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HELIPORT FOR THE DISTRICT OF COLUMBIA

GOVERNMENT

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HEARING

BEFORE THE

SUBCOMMITTEE ON

PUBLIC BUILDINGS AND GROUNDS

OF THE

COMMITTEE ON PUBLIC WORKS

HOUSE OF REPRESENTATIVES

NINETY-SECOND CONGRESS

FIRST SESSION

ON

H.R. 9723

TO AMEND PUBLIC LAW 89-759, EIGHTY-NINTH CONGRESS (80 STAT. 1308) (DISTRICT OF COLUMBIA TEMPORARY HELIPORT ACT); PUBLIC LAW 90-9264, NINETIETH CONGRESS (1968) (VISITORS' CENTER ACT) AND THE FEDERAL AVIATION ACT OF 1958, AS AMENDED (72 STAT. 754 AS AMENDED BY 76 STAT. 143, 49 U.S.C. 1371; 72 STAT. 758, AS AMENDED BY 74 STAT. 445, 49 U.S.C. 1373; 72 STAT. 760, 49 U.S.C. 1374; 72 STAT. 788, 49 U.S.C. 1482)

SEPTEMBER 23, 1971

Printed for the use of the Committee on Public Works



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WASHINGTON : 1971

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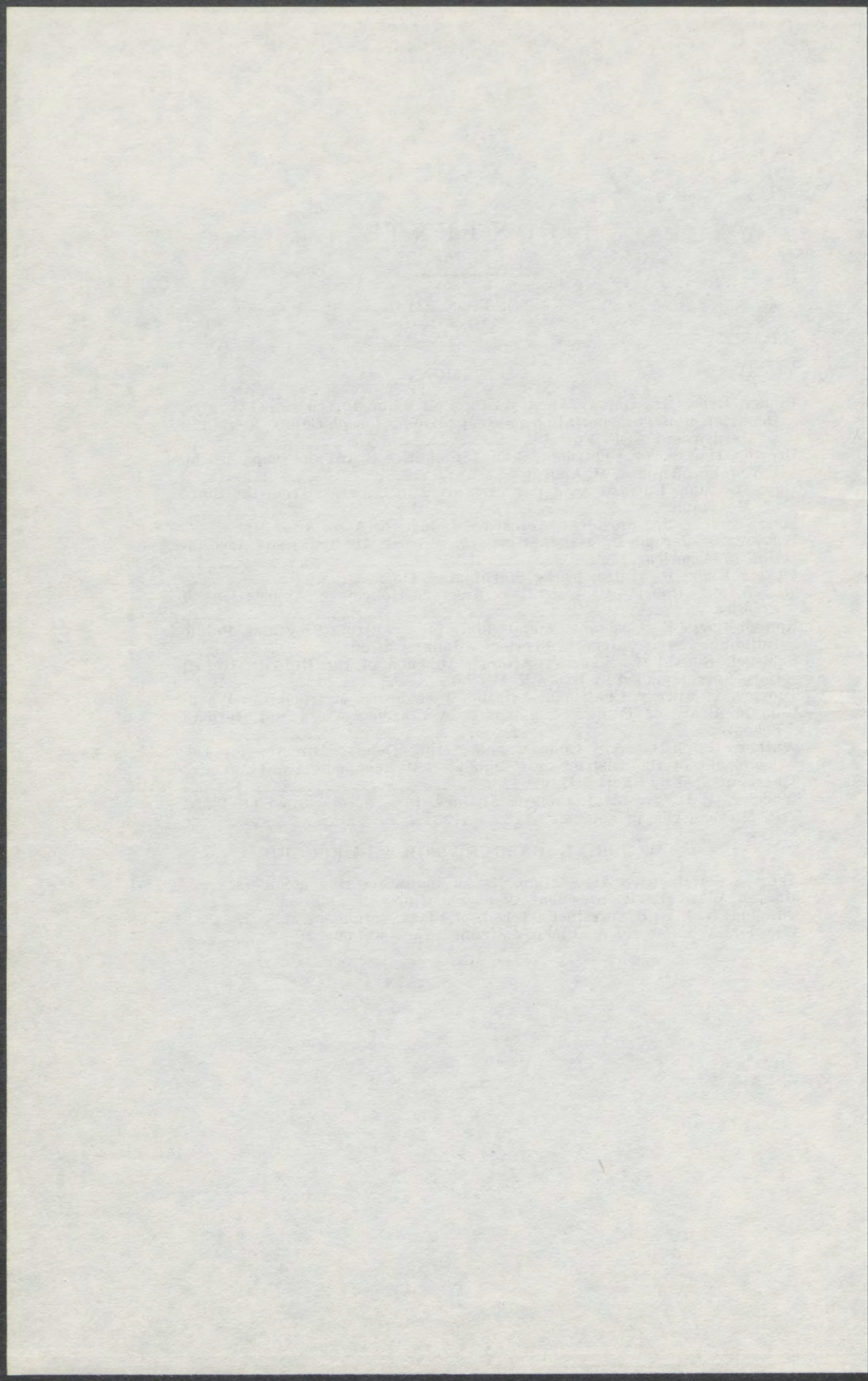
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HELIPORT FOR THE DISTRICT OF COLUMBIA

H.R. 9723

WEDNESDAY, SEPTEMBER 23, 1971

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON PUBLIC BUILDINGS AND GROUNDS,
OF THE COMMITTEE ON PUBLIC WORKS,
Washington, D.C.

The subcommittee met at 10:15 a.m., in room 2257, Rayburn House Office Building, Hon. Kenneth J. Gray, chairman of the subcommittee, presiding.

Mr. GRAY. The Subcommittee on Public Buildings and Grounds will please come to order.

I welcome all the guests and the committee members this morning, particularly those who will be testifying.

This is an open and public hearing on H.R. 9723 to amend Public Law 89-759.

I will place in the record, at this point, the bill, H.R. 9723.
(Bill referred to follows:)

(1)

92D CONGRESS
1ST SESSION

H. R. 9723

IN THE HOUSE OF REPRESENTATIVES

JULY 12, 1971

Mr. GRAY introduced the following bill; which was referred to the Committee on Public Works

A BILL

To amend Public Law 89-759, Eighty-ninth Congress (80 Stat. 1308) (District of Columbia Temporary Heliport Act); Public Law 90-9264, Ninetieth Congress (1968) (Visitors' Center Act) and the Federal Aviation Act of 1958, as amended (72 Stat. 754 as amended by 76 Stat. 143, 49 U.S.C. 1371; 72 Stat. 758 as amended by 74 Stat. 445, 49 U.S.C. 1373; 72 Stat. 760, 49 U.S.C. 1374; 72 Stat. 788, 49 U.S.C. 1482).

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SECTION 1. That the General Services Administra-
4 tion and the Department of Transportation is authorized to:

I

1 (a) Select an adequate portion of lot 813, square 299
2 within the District of Columbia located between Twelfth
3 and Fourteenth Streets and Maine Avenue and D Street
4 Southwest for a heliport for the District of Columbia, such
5 site having been previously selected pursuant to Public Law
6 89-759.

7 (b) Construct on such site necessary minimum heliport
8 facilities.

9 (c) Pay the owner, the Redevelopment Land Agency,
10 a fair and reasonable price for the site based on its use as a
11 heliport, such price to be fixed and determined by the Gen-
12 eral Services Administration and the Federal Aviation
13 Administration.

14 (d) Lease, by negotiation or otherwise, and at the
15 highest obtainable rental, such site and facilities on an
16 annual basis to any person who will operate such heliport
17 in accordance with such rules and regulations as are estab-
18 lished by the Administrator of the Federal Aviation Ad-
19 ministration.

20 SEC. 2. There is authorized to be appropriated not to
21 exceed \$200,000 for the purpose of construction on such
22 site.

23 SEC. 3. (a) Section 401 (e) of the Federal Aviation
24 Act of 1958, as amended, should be amended to add an

1 additional subsection numbered (7), which shall read as
2 follows:

3 “(7) In order to properly finance the yearly operation
4 of certificated helicopter air transportation in the Washing-
5 ton/Baltimore metropolitan area, when such certificate is
6 issued or reissued under this section to a helicopter air
7 carrier to engage in the air transportation of persons, prop-
8 erty, and/or mail, it shall be accompanied by the issuance of
9 a Civil Aeronautics Board rule, authorizing an availability
10 charge for certificated helicopter transportation; such charge
11 when fixed and determined by the Civil Aeronautics Board
12 shall be part of the passenger fare paid to the helicopter
13 carrier and based upon the number of origin and destination
14 fixed-wing passengers utilizing annually Friendship, Dulles,
15 and National airports.”

16 (b) Section 403 (a), sections 1002 (h), 1002 (i), and
17 1002 (j) of the Federal Aviation Act of 1958, as amended,
18 should be further amended by striking the period at the end
19 of the above sections, inserting a comma, and adding the
20 following clause at the end of the above sections: “including
21 charges or surcharges for the availability of helicopter trans-
22 portation.”

23 (c) Section 404 of the Federal Aviation Act of 1958,
24 as amended, should be amended to read as follows:

1 “(a) It shall be the duty of every air carrier to provide
2 and furnish interstate and overseas air transportation, as au-
3 thorized by its certificate, upon reasonable request therefor
4 and to provide reasonable through service in such air trans-
5 portation in connection with other air carriers; to provide
6 safe and adequate service, equipment, and facilities in con-
7 nection with such transportation; to establish, observe, and
8 enforce just and reasonable individual and joint rates, fares,
9 and charges, and just and reasonable classifications, rules,
10 regulations, and practices relating to such air transportation,
11 including charges or surcharges for the availability of heli-
12 copter transportation.”

13 (d) Section 1002 of the Federal Aviation Act of 1958,
14 as amended, should be amended to read as follows:

15 “1002 (h) Whenever, after notice and hearing, upon
16 complaint or upon its own initiative, the Board is of the
17 opinion that the divisions of joint rates, fares, or charges for
18 air transportation, including charges or surcharges for the
19 availability of helicopter transportation.

