

STATEMENT OF QUENTIN S. TAYLOR, ACTING ASSISTANT ADMINISTRATOR FOR AIRPORTS, FEDERAL AVIATION ADMINISTRATION, BEFORE THE HOUSE COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, SUBCOMMITTEE ON INVESTIGATIONS AND OVERSIGHT, CONCERNING PASSENGER FACILITY CHARGES, JULY 28, 1993.

Mr. Chairman and Members of the Subcommittee:

I welcome the opportunity to appear before the Subcommittee today to discuss the implementation of the Passenger Facility Charges (PFCs) and to provide you with an overview of how the PFC program is progressing. Accompanying me today is Mr. Lowell H. Johnson, Manager of our Airports Financial Assistance Division.

Nationwide, we expect PFC collections of approximately \$700-\$800 Million in FY 94, based on the number of airports that have indicated an intention to apply for PFC authority. PFC revenues, in conjunction with the grants issued under the Airport Improvement Program, provide an investment in the infrastructure that is critical to the economic well-being and growth of our air transportation industry. As intended, PFCs are beginning to make an important contribution to our Nation's airports by assisting in major safety and capacity enhancing projects around the country. In addition, PFCs provide a funding stream that gives airports the added flexibility they need for long-term planning and development projects.

Before I discuss the progress that has been made under the program, however, I would like to briefly discuss the history behind Congress' decision to authorize the PFC program.

In the late 1980's, the Administration and Congress recognized the need for additional capital funding sources to provide for expansion of the national airport system. The continued growth of air traffic was straining the capacity of the existing aviation infrastructure. Delays were increasing, new airport security requirements were established, needs for mitigating the effects of aircraft noise increased along with traffic, and the safety of the airport system, as always, had to be maintained at higher levels of activity and enhanced as advancing technology allowed.

The traditional sources of airport revenue for capital improvements--revenue bonds, landing fees, leasing and concession income, Federal and state airport grant programs, and general tax revenue--began to appear inadequate to meet these demands. Therefore, Congress enacted legislation that would allow certain airports to charge enplaning passengers a \$1, \$2, or \$3 facility charge to help support airport planning and development projects. However, Congress limited the type of development that could be funded with PFCs by requiring that projects funded with PFCs either preserve or enhance safety, security, or capacity of the national airspace system; reduce noise or mitigate noise impacts resulting from airport operations; or furnish opportunities for enhanced competition among or between carriers. To guarantee that these requirements are met, Congress set forth a consultation and public notification process in the legislation that would provide airlines and interested persons with an opportunity to review and comment on applications as well as providing the FAA with the

necessary oversight and review of that process.

Before submitting its application to collect PFCs, the airport must consult with the air carriers operating at the airport. After this consultation, the application is submitted and it is reviewed by the FAA to determine whether sufficient information has been provided. If the application is sufficient, then the FAA publishes a notice of the completed application in the Federal Register and a 30-day public comment period begins. After the public comment period closes, the FAA reviews the application and the comments submitted and either approves the application, in whole or in part, or disapproves the application. Congress did not grant the FAA the authority to direct an airport to select a particular project. The airport selects which projects it will seek to fund with PFCs. FAA's review assures that the proposed projects meet the statute's objectives and requirements for eligibility.

Approximately 130 airports have already undergone this review and have received approval for PFC collections. Although over 1000 individual projects have been approved, many projects have been disapproved, revised, or withdrawn following FAA review. To date, airports have applied for a total of \$16.4 billion in PFCs. The FAA has approved approximately ~~\$6.4~~^{\$7.3} billion in collection and has disapproved \$2 million. A total of ~~\$7.3~~^{\$6.3} billion in applications has been withdrawn after consultation with the FAA.

Frequently, an airport will withdraw a project after FAA's review has concluded that the project is not approved. For example, Las Vegas Airport withdrew a project to acquire a reliever airport due to FAA concerns regarding project sponsorship. Tulsa Airport withdrew a third parallel runway after the FAA questioned their project justification and financial plan. And, Daytona Beach Airport withdrew two projects, development of a general aviation apron and a concourse expansion, after further discussions with air carriers and the FAA regarding project justification.

PFCs are beginning to make an important contribution to our Nation's airports. PFCs have assisted in major safety and capacity enhancing projects around the country. Over the next 34 years, PFCs will provide approximately \$2.3 Billion for construction of the new Denver Airport. The Detroit Metropolitan Airport is using PFCs to rehabilitate its existing terminal and to build a new terminal to keep up with domestic demand and increased international traffic. And, San Jose International Airport is building a runway extension funded with PFCs that will allow air carriers to operate without weight restrictions.

