.
- What this chart does not show is that a large number of fatal accidents occur during the 40-hour flight test phase. EAA and the FAA recognize this, and that's where we want to put our emphasis on improving safety.
- I want to recognize the contributions of several individuals who played important roles in helping us revise and broaden the scope of a very important AC: the Amateur-built Aircraft and Ultralight Flight Testing handbook.
- This document gives pilots the information they need to make each and every test flight uneventful. It is a highly technical document, twice as large as the circular it replaces. To pull off a revision of that magnitude in just 13 months, the individuals I want to honor gave us a great deal of their time and their invaluable expertise.
- [Call honorees to podium]
- [Read letter of appreciation]
- [Award Zenith CH 2000 Type Certificate to Chris Heintz.]