20 “1002 (i) The Board shall, whenever required by the
21 public convenience and necessity, after notice and hearing,
22 upon complaint or upon its own initiative, establish through
23 service and joint rates, fares, or charges (or the maxima or
24 minima, or the maxima and minima thereof) for interstate

1 or overseas air transportation, including charges or surcharges
2 for the availability of helicopter transportation.

3 "1002 (j) Nothing in this section or any other section
4 of this Act shall prohibit the Board through its rulemaking
5 procedures to initiate and establish a just and reasonable
6 nondiscriminatory helicopter availability charge for heli-
7 copter service in the Washington-Baltimore metropolitan
8 area; such charge, when so established and fixed, shall become
9 part of scheduled air carrier tariffs on file with the Civil
10 Aeronautics Board."

Mr. GRAY. First, to present his statement this morning, my distinguished colleague from the State of Maryland, Hon. Edward A. Garmatz.

**STATEMENT OF HON. EDWARD A. GARMATZ, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF MARYLAND**

Mr. GARMATZ. Mr. Chairman, for a number of years I have endorsed helicopter service in the Washington-Baltimore area. H.R. 9723 is a piece of legislation which provides a heliport for downtown Washington and which may make helicopter service in the Washington-Baltimore area a reality.

In the past, one of the principle objections to the inauguration and maintenance of a scheduled helicopter service in the Washington-Baltimore area has been the lack of a good downtown heliport for Washington, D.C. This bill attempts to meet this objection by providing such a heliport for downtown Washington. I am pleased to support it.

As you may know, even though Washington and Baltimore are two separate cities, the area is in fact one. It is important for the people of Baltimore to have speedy access to Washington National Airport, the predominant short and medium haul airport in the area. Many of Washington National's passengers either originate or terminate in Baltimore. It is equally important for the people in downtown Washington to have speedy access to Friendship which carries many of Washington's longer-haul passengers. It is in the interest of the people in both Washington and Baltimore to have improved transportation to Dulles and between the downtown areas themselves. Depending upon the service used, helicopter service will save the air traveler at least an hour of traveltime. Such a saving is considerable and important in today's world. For this reason, I support H.R. 9723.

I wish also to support the financial assistance provisions of H.R. 9723. These provisions enable the operator to obtain his break-even need and a fair rate of return without cost to the taxpayer. It is essential that the operator be properly financed in order to assure a stable operation. The means set forth in the bill would accomplish this objective and I endorse them.

Mr. GRAY. Our next witness this morning is Mr. Larry Roush, Assistant Commissioner for Operating Programs, Public Buildings Service, General Services Administration.

We are delighted to have you here before the committee and we deeply appreciate your coming. If you have prepared testimony, you may proceed in any fashion that you see fit.

**STATEMENT OF LARRY F. ROUSH, ASSISTANT COMMISSIONER FOR
OPERATING PROGRAMS, PUBLIC BUILDINGS SERVICE, GENERAL
SERVICES ADMINISTRATION**

Mr. ROUSH. Mr. Chairman, I am Larry Roush and I have with me Mr. Jack Packart, the Deputy Director of the Design Construction Division.

It is a pleasure to appear before your subcommittee today. I thank you for the opportunity of expressing the views of the General Services Administration concerning H.R. 9723.

The bill would authorize the GSA and the Department of Transportation to:

1. Select a portion of lot 813, square 299 located between 12th and 14th Streets and Maine Avenue and D Streets SW., for a heliport for the District of Columbia.
2. Construct heliport facilities on the site.
3. Pay the owner, the Redevelopment Land Agency, a fair and reasonable price for the site based on its use as a heliport.
4. Lease the site and facilities on an annual basis to any person who will operate the heliport in accordance with Federal Aviation Administration regulations.

GSA anticipates no problems in constructing a heliport should the bill be enacted, but as to the need for a heliport and the appropriateness of the site, we defer to the judgment of those entities having expertise in the area, namely, the Redevelopment Land Agency, the Department of Transportation, and other interested agencies.

This concludes my prepared statement, Mr. Chairman. If you or members of the subcommittee have any questions you may wish to ask, I will be happy to answer them at this time or furnish the desired information for the record.

If I might add at this point, as a private citizen, I am very concerned about the transportation situation in Washington. It is one of the very few cities in the United States without a heliport, and under the circumstances with airports such as Dulles and Friendship in outlying locations, it seems to me that it would be quite necessary to have this type of facility available to the people of this metropolitan area.

I am at your disposal for any questions.

Mr. GRAY. I appreciate that. I am going to ask you that very question.

You do feel, this being the Nation's Capital, it certainly could improve our transportation facilities if we had a heliport downtown or in the close proximity of the downtown area to facilitate the movement of traffic out to the outlying airports, particularly Dulles and Friendship.

Mr. ROUSH. Very much so.

Mr. GRAY. Thank you very much. Any questions at all? Thank you, gentlemen.

Mr. BAKER. Mr. Roush, do you have any knowledge of the history of the heliport safety in congested areas such as the District of Columbia?

Mr. ROUSH. No, sir. I would have to defer that to my good friends in the Federal Aviation Agency.

Mr. BAKER. Yours is in General Services Administration, observation?

Mr. ROUSH. That's right.

Mr. BAKER. Thank you very much.

Mr. GRAY. The next witness is Robert H. Binder, Deputy Assistant Under Secretary for Policy and International Affairs, Department of Transportation.

Mr. Binder, we are delighted to see you this morning. We appreciate very much your courtesy in coming and testifying.

**STATEMENT OF ROBERT H. BINDER, DEPUTY ASSISTANT FOR
POLICY AND INTERNATIONAL AFFAIRS, DEPARTMENT OF
TRANSPORTATION; ACCOMPANIED BY JOSEPH CANNY, BENJAMIN L. DARDEN, AND A. F. FUTRELL**

Mr. BINDER. Thank you, Mr. Chairman. It is a pleasure to be here.

With me, from the Office of the Secretary, is Joseph Canny from the Office of the Assistant Secretary for Environment and Urban Systems, and from the Federal Aviation Administration, Benjamin L. Darden, Director of the Office of Aviation Policy and Plans, and Alvin F. Futrell, Program Manager, Landing Facilities, of the U/STOL Special Projects Office.

Mr. GRAY. We are delighted to have you members before the committee.

Mr. BINDER. Mr. Chairman, members of the committee, I am pleased to be here today and I appreciate this opportunity to appear before you to discuss H.R. 9723.

Specifically the bill would authorize the Department of Transportation and the General Services Administration to select an adequate portion of lot 813, square 299, located within the District of Columbia between 12th and 14th Streets and Maine Avenue and D Streets Southwest for a heliport to construct on that site necessarily minimum heliport facilities and lease the site to any person who is willing to operate it as a heliport. The bill would also amend the Federal Aviation Act of 1958 to provide for the establishment of availability charges for certified helicopter transportation.

The Department of Transportation is fully aware of the potential offered by helicopter service in fulfilling the need for rapid airport access. This is true, not only with respect to the Washington area but with respect to many metropolitan areas throughout the Nation. Over the years, as the population of our large metropolitan areas has increased, it has been necessary to locate the new airports needed to serve those areas further and further from the center city. The result has been that the speed advantage that air travel offers has been severely reduced because of the inevitable delay facing the passengers in traveling between the airport and his home or office.

Throughout the last several years, a number of attempts have been made to provide helicopter service to and from the center city, and in all cases operators have experienced a number of serious difficulties, financial and otherwise. The Department believes, however, that further efforts to enhance the feasibility of providing such helicopter service should continue to be explored.

As for the establishment of the heliport site for the Southwest area of the District of Columbia as proposed by H.R. 9723, the Department strongly recommends that no action be taken at this time.

Access from the center city to metropolitan airports is very much a local transportation problem. We are not aware that this heliport has yet been analyzed through the local planning process, including an analysis of available alternatives, and of the environmental impact of each done by the body where plans and proposes to operate such a facility.

Another factor which calls for a delay in the establishment of the site proposed in H.R. 9723 is the reopening by the Civil Aeronautics Board of its Washington-Baltimore Helicopter Service Investigation. In addition to offering a forum for determining the environmental impact of helicopter operations into the District of Columbia, that investigation will provide an opportunity for careful consideration of such factors as the financial viability of such operations.

Now I would like to turn to the provisions of the bill respecting the imposition of "availability charges" for certificated helicopter transportation. The Department of Transportation opposes these amendments.

We understand the purpose of these provisions of the bill is to provide for the payment by passengers purchasing tickets for flights originating or terminating in the Washington area of a charge which will subsidize a helicopter operator serving those airports. The Department has, in the past, opposed this type of cross subsidy. We believe it is totally unfair to require passengers on such flights to pay for a service for which they may have no need or interest. Those who use the service should bear its direct costs, H.R. 9723 would unfairly afford airline passengers choosing helicopter connections, in view of surface common carriers, a preference that is denied other airline passengers using other modes of surface common carriage.

Mr. Chairman, that concludes my prepared statement. I will be happy to answer any questions that you or any members of the committee may have.

Mr. GRAY. Thank you for a very precise statement.

Your statement as to the position of the Department of Transportation, I am just a little bit bewildered at the statement you made that FAA and the DOT feel there is a need for heliport, that you take the position that you oppose, one, the proposed southwest site and, two, that you feel that the traveling public would not be willing to pay to get this in operation.

The service to be offered, if some move is not made in some direction, which the whole particular purpose of having hearings is to get a broad spectrum of views of how people feel about it.

The main purpose of the committee hearing is to find out whether or not it is feasible and how best to proceed. I am a little bit bewildered and surprised that DOT would come here saying they believe the service is needed but offer no alternatives.

Mr. BINDER. Let me clarify one point, Mr. Chairman. I think you said at the beginning of your remarks that the Department of Transportation was opposed to the site in the southwest. We don't take that position this morning.

Mr. GRAY. I thought you did.

Mr. BINDER. We take the position that action on this bill should be postponed at this time because the type of analysis which should precede the selection of a site has not been completed. We are not saying this morning we have completed that analysis.