PFCs have also opened up additional development capabilities for smaller airports. The Westchester County Airport in New York and the Worcester Municipal Airport in Massachusetts now have funds to build taxiways, eliminating the need to taxi on runways. PFCs are helping small airports build suitable airport terminals, which serve as "gateways" to these communities. And, at many small

airports, PFCs are being used as the local match for AIP grants to finance runway and taxiway reconstructions, aircraft rescue and firefighting vehicles, and taxiway guidance signs.

In the future, numerous safety and capacity enhancing projects will be funded with PFCs. Airports now have greater flexibility in their capital development programs. With the PFC program airports can make local decisions about airport improvements, and use PFC revenue as a dependable local revenue stream to finance those improvements.

That completes my prepared statement. I would be pleased to respond to questions you have at this time.

REMARKS BY QUENTIN S. TAYLOR
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20TH ANNUAL VIRGINIA AVIATION CONFERENCE
HAMPTON, VA
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Good Morning:

Thank you, Ken, for that generous introduction and my thanks to all of you for allowing me to participate in this conference. It's always a pleasure to escape the confines of Washington, especially when I can be with fellow Virginians who share my commitment to and concern for aviation.

We meet today at a critical juncture in aviation history... for in many ways, the decisions that will be made over the next few months will determine the kind of industry we will be in the next century.

Last week the National Commission headed by former Governor Baliles delivered its final report on the problems facing the airline industry. The report recommends, among other things, allowing foreign carriers to buy as much as 49 percent of voting shares in a U.S. carrier, instead of the present 25 percent; tougher bargaining to give U.S. carriers greater access to international routes; a cut in the airline-ticket tax; and the partial privatization of the air traffic control system.

The eventual fate of these far-reaching recommendations rests, of course, with the White House and the Congress. I don't know what the outcome will be, but I think we have seen that the Clinton Administration is willing to act...willing to be an interventionist, if necessary, to see that American aviation does not lose its world leadership position.

We have in President Clinton, an activist President...one who won't sit idly by and hope that things will get better. We have in Secretary Pena, a vigorous advocate of our domestic carriers in the international arena. And we have in David Hinson, an FAA Administrator who is prepared to move forward to reduce the burden of regulation, consistent with our overriding commitment to safety and security--prepared to move forward to enhance safety, expand capacity and increase efficiency in the airspace and at our airports--and prepared to move forward to achieve the great promise of technology for the benefit of all those who use the airspace.

This morning I'd like to focus my remarks on two key programs that are crucial to the continued growth and prosperity of aviation in this country. The first of these is

the modernization of the U.S. airspace system. The second is the funding of improvements in airport infrastructure.

Most of you know, I'm sure, that the FAA is engaged in a massive program to totally replace a technology which was originally acquired in the 1960s and 1970s. Although it was modern at the time, most of this equipment is now very outdated and increasingly less capable of handling the volumes of traffic that we have today...let alone what we expect for the future.

This task has not been made easier by the fact that essential technology has continued to evolve rapidly, even as we proceed with our planning and installation. The development of navigation satellite technology, for example, has occurred since we began to modernize, and has forced a major reformulation in our planning.

At the core of our modernization program is the Advanced Automation System...based upon one of the most powerful and complex real-time computer systems ever built.

Linked to this computer system is a newly designed work station for air traffic controllers which provides full color displays, integrated communication, state-of-the-art processors, and highly sophisticated new software. With this new system, controllers will be able to dynamically reconfigure the airspace almost instantly...adjusting the workload, rerouting aircraft around bad weather and providing a greater margin of safety. Aircraft will move through even the most crowded airspace following routes selected to minimize delay and save fuel...routes flexible enough to be changed mid-course, if necessary, by controllers and pilots communicating by means of onboard computers.

Terminal Air Traffic Control Automation--TATCA as we call it--is another major improvement that will be available by the end of the decade. Once TATCA is in place, controllers will have top-of-descent, approach spacing, and sequencing aids to handle higher levels of traffic in the terminal area with greater efficiency and safety. The payoff from TATCA will be additional capacity at those airports which today are choked with congestion.

