



## TOP AVIATION ISSUES OBAMA TRANSPORTATION TRANSITION TEAM

### Safety Self Disclosure

The U.S. commercial aviation industry continues to have an impressive safety record. Despite the news reports regarding FAA oversight of maintenance at Southwest Airlines and American Airlines, and overall compliance with Advisory Directives, NACA believes that the safety self disclosure programs of the FAA remain valuable and important tools for monitoring and improving the safety of the domestic civil airline industry. The congressional hearings did not uncover a systemic failure of programs like the Aviation Safety Action Program (ASAP). The overwhelming opinion among safety professionals within the FAA and operator's organizations is that ASAP is tremendously valuable and effective.

As Secretary Peters' Independent Review Team concluded, the voluntary safety reporting programs "are in line with modern regulatory practice, and are suitably circumscribed. Such programs are more vital to the FAA, . . . , than to other regulatory agencies, given the essentially preventive nature of the residual risk-control task, and the resulting importance of learning about and learning from precursor events."

NACA is concerned that an emboldened Congress will attempt to limit or restrict these programs. We would urge the next Secretary and Administrator to maintain these programs, implementing the Independent Review Team's recommendations and restoring integrity to the program.

### Air Traffic Modernization and Congestion Management

Within a year of the September 2001 terrorist attacks, FAA data showed that air traffic operations meeting and rapidly exceeding the operations. Yet, in the last five years, the Department and the FAA have been slow to respond to the growing demand of operations. NACA is concerned that progress with the Next Generation Air Transportation System (Next Gen) has been bogged down in bureaucratic processes. The loss of the OEP, which was a comprehensible road map for transition to new technologies and procedures has been subsumed within the current air traffic organization and NextGen activities. In our view, the OEP should be the overarching road map for the FAA to manage the introduction of new technologies, procedures, and runways/taxiways to increase capacity within the National Airspace System.

Congestion management, particularly for the New York/New Jersey metropolitan area has been lacking effective Federal management. Despite a 10 week process of the New

York Aviation Rulemaking Committee to develop an industry consensus on the best means to manage congestion, the Department and FAA have proceeded with an untested and legally questionable process of slot auctions at all three of the commercial service airports: JFK, EWR and LGA.

From the NACA carrier perspective, as primarily commercial unscheduled operations, the final rules severely limits unscheduled operations at the three airports, and imposes a slot reservation system which we believe is impractical for dealing with the realities of today's charter market. Moreover, for at least one carrier, the uncertainty of the new slot management system for JFK might result in the carrier's complete withdrawal from JFK, resulting in a significant loss of income and revenue of the airport.

We would urge the next Secretary and Administrator to immediately suspend any proposed slot auction and reconsider other alternatives presented in the NYARC that represent a more constructive and collaborative approach to addressing the congestion issues.

### *Airline Competition Policies*

After thirty years of airline deregulation, A number of former Civil Aeronautics Board (CAB) policies have remained in effect and are enforced by the DOT. These policies, essentially fair marketing practices, give DOT enforcement personnel great leeway in reviewing air carrier advertising and financial practices. Some have suggested that the economic downturn, together with lower fuel costs, gives the airline industry an opportunity to retool itself to emerging 21<sup>st</sup> century marketplace realities. The same should be true of the DOT and its rules and policies. Consideration should be given to a wholesale review of these policies and procedures to bring them more in line with current and emerging marketplace realities of the airline industry.

### *Open Skies*

Preliminary discussions on a second stage for an open skies agreement with the European Union are already underway. The EU has indicated that it would like to have 7<sup>th</sup> freedom passenger rights. NACA strongly opposes opening foreign air carriers to 7<sup>th</sup> freedoms in any bilateral or multilateral agreement.

In a similar matter, NACA is concerned about recent DOT positions taken with respect o proposed charter arrangements of a foreign air carrier within the United States. DOT staff relies on 50 year old precedents, decided during a completely different regulatory regime for commercial air traffic. DOT staff has proposed no effective means or manner to ensure that the proposed charter would even be consistent with the precedents. In our view, the DOT opinion essentially permits a foreign air carrier cabotage rights, which we believe is in clear contravention of Federal law.





## NATIONAL AIR CARRIER ASSOCIATION FACT SHEET

The National Air Carrier Association (NACA) was founded in 1962, and today, represents 10 U.S. certificated, part 121 air carriers. NACA members represent both regularly scheduled passenger service, as well as charter and ACMI passenger and cargo operations. NACA carriers, in total, represent approximately \$5 billion in annual revenue and 20,000 employees.

NACA carriers include:

- ✦ Allegiant Air
- ✦ Atlas Air Worldwide Holdings, Inc.
- ✦ Miami Air International
- ✦ North American Airlines
- ✦ Omni Air International
- ✦ Pace Airlines
- ✦ Ryan Air International
- ✦ Southern Air
- ✦ USA 3000
- ✦ World Airways

NACA leadership is comprised of a Board of Directors, representing each member air carrier. Our current Chairman is Maury Gallagher, Chairman and CEO of Allegiant Air. NACA is led by its president and CEO, Thomas E. Zoeller.

Our address and contact information:

Thomas E. Zoeller  
President and CEO  
1000 Wilson Boulevard  
Suite 1700  
Arlington, VA 22209  
[tzoeller@naca.cc](mailto:tzoeller@naca.cc)  
7703-358-8065  
03-358-8070 (fax)