Mr. GRAY. That is the main purpose of the bill. When you oppose the bill, you oppose the provisions of it.

This matter has literally been studied to death. Congress acted in 1966 almost unanimously on it. We had three or four votes on the House rollcall against, for the helicopter service in the Washington

area. And, incidently, selecting this site, this particular site, the original bill called for another site.

In 1968, we amended that act primarily because of the Visitor's Center Act, feeling we should try to get all modes of transportation down at the Union Station.

The reason we are back here now is that the Union Station project failed. It has at least temporarily fallen through because of the bankruptcy of the Pennsylvania Central Railroad.

It is a private enterprise, with them building the heliport and parking garage and leasing it to the Government. They are in bankruptcy, and that has stalled it. We feel the need for heliport service. But the matter has been studied to death.

I have a copy of the statement of the distinguished Hon. Secor D. Browne, Chairman of the Civil Aeronautics Board. I hope he won't mind me preempting his testimony by quoting one section of it. He says:

In the summer of 1969, the carrier formally presented its application to the zoning commission for amendment of the zoning regulations. Public hearings were held on these amendments by the National Capital Planning Commission, which is the advisory arm of the Zoning Commission, and by the Zoning Commission itself. Representatives of the Board appeared at both public hearings in support of the amendment of the zoning regulations.

Now, this is one of the reasons that this matter has not been looked into by the zoning people, and they have been consulted. They had been consulted in 1966, which is more than 5 years ago, and they have had an official report of their National Capital Planning Commission since the summer of 1969, which is more than 2 years, and have produced an official report for a heliport in downtown Washington.

I would have to take exception to that part of your testimony that nobody has been consulted in the District of Columbia. Everybody is setting on status quo.

That is the purpose of the hearings, to try to find out why there is no movement to provide instead of stall heliport service in the District of Columbia.

But I think certainly, an outstanding agency that is directly responsible for this, the FAA, within the Department of Transportation, ought not to use this kind of an excuse in testifying before our committee, when certainly for more than 2 years an application has been pending before the Zoning Commission for approval for a heliport for Washington.

Mr. BINDER. Let me speak to that for a moment, Mr. Chairman. The gentlemen appearing with me, and I will be as interested as you in the result of this local planning process that you have described.

My statement indicated we were not aware that this process has been completed, and I understand you are still unaware of it. If there has been a delay in the response of the Planning Commission, I would join you in hoping—

Mr. GRAY. In the summer of 1969 to the fall of 1971, would that be somewhat of a delay?

Mr. BINDER. I don't know the reasons for it, but what I am saying to you this morning is that I certainly would hope for a rapid conclusion of the local planning process. We believe it is important to know the results of that before proceeding.

Mr. GRAY. Have you done anything about contacting the planning commissions? What you are doing with this operation, and what are you doing about the schedule service for Washington?

Mr. BINDER. Mr. Darden would like to address himself to that.

Mr. DARDEN. Yes, Mr. Chairman; we have. Since the summer of 1969, I, personally, have met with the National Capital Planning Commission and have discussed several of the alternate sites.

The FAA was very much involved in the application pending before the CAB. As a result of the CAB hearings and the work that was done there, we agreed to meet not only with National Capital Planning Commission but also the City Council. I personally briefed the City Council on all of the alternatives available to us, not only for heliport operations but also the STOL operations.

We have been very much involved with the planning going on at the Visitor's Center.

In fact, I think we have had a hand in swaying some members of the National Capital Planning Commission toward a much enlarged facility. In other words, a true downtown heliport or terminal, as it might be. And I think we are as disappointed as you that the process is not been a far more speedier thing than what we witnessed in the past. Unfortunately, I don't know what action we can take now to get the National Capital Planning Commission to speed up its deliberative processes.

Mr. GRAY. I wasn't trying to be over critical of FAA concerning the action of the Planning Commission. I was being cognizant of their opposing this legislation on the grounds that nothing has been done in the city in the way of NCPC, and I think it is a question of which is first, the chicken or the egg.

I think we all want scheduled service, so we need a heliport. This would be an incentive, at least for National Capital Planning Commission to go ahead and make, but if all of us say we are not going to do something until somebody else moves. This may be the problem since 1966, its been 5 years, and it is very unfortunate that the Visitor's Center project has not moved forward.

This is the largest of it, on top of the parking facility, where we would have all modes of transportation: Subway coming in, we would have the eight lanes of surface traffic, and 65 percent of the people as shown in the study, will be coming by car from Washington. We would have the train station built on the ground level of the parking garage. This would be a perfect place to accommodate 20 million visitors.

But the hard cold facts are that Pennsylvania Central is in bankruptcy. We have had contacts with them on the average of once a week, and nothing is moving.

We are now in the process of negotiating with the Baltimore & Ohio and the Chesapeake & Ohio, who own half of the Union Station. They are trying to buy out Pennsylvania Central so they can go ahead and make these improvements. This may be a week, a month, or a year.

Maybe we will have to deauthorize that project and go some place else. We felt we could go back and look at the port site that Congress approved almost unanimously back 5 years ago and then when the visitors center is opened, if it is at Union Station, the portal site could be abandoned and we could go ahead and use the main facility down at the Union Station.

So this is more of an interim stopgap proposal, but transcending that, is the need for scheduled service. That is the purpose of the hearing.

As I say, I am a little bit surprised that the FAA would take the position it has. We are not really pushing anybody, and we are waiting for National Capital Planning Commission, because they have had 5 years, plus they have had 2 years with a definite application pending for nothing has happened.

I am sure if Chicago or New York had an application in for an airport and the public was crying for service up there, FAA and DOT would jump in and try to resolve the dispute.

It seems like here, nobody wants to do anything.

Mr. DARDEN. I think it would be permissible for us to initiate some sort of action to meet with the National Capital Planning Commission again.

Mr. GRAY. We are not particularly wedded to this portal site.

The only reason my bill incorporates the portal site is that Congress did, in 1966, authorize that as the cite and there was not much controversy. It is within a half a mile of the residential section and noise problem wouldn't be a factor. So we just picked this site out and nothing has happened.

If FAA or GSA or anybody else, thinks it ought to be on top of the Statler Hilton Hotel downtown and it is safety-wise a good place to operate, we would certainly go along with it.

All we are trying to do is get something going now.

Mr. BINDER. I am advised by Mr. Fatrell that the Planning Commission is now doing a site survey in the District of Columbia area which includes the particular site proposed in H.R. 9723.

Mr. GRAY. The CAB held hearings, and issued a franchise to a combine of nine airlines and the only reason they didn't go forward at that time was because there was no heliport. Of all the CAB hearings, congressional hearings and Congress acting twice and with an application actually pending back since 1969, it is dilatory tactics, let's put it that way. We are studying the need for heliport service and I think that study will go on and on and on, and you will get no resolution one way or another unless somebody takes some action either Congress or your agency must take some action and say, all right, we studied it, let's have it one way or the other.

Of course, in the absence of that, we have no recourse except to put in presentations of the National Capital Planning Commission. Congress can do whatever it wants to. We don't want to use strong-arm tactics and say, you got to do this.

But I think the public interest has proven they want better service to the airports. This has been tested by the CAB and they did, in fact, in 1968 issue a charter for the combine to operate but there was no place to operate.

Who is going to start a service and lose several million dollars a year if you have to go to 14th Street to go out to Dulles or from downtown Washington to downtown Baltimore? This defeats the whole purpose. Accessibility from downtown to downtown is what people want.

You are never going to have the service unless somebody moves. We hope that FAA and DOT would take a look at this thing and

change their attitude and see if we can't find a solution. You are up here opposing a bill until National Capital Planning Commission makes a decision. That may be never.

Mr. BINDER. Mr. Chairman, we will certainly pursue the contact that Mr. Darden has had with the Planning Commission in an effort to move that process along to a successful conclusion.

Mr. GRAY. I will appreciate it very much.

Any questions at all? The gentleman from Texas.

Mr. WRIGHT. The CAB is reopening its Washington-Baltimore heliport service investigation; is that right?

Mr. BINDER. That's right, Mr. Wright.

Mr. GRAY. Will the gentleman from Texas yield?

Mr. WRIGHT. Yes.

Mr. GRAY. Why have they reopened the case? Because there was no place for the combine (the airline), to operate from, so they turned the certificate back in and they are reopening the case to see if someone else would like to have it.

Mr. WRIGHT. It is obvious that such service is needed. I think you will not disagree with that.

Mr. BINDER. We agree in general that improved access from the center city to outlying airports is needed; yes.

Mr. WRIGHT. Do you have an alternate means other than heliport service?

Mr. BINDER. There are other modes of transportation which take longer than the helicopter would take, but when one approaches the prospect of heliport service, as my testimony indicates—Mr. Wright, we are concerned not only with speedy access but the way that such service fits in with other transportation planning that is being done for the area, and the financial viability that the service would have.

You and I may agree there is a need for it, but if that need is not reflected in the demand of the people who use the service or if the cost of providing the service is more than the revenues to be obtained from the people that use the service, we are talking about providing a subsidy. We testified that those who use the service should pay for its cost. The user should pay.

Mr. WRIGHT. You know really if it is a needed service, from transportation, the feeling, a public need, I wonder why you are so careless about whether—if we need a highway, we build a highway. We don't ask whether somebody is going to pay for it in the sense of generating the revenue by the people who pay a toll. We are talking about building the toll road as we did in the old days.

Most of the things in which the Department of Transportation concerns itself are publicly provided facilities.

Mr. BINDER. Let me address myself to that.

It is true of some and not true of others. The highway program, for example, is heavily financed by charges which are paid by highway users.

As a general matter we abide by the economic principle we have raised here in connection with helicopter service: We favor the users of the service paying its cost.

Mr. WRIGHT. How many downtown heliports are there in the United States that are paid for by the service charge to the user of the heliport?

Mr. BINDER. My information, Mr. Wright, is that all of the efforts to provide this type of service are losing money or have lost money and subsequently there is——

Mr. WRIGHT. So you believe the service is good but you believe it ought not to be decided and you report that those that aren't subsidized don't exist very long. What is the alternative?