One of the key components of TATCA was developed in collaboration with NASA, and was demonstrated for the aviation press just a few weeks ago at NASA's Ames Research Center. Known by the acronym CTAS, it looks at planes as they come in from all directions while they are still about two to three hundred miles from the airport...and finds the most efficient way to sequence the arriving traffic.

As incoming planes converge on the aerial "gate" about forty miles out, CTAS generates computer graphics which display the space and time relationships among all aircraft...and provides controllers with precise, fuel-efficient descent and vectoring

advisories for the spacing and sequencing of planes during final approach. CTAS has been tested -- since last May -- at Stapleton International in Denver and at the Longmont, Colorado air route traffic control center. We plan to test it soon at Dallas/Fort Worth. Once the system is brought on line at just 12 selected airports, we estimate that, by the year 2000, it will save airlines nearly 600 million dollars in operating costs and reduced delays.

The bottom line benefits expected from CTAS will be multiplied many fold as the FAA begins to employ all of its new technology. The eventual savings to carriers will far exceed the cost of our investment in modernization. Aircraft manufacturers tell us that it costs one million dollars a year to delay a 747-400 by just one minute each operating hour. The engineers at Boeing estimate that the extra cost of congestion, delay, and inefficient routing is in the range of 10 billion dollars. That's enough to offset the airline's losses for the past three years.

So FAA modernization is one public sector program which is certain to be of immense and measurable benefit to private sector profitability. It's hard to over-estimate the magnitude of these benefits, or to exaggerate the force of the technological and economic imperatives which have powered the emergence of new concepts in air traffic control.

Perhaps the most dramatic of all has been the unexpectedly rapid development of satellite navigation and surveillance. The suddenness with which it has become both feasible and available has been a surprise to us all. We are committed, as an Agency, to bring the benefits of satellite technology to users as quickly as we can. In late spring, we announced that we have approved the supplemental use of the U.S. Global Positioning System, the GPS, for all phases of flight, including non-precision approaches to airports. And sometime this fall, GPS receivers meeting FAA certification standards are expected to be on the market.

Another milestone event...one crucial for all that is to follow...also takes place late this fall when the full GPS constellation becomes operational. At that time, all 24 satellites -- 21 active and 3 "hot spares" -- will be functioning in their assigned orbits. The promise of satellite technology is so great that Secretary Pena predicts it will make the 90s the greatest decade of progress in aviation history. Even those who are less enthusiastic agree that this technology will radically recast the future of air traffic control.

The Airline Commission report points out, and correctly so, that it takes much too long for new technology to reach the users. One of Administrator Hinson's principal objectives is to see that our NAS modernization projects stay on schedule and on budget.

The second program I would like to discuss centers on the nation's airports. Last year, the FAA approved new grants for the Commonwealth of Virginia totaling

more than 44 million dollars. This year, we expect to exceed that amount. Let me review briefly our progress up to now.

We've approved a 13 million dollar Letter of Intent for Washington National, a 5.6 million dollar LOI for Dulles, and an 11 million dollar terminal building improvement project at Dulles. We've also approved one and a half million dollars for land acquisition and lighting improvements at Leesburg and Manassas Municipal Airports, 5 million dollars for construction of a cargo apron at Richmond International. We've granted 3 million dollars to the Stafford Regional Airport Commission for the third phase of development of a new reliever airport in the Washington, D.C. area. We're hopeful that a substantial intent letter will be announced shortly to cover the remaining cost for the new Stafford Airport.

On a smaller scale, but no less important, we recently approved a 385 thousand dollar grant for the development of a state airport system plan for a group of Virginia's airports. This type of planning reduces the administrative burden on us, and streamlines the process for the Commonwealth and the airport sponsors. We want to encourage such initiatives whenever we can.

There is another small grant I would like to mention, because it represents the kind of creative thinking that we've come to expect from the Virginia Department of Aviation. We recently set aside 252 thousand 225 dollars to link Virginia's 23-unit Automated Weather Observing System with the FAA's National Airspace Data Information Network via satellite.

When it comes on line early next year, it will provide the means for increased availability of weather data and a better, less expensive means of disseminating this information to pilots. It's the only system of its kind, anywhere, and Virginia Aviation can be justifiably proud for taking the lead to obtain this new technology. This is the kind of information sharing that the Clinton Administration is advocating, and we welcome the opportunity to work with you and the other states on similar initiatives.

Airports have always been magnets for economic growth and jobs. But airports need sustained, consistent funding, and money has always been in short supply. As it stands now, the House mark-up on our Federal budget for the Airport Improvement Program funding is on the order of 1.5 billion dollars--somewhat less than the President's budget request. We will continue to work with you to fund your critical requirements to the extent that we can. We recognize your expertise in this area, and we're trying to develop ways to give you more flexibility to make better use the funding that's available.

Four years ago, Congress approved an experimental block grant program to allow states greater discretion in selecting and managing projects within several categories of AIP funding. The program, which originally included only three states, was expanded last year by the Congress to include a total of seven states. In all, we

received 20 applications from states wishing to participate in the program. It's our hope that the Congress will one day expand this program to allow voluntary participation by all states. The State Block Grant Program is a partnership that I believe will help all of us make better use of our limited resources. Of course, when new programs like this are being considered, it helps when the people involved...in this case, people like all of you...express their opinions and let their state leaders know what they think.

Airport funds, as I said earlier, have always been in short supply. In periods of competing requirements and diminishing resources, there are few revenue sources as reliable as the passenger facility charge.

In May, we approved an application to impose PFCs for land acquisition and improvements at Charlottesville-Albemarle Airport. Ten days ago, we approved the collection a three dollar PFC at Washington National to help pay for a number of projects, including the construction of the 35-gate North Passenger Terminal Complex. We're reviewing an application for Dulles and plan to make the final decision by mid-to late October.

In the past two years, the FAA has approved over 133 applications with a collection value nearing seven and one-half billion dollars. PFC's have funded over a thousand projects that have enabled airports to add scores of new aprons, taxiways and runways...to improve their security systems...and to install people movers and build access roads.

Another exciting possibility for adding airport capacity is the result of the military downsizing which is now underway. There are dozens of military airfields throughout the United States which have been deactivated. Almost all of them have long runways. We're looking at these closed military airfields as a major source of new capacity for the civil aviation sector.

Those that we've converted so far have been very successful. Probably the best example is Orlando International Airport. Originally McCoy Air Force Base, Orlando International now serves some 21 millions passengers a year...most of them headed for Disney World. It's grown, in a very short time, to one of the top 20 airports in the U.S.

We're also seeing a growth in the popularity of smaller airports here in the United States...similar to the trend in Europe which has seen increasing traffic at Manchester...Amsterdam...Lugano, Switzerland, and other similar facilities which are more user-friendly and less congested than the sprawling complexes of Heathrow, Frankfurt, or Malpensa.

Southwest Airlines has had enormous success operating from smaller, often under-utilized airports. In some areas, private bus operators have introduced shuttle service to provide transportation for bargain-seeking passengers living some distance

from airports served by Southwest...passengers willing to go out of their way to escape the hassle and higher fares of major hub operations.

This is an impressive example of creative market solutions to the problem of capacity. It also underscores the fact that while capacity at many of our larger airports has reached critical proportions, some airports still have excess capacity and plenty of room for future growth.

I would like to close with this message. The FAA is committed to making sure that the nation's airports and its airspace have the capacity to accommodate, with the highest levels of safety, all those who use the system...whether you fly an ultralight or a 747.

But it comes down to this: we must be partners. Whatever we can achieve in making air travel safer...more efficient...more competitive...more innovative, will, I am certain, have a potent multiplier effect on the entire economy. All of us here today, working in collaboration, have it within our power to move aviation into a new era of growth and prosperity in Virginia and the Nation.

Thank you.

REMARKS BY QUENTIN S. TAYLOR
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FEDERAL AVIATION ADMINISTRATION
13th Annual Pennsylvania Aviation Conference
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Harrisburg, PA

Good Afternoon:

Thank you, Charles, for those kind words. It's a great pleasure to join you today. First off, I'd like to congratulate Peter Wright, the winner of this year's Achievement Award. And I'd also like to say how pleased I that you have honored Lou DeRosa with your Special Recognition Award.

There is a growing awareness among all of us at the FAA that we've got to expand our involvement with the aviation community...as Lou has done...so that our already close relationship evolves into a model of productive partnership.

I think this new focus on partnership is one of the more visible changes you'll see under the Clinton Administration and from the new FAA Administrator, David Hinson.

Like many of you in this audience, I've spent a lifetime in aviation...including a four-year term as Deputy FAA Administrator during the Carter years. I can't recall another period when we had quite so much going on at one time.

First, there is the growing momentum to change government...to eliminate waste and inefficiencies and to make it more responsive.