Mr. BINDER. We are addressing this dilemma in terms of our research efforts to provide for vehicles which would cost less to operate and therefore could provide an economically viable service. This is something to which my FAA colleagues could address themselves.

Mr. WRIGHT. We are talking about something like the monorail, something like that?

Mr. DARDEN. No, sir; we are basically talking about air vehicles. This is one of the reasons the FAA, within the last year, established a V/STOL Special Projects Office. This office is concerned with short takeoff and landing as well as vertical takeoff and landing aircraft. We have no preference for the vertical characteristics. The one thing we would like to see is a system that is economically viable, one that would be self-supporting.

To do this, the first thing we would have to do is in some way lower the direct operating cost. The penalty that an aircraft has to pay for a very short stage flight is extremely heavy. If you raise the price to the user, this tends to drive down the demand for it.

Mr. WRIGHT. Are you making progress in the development of a short takeoff landing or vertical takeoff landing aircraft that would be dealt cheaper than the helicopter?

Mr. DARDEN. The ultimate vehicle may very well be a helicopter, or retain helicopter characteristics, but still operate at a much lower cost, not only to the operator of the vehicle but also to the user.

Mr. WRIGHT. LTD developed two very large prototype. I think something happened to one of them. I suppose the other one is still in operation. Is that the kind you are talking about? It carries a great many passengers. I am not sure that there would be a demand even in the city the size of Washington, a vehicle that would carry that many passengers to the airport.

Mr. DARDEN. Correct, sir. That vehicle had other characteristics we could use over much longer stages. This is a possible alternative.

The problem with that vehicle was its environmental incompatibility, but I think this is a direction in which we are possibly moving.

Mr. WRIGHT. What do you mean? It was too noisy?

Mr. DARDEN. That vehicle was too noisy. If the vehicle we are talking about is the XC-142, there are considerations apart from the environmental issue. There is also the matter of performance.

Mr. WRIGHT. When we talk in terms of downtown heliport, we really are talking about noise, aren't we?

Mr. BINDER. Noise and smoke.

Mr. GRAY. The gentleman from New Jersey.

Mr. HOWARD. It seems that several years ago we did have a form of heliport subsidy. I believe this was early in the middle 1960's. I believe that we were working on a program subsidizing some cities with a helicopter service. The cities included Los Angeles and New York, and it seemed that at that time in a few of the cities that had this, the need for subsidy was lessening each year. One city was about

ready to take on its own. Around 1965 or 1966, during one of the appropriation bills in the House during one of our frequent antiurban ways we dropped the whole thing.

It had been predicted had we kept with that a short while, very possibly this would have been an operation that would not need Federal subsidy.

And you are hoping that you can come up with a system that is a paying system, do you mean immediately or would you be thinking of considering a system that you know might need subsidy for a short while but with popularity and benefit to the moving public that it might be able to develop properly?

Did you intend to rule out any kind of subsidy?

Mr. BINDER. Mr. Chairman, two things. As to the programs of research in this field, I would like Mr. Darden to address himself to that. In terms of the possibility of providing a temporary subsidy for something which is almost a sure bet to become economically viable after a short period of time. This is really not the question before us today and we would have to give that serious thought. I have no view except the general view that we would strongly prefer that transportation services pay their way.

Mr. HOWARD. You say it is not a question before us today. We have been talking about, and you have mentioned, that studies are under way for the feasibility of the helicopter service.

We are going to have to face the problem of whether or not the vehicle will pay its own way or need a subsidy.

Well, needing a subsidy for a short time seems to be right in the middle of that, either an all time subsidy or no subsidy.

Mr. BINDER. I wasn't saying that you had not raised the question, you had. But as for the proposition that the service we are discussing in connection with H.R. 9723 is such that it would require the subsidy proposed in the bill for just a short time, I am not persuaded that is so. I don't know. I have not seen an economic analysis of that.

Mr. HOWARD. Nor have I. I would hate to see something opposed because it would require a subsidy. That is the only thing, and yet to have come from your studies an idea that it might be possible to start something out with a subsidy which would be lessened, as you say, has an excellent chance of paying for itself, I hope that would be considered. At least considered enough it might be reported from your study that although it would need a subsidy, it might be a subsidy that is lessened each year.

Mr. GRAY. Thank you.

You make a very important point. Mr. Binder, you know, going back to the early days of the automobile and the airlines, feeder airlines required subsidy. Ozark Airlines had all kinds of subsidies. Now they are in the black.

If we don't insist on this type of transportation and subsidy and get it started, we are never going to have the service.

I can recall—I am 46 years old and I can recall when it wasn't feasible, believe it or not, to use automobiles as taxicabs as a means of public convenience. My dad was in the automobile business. You couldn't keep the automobile running long enough, the expense was high, the radiators were leaking and it was not feasible to use the automobile for public convenience.

If we had taken the attitude it is too costly, where would this country be today? This is a narrowminded attitude. I am not casting disparaging remarks on your agency. It is narrowminded thinking that has caused us to be in such terrible traffic jam problem as we have in Washington.

I live out in McLean and I am about 12 miles short of Dulles. It takes me an hour to get there. You can imagine a guy trying to get a flight to Dulles between the hours of 4 and 7 o'clock at night, or going to Friendship, either one. It is impossible. Just impossible.

Mr. BINDER. The improvement and the cost of the automobile, I think, is testimony to the fact that the public did want that form of transportation.

Mr. GRAY. Certainly one would want scheduled helicopter service if it is safe and runs on schedule. We had the Triangle Airways, you may recall them. They had five passenger Bell jet rangers and I missed two flights because of congested flights to Dulles. I tried to catch two different flights. They said we are all filled up with crews of airlines. So it goes out of business. We tried helicopter service and they went into bankruptcy because there was no need for it. Why you couldn't even get on it. How could you possibly make a profitable operation if they are not going to serve the public?

Mr. BINDER. With respect to the point you made about subsidies for local service air carriers being required for only a short time, Mr. Secor Browne, the Chairman of the Civil Aeronautics Board, is the next witness and I am sure he can speak on that point, but my impression is that the need for the subsidy has not decreased as fast as many had hoped that it would. There is still a very strong need for help.

Mr. GRAY. The only way to get scheduled helicopter service in the black is to be able to provide enough machines, haul enough people on a scheduled basis to where volume operation makes it a profitable operation. That is the only way you can do it.

Unless your agency that is charged with this responsibility has some feeling for it, some enthusiasm to go out and do something, where are we going to be? We are lost. We will never have the service.

Mr. BINDER. Let me say again, Mr. Chairman, we do have feeling for it. As we testified, we are looking into ways to reduce the cost of operation, but—

Mr. GRAY. It is those little "buts" that you put in your testimony. We are for it, but.

Mr. BINDER. We are for it and we are working on it.

Mr. GRAY. If "ifs and buts were roots and nuts, the world would be full of joy."

We are here today saying "there is a need for service, but. We can't go along with your bill, but. We can't support the port site, but. We can't do anything until NCPC takes an action." This is a negative approach.

"We are for it. We would like it. We think the public needs it. The CAB has ruled the service should be in Washington." This is a positive attitude.

I am amazed that four gentlemen like you, with your background, would take this attitude about this helicopter service in Washington.

Any other questions?

The gentleman from West Virginia, Mr. Kee.

Mr. KEE. Mr. Chairman, I would like to raise one point.

I believe we have to stop to realize that your agency is not in the business of making money. Your agency and all others are in the business of providing public service.

Now further, the District of Columbia happens to be the Capital of the United States. Talk about helicopter service, I would be in that business and make a lot more than I am making now because I would put the helicopter right down in the mountains in the entire State of West Virginia.

I gather from your testimony that you want to see that it works. These people have a close feeling, home rule, and all, and I can't sit down every time I go home and the people say, "That is our Nation's Capital, we want to go there." People do want to come here.

The safest way that you can open up is to give the American people, the American citizens who, after all, they are the taxpayers, they built this building, they built every one of the Federal buildings here. It is the taxpayer that pays all of the Federal distributions to Washington. But when they do that, they feel like it is, of course, and they want to be able to come in and get around the best way, and the best place for them to do it is by the helicopter privilege, regardless of what anybody says and regardless of the cost.

I thoroughly agree with the chairman. The airlines started out, every one of them started out with a subsidy. You know that.

I was here a long time—39 years to be exact. Right on the Hill. The National Airport, I saw them go out and do things that had to be done that was said couldn't be done. What did they do? They put sand and gravel and filled it in and now it is the Washington National Airport.

They had flown in the old field that you used to land on where the Pentagon is located right now.

It is my hope that you will take the initiative and not pass the buck to Joe or this agency or that one. I certainly hope that you will take very definitely the initiative and let's get this show on the road and provide the American people the service that they demand, the service that they want.

Thank you, Mr. Chairman.

Mr. GRAY. Thank you, Mr. Kee.

Any other questions or comments of our distinguished witnesses?

Thank you very much, gentlemen. We deeply appreciate it.

Mr. BINDER. Thank you, Mr. Chairman.

Mr. GRAY. I want to apologize for our tardiness in getting started in the hearing.

Our next witness is the Honorable Secor D. Browne, the chairman of the Civil Aeronautics Board.

Mr. Browne, we are always glad to see you.

STATEMENT OF HON. SECOR D. BROWNE, CHAIRMAN, CIVIL AERONAUTICS BOARD; ACCOMPANIED BY R. T. JOHNSON, AND A. M. ANDREWS

Mr. BROWNE. Mr. Chairman, it is a pleasure to be here. I have with me Mr. R. T. Johnson, who is our General Counsel, and Mr. A. M. Andrews who is head of our Bureau of Operating Rights.

Mr. GRAY. We are glad to have you gentlemen with us.

Mr. BROWNE. I don't normally testify with bodyguards but in this case, Mr. Chairman, because of the pendency of the matter before me as a member, I thought that perhaps Mr. Johnson, other than kicking me in the ankle from time to time, could answer questions.

Mr. GRAY. We are glad to see all three of you.