There is the report of the Commission for a More Competitive Airline Industry and the Vice-President's National Performance Review. Both of these initiatives contain numerous proposals aimed at improving the air traffic control system.

Then, there is the unrelenting pace of technology...a progression so fast we can barely stay even. An equally compelling force is the growing trend toward globalization. Corporations routinely do business in dozens of countries. The world's air carriers are racing to build new alliances. Political and economic freedom are spreading to every corner of the world, knocking down barriers to progress. For the first time in history, we have both the opportunity and the technology to build a truly global air traffic control system.

Any one of these forces has the potential to destabilize the status quo. But occurring together, as they have, their effect is more than just additive. There is a powerful multiplying effect. They are interacting to compel not just momentary accommodation but long-term structural change.

This afternoon I'd like to speak about those forces, what they mean to us at the FAA, and to you, our customers.

I'll start with the proposal to restructure the FAA...to split off the air traffic control function into an independent government corporation within the Department of Transportation--leaving the safety and regulatory function where it is now within the FAA.

Both the Airline Commission and Vice-President Gore support this proposal. They make a compelling argument that an ATC corporation would have more latitude to deal with budgetary, personnel, and acquisition problems. Certainly that's something we need. And, as we all know, other countries--New Zealand, Australia, and Germany--have established ATC corporations successfully.

But, in all candor...and I mean this constructively...none of us knows how such a corporation would function in an airspace as large and dynamic as ours. And we don't know yet how we would go about separating out safety from air traffic control.

We do know, however, that it's been done in the United Kingdom. They have a corporation called NATS...the National Air Traffic System...which is solely responsible for air traffic.

We've established a committee of our most senior-level managers to help us understand more fully what is involved. They're looking at two options. One is a federal corporation that would only provide air traffic services. The second is a federal corporation that would comprise the entire FAA. Both alternatives will be evaluated against an optimum FAA structure. For example, how closely could the FAA be structured to look like a corporation in a way that would address the problems of procurement, personnel, and funding? We think the study will take us about six months.

Given the importance of this issue, there will, no doubt, be other studies by other organizations. We welcome this. This reputation for world leadership rests, in large measure, upon our outstanding safety record...a record that has improved steadily and consistently for over three decades. And as Administrator Hinson has cautioned us on numerous occasions, it's important that we remember the foundation upon which our past success has been built. We must never forget that our first job is safety.

Quite apart from the air traffic control system, one-third or more of the Airline Commission's recommendations and several of those in the Gore Plan dealt with how the FAA administers its regulatory responsibilities.

We know that unneeded regulations create an unnecessary economic burden on an industry already struggling to survive. We will soon undertake a review of our existing regulations, as the Commission and the Vice-President have recommended. Furthermore, we can...and we will...do a better job of screening and estimating the cost of new rules.

The Vice-President's National Performance Review and the Airline Commission Report...will, I'm confident, have a powerful effect on the FAA. But the force with the greatest potential for change...for us and for you...is technology.

The coming of advanced concepts in automation, the shift to digital communications, and the emergence of satellite-based navigation promises to make this the greatest decade of aviation progress since the beginning of powered flight. The suddenness with which satellite navigation has become both feasible and available has been a surprise to us all.

We've already approved the use of GPS to fly existing VOR, NDB and RNAV approaches at 2,500 airports in the U.S. The standards are in place. We've certified at least one manufacturer. GPS-based special category I applications will be in place by next April. The DOD has 24 satellites up and we're hopeful the system will become operational by the end of the year.

We have demonstrations underway to determine whether or not GPS can provide approach capabilities beyond Category I. We hope it can, but as yet this is still unproven.

We're committed, as an agency, to bring the benefits of satellite technology to you as quickly as we can. It's important that we all realize, however, that the benefits won't come from GPS alone. One of the biggest payoffs from GPS will be in the capability to provide access to more desirable routes, particularly in oceanic environment. And for this we need advanced automation and digital datalink communications. We've stepped up our efforts on these programs as well.

We're expecting a special task force report on the definition of datalink to support GPS operations by the end of December. We expect by late 1995 to have two-way data link in routine use in oceanic airspace.

We're working with Boeing and the airlines to implement two-way datalink for step-climbs and other operational benefits in the oceanic airspace in roughly the same time period.

A new R&D effort underway to develop a three-dimensional TCAS based on GPS over the next 4 to 5 years.

By speeding along the development of these new technologies, we're trying to respond to what you've been telling us.

The most frequent criticism we hear is that the FAA takes too long to implement new technology. Both the Gore study and the Airline Commission report point out, and rightfully so, that our current modernization program is long overdue. Delays in the Advanced Automation System--the AAS--have been especially frustrating to the industry...and to us.

Some of the delay stemmed from the brain-numbing complications of developing over a million and a half lines of computer code. But much of the delay was caused by too many changes in the operational system requirements. With any new system, there's always the urge to keep adding the bells and whistles, whether you need them or not. We froze the requirements for the AAS last Spring and the program is back on track.

Our experience with the AAS taught us some hard lessons. We learned that getting out from under the rules and regulations of the acquisition process won't help us much unless we fix our operational requirements process. We've had a team at work for the past 45 days to come up with an improved process.

We're also improving our acquisition strategy...to embrace the concept of an open architecture for our systems and accept the idea of buying our technology off the shelf. And we plan to make greater use of a procurement strategy we call "fast proto-typing". This means that we will award cost-plus development contracts prior to entering into a fixed-price production contract. It's a way to eliminate the problems before we go to full-scale production.

Before I move on to my next point, I'd just like to say that despite what you may have heard or read, our modernization program isn't stalled...far from it. Virtually all the original modernization projects are under contract. Thousands of new systems have been installed and more are on the way: Systems like Mode-S, NEXRAD, terminal Doppler, ASR-9 radar...and the new surface detection equipment, the ASDE-3. Still, we know we've got to do better, and we will.

This task has not been made easier by the fact that essential technology has continued to evolve rapidly, even as we proceed with our planning and installation. The development of navigation satellite technology, for example, has occurred since we began to modernize, and has forced a major reformulation in our planning.

The next...and last subject I'd like to discuss centers on the nation's airports.

Airports have always been magnets for economic growth and jobs. But airports need sustained, consistent funding, and money has always been in short supply. The House mark-up on our Federal budget for Airport Improvement Program funding for the current fiscal year stands at one billion, 690 million dollars. That's 110 million less than we received last year.

We will continue to work with you to fund your critical requirements to the extent that we can. We recognize your expertise in this area, and we're trying to develop ways to give you more flexibility to make better use the funding that's available.

One program that I believe would help us make greater use of our limited resources is the state block grant program.

Four years ago, Congress approved an experimental block grant program to allow states greater discretion in selecting and managing projects within several categories of AIP funding. The program, which originally included only three states, was expanded last year by the Congress to include a total of seven states. In all, we received 20 applications from states interested in participating in the program. It's my hope that the Congress will one day make this program available to any state qualified to participate.

When new programs like this are being considered, it helps when the people involved...in this case, people like all of you...express their opinions and let their state leaders know what they think.

Airport funds, as I said, have always been in short supply. One of the most reliable revenue sources that we have available to us is the passenger facility charge. Here in Pennsylvania, we've approved the collection of PFCs valued at over 86 million dollars. These funds are enabling airports at Allentown, Altoona, Erie, Wilkes-Barre, Johnstown, State College, and Philadelphia to build access roads, add new aprons, taxiways and runways...and a host of other improvements.

I've tried this afternoon to give you a brief overview of the activities at the FAA. I believe that someday, when we can gain some historical perspective, the period of the 1980s and 1990s will be one of the great formative moments for our industry. It will be seen as a unique period when an interplay of forces acted together to reshape the world of aviation that has been familiar for so long.

These periods are exhilarating. But they can also be unsettling. It's always a temptation for those of us who have prospered under the old order to try to stall...even to prevent...the arrival of the new. But we all know that such efforts are ultimately as futile as they are unwise.

We can, however, try to smooth the transition...to modulate the abruptness of the shift. For we cannot afford to allow a service as essential as aviation to be disrupted as we try to negotiate the passage from one era to the next. Such times require the collective wisdom and experience of everyone in government and industry. It is a time for collaboration and coordination...for sharing ideas and debating alternatives.

President Clinton has had the vision to seek new ways for government and industry to work together. I know it's considered politically correct in some circles to deride the ability of government to form productive partnerships with business. But I also know that the aviation industry is too sophisticated to be so cynical and rigidly doctrinaire.

All of us here today, working in collaboration, have it in our power to move aviation into a new era of growth and prosperity here in Pennsylvania and across the Nation.

Thank you.