Mr. BROWNE. Mr. Andrews has a very long history in the development and promotion of air service from the Board's standpoint and he is much more expert than I am.

Shall I read my statement?

Mr. GRAY. May I say, we are aware of your outstanding accomplishments. We appreciate what you are doing here.

Mr. BROWNE. Thank you, sir. Shall I read my statement?

Mr. GRAY. Yes, proceed.

Mr. BROWNE. Mr. Chairman, it is a pleasure to meet with your subcommittee to discuss H.R. 9723. This bill would provide for the construction and operation of the heliport in the southwest section of the District of Columbia.

It also would require the Civil Aeronautics Board to establish an "availability charge for certificated helicopter transportation."

This would be a charge added to the price of airline tickets for flights in and out of National, Dulles, and Friendship Airports. The charge would be paid over by the airlines to the helicopter carrier certificated by the Board to provide helicopter transportation in the Washington-Baltimore area.

The bill concerns matters in the Washington-Baltimore Helicopter Service Investigation. Hearings in the reopened phase of this proceeding began before a Board examiner yesterday, September 22, 1971.

I respectfully remind the subcommittee that as chairman of the Board, I may not properly discuss the issues in this proceeding because they will later come to the Board for decision, and by law, Board members may decide the case only on the record made before the Board.

However, a short factual review of the history of the proceeding may perhaps be helpful to the subcommittee in its consideration of the bill.

The need for helicopter service in the Washington-Baltimore area was first explored in 1963 when the Board decided, following evidentiary hearings, that this service should not be authorized.

In the decision the Board found that scheduled helicopter service in the Washington-Baltimore area would require a substantial outlay of Federal subsidies for a number of years and that the prospective benefits from helicopter service would not be commensurate with the subsidy needed to support the service.

In 1966 the Board began a new investigation to reexamine the need for scheduled helicopter service in the Washington-Baltimore area.

Following the second investigation, the Board, on November 18, 1968 issued a certificate of public convenience and necessity for a 5-year term to Washington Airways to provide scheduled helicopter service between downtown Washington and Baltimore and the airports serving the overall area.

Washington Airways was a consortium of nine of the scheduled airlines serving Washington and its financing was to be provided by those airlines.

The Board selected Washington Airways as the only applicant before the Board which possessed the financial resources necessary both to inaugurate service and to thereafter sustain the sizable operational losses which were anticipated for the first few years of operations.

Following the issuance of the certificate, Washington Airways applied for and received Board authorization to postpone inauguration of service.

In support of these requests the carrier's main contentions were that it had been unable to acquire a suitable downtown Washington helicopter landing site, and that it was not feasible to provide solely inter-airport service.

According to the carrier, a helicopter site on land controlled by the Federal Government would be too far removed from the primary source of traffic to offer any hope of an economically successful operation.

Hence the carrier had directed its efforts toward obtaining a heliport on privately owned land in the District with principal attention directed to the main business district.

However, the District's zoning laws which regulate the use of all privately owned land do not include helicopter operations as one of the specifically sanctioned land uses.

In the summer of 1969 the carrier formally presented its application to the Zoning Commission for amendment of the zoning regulations.

Public hearings were held on these amendments by the National Capital Planning Commission, which is the advisory arm of the Zoning Commission and by the Zoning Commission itself.

Representatives of the Board appeared at both public hearings in support of an amendment to the zoning regulations which would permit implementation of scheduled helicopter service in the District of Columbia.

The Zoning Commission has not, as of this date, acted upon Washington Airways amendment request.

In July 1970, the Board suggested that if Washington Airways was unwilling or unable to inaugurate service, the Board would entertain a petition for surrender of the carrier's certificate. Subsequently Washington Airways filed an application to abandon its certificate.

On November 19, 1970 the Board reopened the investigation to consider not only the application to abandon the certificate but also whether the public convenience and necessity require inter-airport and city airport helicopter service in the area, and if so, what carrier should be selected to provide the service.

Included among the carriers prosecuting applications for this authority is Pioneer Airlines which proposes the imposition of a helicopter availability charge on all passengers using the three airports as the most feasible method of absorbing anticipated operating deficits.

The corporate predecessor to Pioneer Airlines was an applicant in the earlier proceeding and had there made a similar suggestion. Under its proposal the charge would consist of an assessment of approximately 10 cents upon each arriving and departing passenger at the

three area airports, with such charge being collected by the scheduled carriers as a part of their tariff rates and thereafter turned over to the helicopter operator.

Mr. WRIGHT. Would the gentleman yield?

Mr. GRAY. Mr. Wright.

Mr. WRIGHT. I am not certain that I understand the proposal that you are reporting to us.

The proposal of Pioneer was that approximately 10 cents per arriving and departing passenger added to the fare of Pioneer passengers or all passengers?

Mr. BROWNE. Of all air passengers using the facility.

In its decision of November 18, 1968 awarding a certificate to Washington Airways, the Board rejected this proposal for two reasons. First, Washington Airways was in a position to withstand the losses involved without the imposition of such a charge.

Second, because of doubt expressed by the Board's Bureau of Operating Rights as to the legality of the charge, and because of possible objections by the airlines, lengthy rate and other proceedings probably would have been required and the beginning of service would have been delayed.

However, as indicated, the question is once more before the Board.

The Board is not in a position at this time to endorse the legislation proposed in H.R. 9723.

First, the Board has reopened the question of whether there is public need for helicopter service in the area, and therefore while the Board did once find such a need there can be no assurance that it will make the same determination again.

Of course, the absence of a heliport within the District of Columbia as a practical matter, caused Washington Airways to seek to abandon its certificate and this bill, if enacted, would appear to assure that a heliport would be available.

In this connection, however, the fact may be noted that the site proposed for the heliport is neither Union Station, the area contemplated in the National Visitors Center Act for permanent heliport or downtown Washington, the area Washington Airways considered essential to develop an economically successful operation. Second, the Board has not previously accepted the principle of surcharges upon a class of passengers to provide services which benefit only a few members of that class. Whether the Board should accept it to assist helicopter services in the Washington-Baltimore area is an issue in the reopened proceeding, and I cannot properly comment on it further in the context of that proceeding.

However, several comments can be made on the bill considered as legislation.

In the past, subsidy support with certificated helicopter operations in the metropolitan areas has been drawn from general tax revenue, but the Congress, several years ago, clearly indicated that it would no longer provide funds for that purpose.

H.R. 9723 would provide a different form of subsidy, this time drawn from the airline passengers flying in and out of airports which are also served by helicopter carriers. (Parenthetically, it should be noted this is our interpretation of the bill's intention. The language of the

bill, if read literally, would require Washington-Baltimore helicopter passengers, rather than the airline passengers, to pay the surcharge, but this reading would appear to defeat the purpose of the bill.)

H.R. 9723 would mandate this form of subsidy only for the Washington-Baltimore metropolitan area, and in this sense appears to be directed at the case pending before the Board.

However, the bill also proposes permanent amendment to the Federal Aviation Act which may be intended to authorize this form of subsidy for other areas as well.

If so, the bill raises rather broad questions of whether helicopter service in the Nation should be subsidized by this method or by any other.

The Board is not prepared to recommend that helicopter operations be restored to eligibility for Federal subsidy, nor are we prepared to recommend as a broad policy the form of subsidy proposed in this bill.

Mr. Chairman, this completes my statement.

My colleagues and I would be glad to answer any questions you and the committee may have within the constraint of the formal proceeding now before the Board.

Mr. GRAY. Thank you very much, Mr. Browne. It was a very clear statement.

We recognize that you certainly are at a disadvantage to answer questions since this matter is pending at the present time before your Board.

We certainly do not want to trespass upon that but I would like to ask a few questions. If you feel you cannot answer, I will certainly understand.

I wanted to ask you if you felt that one of the problems in the CAB trying to consider helicopter service is knowing whether or not the heliport is available.

Mr. BROWNE. Certainly that is a major factor in the case, yes.

Mr. GRAY. What is the Board doing about promoting rotary wing transportation around the country? We have had testimony this morning from DOT that all of the operations, Los Angeles, Chicago, New York, all of them are in financial difficulty primarily because they do not have enough equipment, good equipment to get the service operating on a sound enough basis where they can get into the black.

I was just wondering if CAB is considering, not only in this particular Washington-Baltimore case, but the whole proposition of vertical lift and transportation around the country, whether they consider the possibility of an overall subsidy be recommended.

Mr. BROWNE. Within the scope of our regulatory responsibilities we also have the mandate to promote air transportation as other regulatory agencies don't have.

We are constrained by the fact that the last expression of the congressional will that we had, was that helicopter service should not be subsidized.

Mr. GRAY. I am not sure that that is the temperament of the Congress at this time. That was back in what, 1965? The fellow that handled the subcommittee on appropriations at that time, we have, I would say, probably 54 percent different members. The situation is completely different now particularly as it relates here in Washington, I have been in Congress 17 years, and the gentleman from Texas and I

came here together and at that time the population of Washington was 900,000 and today it is 3 million or so plus.

The Subcommittee on Public Buildings and Grounds is rather extensive on the Visiting Center Act and we have had expert testimony that the visitation in Washington has increased from an average of 5 million a year back 10 years ago, up to almost 20 million a year now.

So we have a completely different problem as far as transportation in Washington. And I assume the same thing applies, 70 percent of the population resides on 2 percent of the land. So, the problem is much more worse and I was just wondering what the CAB is doing to consider this matter because it is getting worse instead of better.

Mr. BROWNE. We are well aware, of course, Congress could reinstitute policy to provide helicopter service.

Mr. GRAY. I think, gentlemen, we need some direction from FAA and CAB and other agencies that we believe this, after all, you people are the experts in the field and we have the benefit of holding public hearings and determining what the public hearings are.

I have three subcommittees that I am on and they are all three meeting this morning simultaneously. I have to give this a glance and I have to go to something else.

We hope that the experts downtown would give us some direction. I am speaking as one who feels that Congress might be completely different.

Mr. BROWNE. Moreover, I think you have confirmation of that in the change of the congressional attitude toward local airline subsidy which has been a marked change in recent years before I came on the Board.

At the present time the Board has done its best to encourage and help the helicopter services as these things fall within their purview.

We support carriers and helicopter service and the like. Normally because of the way the Board proceedings operate, the need for helicopter service is investigated and followed by usually evidentiary hearings and procedural steps, which I admit is cumbersome but that is required by our statute.

I think we are all concerned, as the FAA witness stressed so clearly, about the need for an economic vehicle.

You have two, at least, very competent witnesses coming on, Mr. Harr from the Aerospace Industries Association and this gentleman from the Helicopter Association, Mr. Richardson.

I would suggest you explore the possibility of improved economics. But right now, as you know, the situation is fairly bleak and I see no immediate process of improving.

Mr. GRAY. Does the CAB have the authority to recommend?

Mr. BROWNE. We have the authority to investigate need in terms of public necessity and convenience of any type of air service including helicopter service.

Mr. JOHNSON. We are not now able to provide subsidy for helicopter operations.

Mr. GRAY. No, I mean making recommendations. Can you recommend the overall problem in the country have consideration for subsidy?

Mr. JOHNSON. Yes, sir.

Mr. GRAY. This bill, as you know, only addresses itself to the Washington-Baltimore situation.

Mr. JOHNSON. Yes, sir.

Mr. GRAY. But not the whole country. I am sure the members certainly in most States recognize, we are the Nation's Capital and are looking at this respective of the whole country.

Mr. JOHNSON. The Board would have to do this. The vehicle would be through a request for appropriations sufficient to cover the cost. We would have to do studies to determine the amount of helicopter subsidies to put in such a request.

Mr. GRAY. You have to have appropriations to make the studies?

Mr. JOHNSON. No; we can make the estimate without special appropriations.

Mr. GRAY. You are not like the Corps of Engineers, who can't do studies without new money.

Mr. WRIGHT. You are in the studying business.

Mr. JOHNSON. Right.

Mr. GRAY. The gentleman from Texas.

Mr. WRIGHT. Might I ask a question in that direction?

The proposal that was made by Pioneer, as I understand it, was that an arbitrary sum of approximately 10 cents should be added to the fare of all arriving and departing passengers and that this then would go into a common pool to provide subsidization for helicopter service?

Mr. BROWNE. Right. That's correct.

Mr. WRIGHT. If this were done on a somewhat nationwide basis, I suppose, assuming the economics of it, you would have to add about 20 cents to share it between the in-town planing passenger and the town deplaning passenger. Have you done any economic studies to ascertain whether this would be an economic viable approach?

Would that generate enough revenue to subsidize helicopter operations on the average?

Mr. ANDREWS. We have not studied it comprehensively throughout the country. We recently made some rough calculations as to the effect of this charge in the Washington-Baltimore area.

Assuming that there are approximately 15 million incoming and outgoing passengers from National, Dulles, and Friendship at 10 cents per passenger, you would have about \$1.5 million per year, and that might come close to meeting the needs of a helicopter carrier in this area.

But it is also conceivable that the cost of operating a helicopter service here could exceed that amount.

Mr. HOWARD. Based on that \$1½ million, if you were to collect that and apply it to subsidizing helicopter service, might it not be anticipated that in addition to Friendship Airport the city of Baltimore might feel that they also ought to have a helicopter service?

Mr. ANDREWS. This proposed helicopter service would serve the city center of Baltimore as well as Friendship, in addition to the two airports serving Washington and downtown Washington.

Mr. HOWARD. The helicopter landing we are talking about would only serve Washington. Suppose the people in Baltimore want the same service?

Mr. GRAY. They have a site down at the wharf.

Mr. HOWARD. If the need were anticipated for this service.

Mr. GRAY. This would be an operating subsidy. It wouldn't have anything to do at all with the facility, the airport facility. It is only subsidizing the use of the machines.

Mr. HOWARD. Wait a minute. The people in Baltimore they are thinking they are taking our airport and using that money in Washington.

Mr. BAKER. Will the gentleman yield?

Mr. GRAY. They would serve Baltimore.

The gentleman from Texas.

Mr. WRIGHT. The group to which the certificate was awarded, was it determined upon analysis that the heliport should be located for maximum economic return nearer the center of the business district, I suppose, and nearer the center of the downtown office buildings back on any federally owned land?

Was this based upon the theory that those office buildings downtown generate the most of the travel and there wouldn't be enough benefit to a person leaving from National Airport to drive in the first place over to the southwest part and then catch?

Mr. BROWNE. I don't believe we know as yet the views of the consortium or others on this present site or the proposed site. But certainly at the time of the 1968 award it was a downtown location, and whether this will change their mind, we haven't found out yet.

Mr. JOHNSON. In that context, Washington Airways, the consortium, in seeking to abandon the certificate, asserts that since they had not been able to obtain permission to develop a downtown heliport, they could not see ever making a successful operation.

Mr. WRIGHT. If it were the fact that we would have to accept, which I am not prepared yet to accept, that the only economically independent operation would begin in the center of the business and commercial area downtown, and if you accept his refusal of the zoning commission to permit that, then we, of course, would have to come to some sort of subsidization, I suppose. Either that or just have no such service.

Mr. JOHNSON. You are getting into the merits of the case.

Mr. WRIGHT. All right. I may not outline any alternatives. That is what I was trying to do.

Mr. JOHNSON. At this point we are only saying what the views of the consortium are, what it feels. We are not representing the views of the Board.

Mr. GRAY. I would like to state for the record that the consortium representative advised me and said that the heliport on the Visitors' Center would be satisfactory to them. They are trying to get some idea when it is going to be built. So I feel anything in this area that would satisfy them or any other group would be sufficient, the purpose of this hearing is to find out if we can get a heliport started now.

Mr. JOHNSON. It is true they still have the certificates and they have not been permitted at this point to abandon it—

Mr. GRAY. What, for 5 years? 50 years?

Mr. JOHNSON. Five years. If we find they haven't made a case for abandonment, they would have the obligation to serve for this period.

Mr. GRAY. Would you be able to comment on the legalities of the user charge, whether or not you think it is legal?

Mr. ANDREWS. Mr. Chairman, in a brief that our Bureau filed in the proceeding that culminated in the 1968 decision, there were three sentences which deal with this matter. If I may read them with respect to our position:

We said:

The proposal is of questionable legality since it is in the nature of a tax which the trunk line carriers would be required to collect from users and non-users alike and pay over to the helicopter carrier. Since the charge to the non-user is not a charge for air transportation, as required by section 403A of the act, there is serious doubt that such a charge could be legally incorporated in any trunk line tariff. Before the availability charge concept could be implemented, the Federal Aviation Act might well have to be amended.

Mr. GRAY. In other words, it could be done legally by an act of Congress?

Mr. ANDREWS. Yes.

Mr. GRAY. The reason I bring this point up, as you well recall, we tacked on a surcharge of either a dollar or a dollar and a half for air marshals to ride on every flight.

I think in the last five or six hijackings we have had there was no air marshal on board. So we are having identically the same thing, in a sense. An availability charge for an air marshal. It is about a dollar or a dollar and a half every time you buy a ticket. And I would say right now, particularly during the training program, maybe 10, 15, or 20 percent of the flights have marshals and the rest don't.

If you want to use that measure against the availability charge? For example, me, I fly to Illinois every weekend. I am paying a dollar and a half for protection I am not getting.

So what is the difference between that and charging a dime for availability charge to have helicopter service if those same people find that they have not to get over to the Baltimore area, that they not use the service but pay a dime to make it available? It is there for them if and when they want to use it.

I think that is much more germane and to the point than paying a dollar or a dollar and a half to insure that you are going to have an air marshal ride with you and yet he is not on the flight. So you are paying for a service that you don't get.

Mr. ANDREWS. We were looking at it under the provisions of the existing statute.

Mr. GRAY. It is not a criticism of CAB, I am just pointing it out from a legal standpoint, of course.

Mr. BROWNE. We did oppose the taxing of the passenger, Mr. Chairman, for the sky marshals.

Mr. GRAY. You did oppose?

Mr. BROWNE. We did oppose. I did, personally, more than the Board. But I felt very strongly there were serious inequities particularly since we charged the passengers on the foreign carrier, some of which didn't have air marshals anyway.

Mr. GRAY. Any other questions?

Mr. MIZELL. I am completely in the dark as to the service of this in our metropolitan area at this time. Do you know of one that would be comparable to this metropolitan area that is in operation? Do they usually just operate from one site?

Mr. BROWNE. No, sir. They usually operate from a multiplicity of sites. I believe, subject to Mr. Andrews correcting me, that there are only two scheduled services now operating, New York and San Francisco.

Mr. ANDREWS. Chicago.

Mr. BROWNE. Yes, and Chicago. But over the past years they have come and gone. Chicago is reorganizing in bankruptcy as is San Francisco.

In other words, both of those have failed and right now are in the hands of the receivers.

But anyway, to answer your questions, they do operate multiple sites.

Mr. GRAY. They call them helistops.

Mr. BROWNE. Right.

Mr. MIZELL. Do you have any idea what the cost of developing one of these heliports is?

Mr. BROWNE. We do not. You will have other witnesses who will address themselves to this more completely.

Mr. GRAY. When we originally approved this site in 1966 we estimated \$200,000—safety features and things of that nature. You see, that is much, much cheaper than the proposed airport in Illinois which is \$350 million.

Mr. MIZELL. Once you develop the heliports, if we do happen to get it, what is the cost in maintaining the site?

Mr. BROWNE. I don't know. It would obviously depend on the type of site. In other words, the New York one, which is on the river's edge, versus the one in Paris, which is just a field. Really, what is the site? But you are right. Other witnesses can answer that better than I can.

Mr. MIZELL. In your opinion, if helicopter service in this area would be accepted, would it have to be subsidized for an unlimited length of time?

Mr. BROWNE. I simply can't answer that because of the matter before us.

Mr. MIZELL. Thank you, Mr. Chairman.

Mr. GRAY. Thank you. Any other questions or comments?

Thank you very much. We appreciate very much your coming here. I will probably return the favor and appear before you sometime.

Our next witness is Mr. Ralph Werner, general counsel and Acting Deputy Director for Development, Redevelopment Land Agency.

Mr. Werner, will you please come forward. We are delighted to have you appear before us this morning. We are running a little behind.

**STATEMENT OF RALPH WERNER, GENERAL COUNSEL AND ACTING
DEPUTY DIRECTOR FOR DEVELOPMENT OF THE DISTRICT OF
COLUMBIA REDEVELOPMENT LAND AGENCY; ACCOMPANIED BY
CHARLES HANKE**

Mr. WERNER. Good morning. My name is Ralph Werner and I am, as you say, general counsel and Acting Deputy Director for Development of the District of Columbia Redevelopment Land Agency.

I have with me Mr. Charles Hanke of the legal staff of the Agency. Mr. GRAY. Glad to see you.

Mr. WERNER. Thank you, Mr. Chairman, for affording us the opportunity to testify on H.R. 9723.

The bill would authorize the Administrator of General Services to acquire from the Redevelopment Land Agency a sufficient portion of square 299 in the District of Columbia, located between 12th and 14th, Maine Avenue and D Street, Southwest, for construction of a heliport to be leased to a private operator.

When H.R. 15024, which proposed the temporary use of this site as a heliport, was introduced in 1966, the RLA supported the proposal.

Public Law 89-759, as subsequently enacted, authorized the GSA to construct a heliport on a Government-owned site for lease to a private operator without, however, specifying any particular site. That authority has not been used.

However, the bill before your committee would authorize the GSA to construct a permanent facility which would apparently preclude any other development of the designated site.

For reasons I will explain, we consider the exclusive use of this site for a heliport inappropriate. Rather, we would endorse development of a heliport as a rooftop facility in conjunction with other building development on the site.

The property in question, which we call the "portal site," is of great significance to the city and the new southwest.

The site overlooks the Washington Channel and the new Southwest Waterfront which is now under construction, and lies between 14th Street and the Washington Channel Bridge which carry thousands of visitors and commuters into the city daily from the south.

This strategic location between two important gateways to the city, gave it its name, the "portal site."

We believe that this site deserves to be developed in a way that recognizes its great visual prominence and complements the outstanding new developments in its vicinity.

Although the proposed heliport might not require the whole site, we have grave doubts that it would be feasible to place structures appropriate to the site on the ground alongside the heliport. There is not only the visual character of the heliport to be considered, but the impact of its use on closely neighboring uses.

We believe, therefore, for all intents and purposes, the heliport on a portion of the site would preempt the entire site.

We also believe that this site deserves to be developed in a way that recognizes its full economic value and returns a full measure of tax revenues to the District of Columbia which bore part of the cost of acquiring and clearing it.

And since the enactment of Public Law 89-759 in 1966, major new developments, both public and private, have been completed in the vicinity of the portal site.

These include the Forrestal Building, the Department of Housing and Urban Development, L'Enfant Plaza, the Nassif Building, which is occupied by the Department of Transportation and 550 12th Street, which is occupied by Group Hospitalization, Inc. All of those buildings are identified on the map.

Mr. GRAY. We appreciate your bringing it. It helps us very much.

Mr. WERNER. Yes, sir. If you wish, I could certainly leave that with the committee.

Mr. GRAY. We appreciate it.

Mr. WERNER. These developments illustrate the potential which the portal site has to meet Washington's continually expanding need for public and private office space and related uses in convenient and attractive central locations.

In 1966 this land was appraised at \$30 per square foot. At that time, RLA had contracted with a private developer for its disposition at that price. That developer was unable to proceed because of difficulty in obtaining financing, and the money market has remained unsettled ever since.

However, we are certain that the site had not diminished in value and we intend to offer it for sale again as soon as our appraisals have been updated and HUD's concurrence obtained.

Assuming it is still worth \$30 per square foot, the entire site would have a value of over \$8 million. It would accommodate about 1 million square feet of office space, which might cost another \$25 million to build.

If developed in this way by a private developer, as contemplated by the urban renewal plan, it could be expected to yield more than \$600,000 annually to the District of Columbia in property taxes and sales taxes from its ancillary commercial facilities.

At this point, Mr. Chairman, I would like to add to my prepared statement to bring to your attention the following consideration. The bill, H.R. 9723, provides in section 1(c) that GSA pay the owner, the Redevelopment Land Agency, a fair and reasonable price for the site based on its use as a heliport, such price to be fixed and determined by the GSA and the Federal Aviation Administration.

This could have a substantial impact upon the budget for Southwest Project "C." We operate, as you know, on funds advanced by the Department of Housing and Urban Development, and under present regulations of that Department, land which we convey for public use to public agencies is sold to them at the fair market value for the highest and best alternate use, and presumably, that alternate use would justify the \$30 per square foot value.

In the event that the fair market value of the land for use as a heliport is determined to be substantially less than that, there would be an economic burden on our program, and the question for the committee to consider is which Federal agency or program should bear that burden.

We would recommend that if the Congress sees fit to authorize the organization of the portal site for a heliport, it also authorizes the GSA or the Department of Transportation to pay full fair market value for the site, in accordance with HUD policy regarding the disposition of urban renewal land for public use.

Last May, the RLA contracted for the preparation of a feasibility study of this site, covering both the physical and economic aspects of its development. That report is due very soon.

We think it would be desirable to have a rooftop heliport facility on that site and we have asked our consultant to investigate the feasibility of providing such a facility on the portal site.

One manufacturer of commercial helicopters, Bell, recommends rooftop heliports as both safer than ground level facilities and less objectionable to neighboring uses.

However, either legislative authorization or a modification of the approved urban renewal plan for the Southwest Renewal Project Area C would be required before a rooftop facility could be provided.

If such a rooftop facility proved to be economically feasible on a private structure and met applicable District and Federal regulations, the RLA would support its construction.

We wish to point out, however, that Congress has already authorized the GSA to provide a heliport at the National Visitors Center facility to be constructed at Union Station, and this prior authorization may affect the economic feasibility of another facility serving the same downtown area. But we note that you have indicated that the uses are not to duplicate each other and that the establishment of one would preclude the other.

In conclusion, Mr. Chairman, I wish to say that the RLA desires to cooperate fully with your committee in its consideration of the problem of providing a heliport which would serve the downtown area of Washington.

We oppose H.R. 9723, which in its present form we feel disregards both the economic and visual significance of the portal site.

However, we would support a modification of the bill which would provide for a rooftop facility.

The Office of Management and Budget has advised that there is no objection to the submission of this statement from the standpoint of the administration's program.

Thank you for affording us the opportunity to present our views, and I am available to answer any questions that you have.

Mr. GRAY. How long have you had this property known as the portal site?

Mr. WERNER. I don't know when we acquired the site. The urban renewal plan included that site in the project in 1956, I believe.

Mr. GRAY. And you have had it on the market, so to speak, for a number of years.

You have private developers who you contracted to utilize the site and they couldn't raise the money and therefore the contract was not executed.

Mr. WERNER. Yes, sir. We offered the site in December 1961 and accepted the offer in 1962, and for the next several years, we attempted to persuade the developer to proceed with the project, but he found it unfeasible and the agreement was terminated in November 1966.

Mr. GRAY. Your so-called best use of the site has not been fulfilled because you have not had a buyer?

Mr. WERNER. That's correct.

Mr. GRAY. What would be your feeling of using that as a temporary site with a definite stipulation in the contract that if someone wanted to build a building, you would agree to build a heliport on top? The surface location would be abandoned for the rooftop.

If we do work out an arrangement where they go ahead with this, this could be abandoned when you got a feasible tenant for the site.

Will they entertain that type of situation when we—when I say "We," I am talking about the Congress—if we pass legislation naming

that site, we stipulate that if RLA wanted to use it, let's say for an office building or some other use, that the heliport would be drawn into that facility or would be relinquished when another facility, namely the Visitors' Center was constructed?

Mr. WERNER. We would certainly support it. As we understand your proposal, the heliport would be a temporary use, ultimately to be incorporated into a rooftop facility on the site, and we could offer the land on that basis.

Mr. GRAY. Could that be done without legislation? Wouldn't you have the authority now to lease that to some operator with the understanding that he would get out at anytime that you had the need for construction of the building?

Mr. WERNER. Yes; I believe that is authorized under the present law and we support that, but as we noted, the duration of the temporary use should be measured by the need of the developer for the site.

Mr. GRAY. Wouldn't it be released? Let's say tomorrow some developer would say "We are going to build a 15-story building." By the time he draws the plans and actually gets under construction, we are talking about 2 years minimum time.

Mr. WERNER. That's correct.

Mr. GRAY. I would say we will know in 30 days from now as to whether or not we are going to have to completely abandon the Visitor's Center at Union Station and move it some place else.

We have a proposal to build a \$90 million convention center in the Mount Vernon Square. I talked to the President personally and he supports it, and the present commission supports it.

It is going to be on the final development basis leasing to the Government, and there may be a chance of consolidating the Visitors' Center, convention, and certainly the one complex with a heliport on top.

If that be the case, we might get this thing built within 15 or 18 months. We are trying to give you some idea so you will know how the possibility of maybe using this as a temporary site, either going ahead with the Visitors' Center or as I say if it is moved down to Mount Vernon Square, we can consolidate all of the arrangements, Visitors' Center, sports arena, and convention center in one facility, and this heliport on top. This would be closer, I am sure, to make it feasible for the operators to operate efficiently because this is close enough to the Capitol.

Mr. WERNER. Yes. I would just like to note——

Mr. GRAY. I wanted to advise you of what our thinking is so you would know.

Mr. WERNER. Well, within that projected time schedule I think we can certainly endorse that kind of a project.

The only question I would raise would be that as I said, we intend to market this land shortly and we do project a 1- to 2-year planning period before construction. So, if at the end of that time our developer is ready to go forward and if these other facilities were not then available we would have to look again at the temporary necessity of the use.

Mr. GRAY. If that was in the contract where you could make the move, of course you would be safe to go ahead and negotiate with any developer for that use.

Any questions or comments at all?

Mr. HOWARD. Thank you, Mr. Chairman.

As to the amendment of the bill, I understand you would not mind this site being used so long as there was no building?

Mr. WERNER. That's right.

Mr. HOWARD. However, if a building is to be put on the site, then you would agree that this could be a rooftop?

Mr. WERNER. Well, the present urban renewal plan calls for it to be developed with a building, probably one large building and we would support the incorporation of a heliport into that structure as a rooftop facility.

Therefore, we do not support a permanent use of that site for a heliport, at ground level, which we think would preclude any building on the site. As a temporary use, certainly, we would have no objection.

Mr. HOWARD. Temporary use.

Mr. WERNER. Temporary use; yes.

Mr. HOWARD. We did have in previous testimony the problem of subsidy that might be necessary for helicopter service and the question as to whether or not it could pay its own way.

So if we were to go on the temporary ground and later to the permanent use as a rooftop, we would have an interruption certainly during all the time that there is a construction of the building, which would mean unless another site is available immediately, there would be a disruption of the service in the whole operation for whatever number of years it would take to construct the building, which would make what seems to be a very tenurously profitable operation certainly a losing proposition.

So, would you agree with me, from your testimony, for all practical purposes you cannot see how that site would ever be used for helicopter service unless the entire service is put off until after a building is constructed on the rooftop?

Mr. WERNER. That might very well be so. I don't know that I can absolutely agree with that conclusion at this time.

I think it is really an engineering question to determine whether or not you could construct the building with the presence of a temporary ground level heliport on the site so that when the building was enclosed, when the roof was installed you could transfer the heliport to the roof even though the building inside had not been completed down to the mechanicals and the plastering and the finishing touches. Perhaps you point to a very real question, but it might be possible to join the uses in that fashion.

Mr. HOWARD. And use it say as a helicopter stopping site on that same property while the building is under construction.

Mr. WERNER. I say it is a possibility. You might very well be correct. I cannot say yes or no one way or another on that.

Mr. GRAY. Following that is a very important point but following that line of questioning, in the past, the Redevelopment Land Agency has negotiated successfully with the owners of these buildings that you see alongside.

Would you have any idea how much leadtime from the time you sit down and negotiate a contract to the time they actually start con-

struction? Isn't it always 1, 2, 3 years? They get their finance and draw their individual plan and this sort of thing. I am talking about if you sign a contract tomorrow for a building on that site, it would be 2 years before they would actually break ground?

Mr. WERNER. Yes.

Mr. GRAY. It only takes us a week or so to go in and throw asphalt down on the land and get your service started. We are talking about planning a 15-, 20-story building. You are talking about a couple of years. It would give us time to plan.

Mr. WERNER. It varies. I think our most optimistic estimate of the time that would elapse from the date we select a developer to the day that they are ready to put a spade in the ground, is a year, between preliminary and final plans.

Mr. GRAY. That is much better than the Public Buildings Service of GSA or the Post Office Department. We have been planning a post office in the District for 5 years and we have just now started the work.

Mr. WERNER. I think our schedule for this site calls for us roughly to market the site again by prospectus in approximately 6 months time.

Mr. GRAY. You are not going out and negotiating for 6 months, you have to get someone to negotiate and then you have a year to wait for them to start building, so you would be safe in saying 2 years before anyone would start construction.

Mr. WERNER. I think I would be safe in saying that, yes.

Mr. GRAY. In the parking facility we are talking about on top of the Union Station, they estimate it would not take any longer than 18 months. You could see that we are within a reasonable time period of 2 years.

Mr. HOWARD. Mr. Chairman, I hope we would assure ourselves that we would not spend 2 years developing a helicopter service, just beginning to be efficient and paying for itself and we would have to abandon in 2 years.

Mr. GRAY. There are alternatives of it. There is an FAA certified heliport downtown along about 19th Street and K, somewhere in that area. I mean, I am not exactly sure of the location. There are other sites until we get it in operation here.

There was a feasible operation that was being used and the service was approved and you said, "All right, you have got to get off." I think you have to make available some other places of operation.

Mr. WERNER. I would hope so.

Mr. GRAY. Any other questions or comments at all?

Thank you very much.

You can continue while the House is calling the roll. Mr. Howard, the gentleman from New Jersey will continue the hearing.

(Mr. Howard assumed the Chair.)

Mr. HOWARD. The next witness would be Mr. T. Murray Toomey, Metropolitan Washington Board of Trade, chairman of the aviation task force.

We are very, very happy to have you here.

Mr. TOOMEY. We appreciate the opportunity to be here.

Mr. HOWARD. Would you please identify the gentlemen with you and then proceed.

STATEMENT OF T. MURRAY TOOMEY, CHAIRMAN, AVIATION TASK FORCE, METROPOLITAN WASHINGTON BOARD OF TRADE; ACCOMPANIED BY CLARENCE ARATA AND HERMAN SCHEURER

Mr. TOOMEY. I have with me Mr. Clarence Arata to my right, who is the executive vice president of the board of trade. On my left is Herman Scheuer who is special aviation counsel, Metropolitan Washington Board of Trade.

I am chairman of the aviation task force of the Metropolitan Washington Board of Trade and I appear here today to testify on behalf of the Metropolitan Washington Board of Trade in support of the acquisition and establishment of a heliport within the District of Columbia located between 12th and 14th Streets and Maine Avenue and D Street, Southwest, as embodied in H.R. 9723 on which hearings are being held.

The board of trade is an organization composed of approximately 6,000 business, professional, and civic leaders of Washington and its metropolitan area.

It has taken an active interest in the area's transportation needs since the early 1920's. It promoted the construction of Washington National Airport and was active from the beginning in support of a modern jet airport to serve Washington.

It has testified before various congressional committees with respect to aviation legislation affecting the Washington area and it has intervened and participated in a large number of Civil Aeronautics Board route proceedings involving air service to Washington.

In this latter connection, it has been an intervening party in the helicopter service proceedings which have been held by the Civil Aeronautics Board including the Washington, D.C., Helicopter Service docket 11941, and others, the Washington-Baltimore Helicopter Service investigation docket 17665 and the reopened Washington-Baltimore Helicopter Service investigation, which bears the same docket number above indicated.

The position of the board of trade in the first two of these proceedings has been well documented, supporting the establishment of certificated helicopter service for Metropolitan Washington including the use of a downtown heliport.

This same position is being reiterated at the hearings which have just commenced with respect to the reopened Washington-Baltimore Helicopter Service investigation.

The need for a downtown heliport is obvious for the establishment of a successful helicopter service for the Nation's Capital and the unique character of the city in the world makes helicopter service a matter of convenience and necessity which has already been recognized.

In 1967 the Congress passed legislation instructing the General Services Administration and the Federal Aviation Administration to locate a heliport site in the District.

A sum of \$100,000 was authorized to provide the basic physical requirements of such a site. Since then, Congress has also passed legislation establishing the National Visitors' Center at Union Station including a heliport.

These decisions reflect an accommodation of evident concern on the part of Congress for a fast and convenient method of travel between downtown and the airports serving the Washington area.

In 1968 the Civil Aeronautics Board also recognized the importance of helicopter service to the Washington area by certifying Washington Airways, Inc., to provide such service for a period of 5 years. The inability of Washington Airways to acquire a downtown heliport has occasioned the reopening of the Civil Aeronautics Board's investigation so as to find another carrier that is willing to undertake the helicopter operation.

Establishment of a heliport as proposed in H.R. 9723 would go a long way toward facilitating the operation of helicopter service for the Metropolitan Washington area and accordingly we urgently support the legislation proposed insofar as it would authorize the acquisition and construction of a heliport at the downtown site in southwest Washington.

Mr. Chairman, that concludes our statement. We are prepared to answer any questions that you or the committee might have.

Mr. HOWARD. Thank you very much.

The Board of Trade, I imagine, supports this legislation because they feel that it would be of benefit for commercial business within the District of Columbia.

I would like to ask concerning the legislation, how you feel, particularly the people that you represent, about the site of the heliport as opposed to a site that might be a little top site more in the northwest area perhaps, where the hotels are?

Mr. TOOMEY. I can answer that personally.

First of all, I personally feel that a site closer to the hotels would be better. However, several years ago when the certificate was granted to the Washington consortium group we attempted to do it, but the Zoning Commission was the one that backed down and failed to provide zoning for a heliport.

That is the problem. If we could get it, I think that would be the catalyst to start the whole thing.

Mr. HOWARD. We talk quite a bit about the need for people to get from airport to airport rather quickly. Of course, from National Airport there is no problem of getting downtown.

However, many convention business meetings are held here in the Capital involving business people from all over the country, many of whom can only get to the Washington area by coming into Dulles or coming into Friendship, and we all know from Dulles and Friendship to downtown is a very difficult situation.

Do you feel that this in any way hurts or has hurt the city of Washington in the business that it might be getting because of the difficulty, not so much from National, but just from Dulles, where people may say, you know, "You get to Friendship, you get to Dulles, where are you in relation to getting to a meeting or convention in downtown Washington?"

Mr. TOOMEY. I definitely think that it is very adverse, how you can pinpoint directly how many people have been affected. It is not a pleasant thing, and if we did have a decent service and a service would certainly be beneficial.

I have had occasion this week, Tuesday, I flew to Chicago and landed at Midway. I had to be in the downtown area of Chicago and I had to catch a plane out of O'Hare coming back that night, and the service there, since they have had the trouble is not the greatest in the world.

I had to take a car each way and it was just a burden each way. The road from downtown Chicago to O'Hare is being repaired right now and there are only two lanes open on the expressway. It took an hour and 25 minutes to get from downtown to O'Hare. There again it was a problem.

Here in Washington, if you have to go to Friendship say between the hours of 4 o'clock and 6, and particularly on Fridays, you go out on the parkway and it is next to impossible getting there.

If you go to Dulles, it is all right until you get to the Dulles access road, there is the problem, trying to cross the John Philip Sousa Bridge any day of the week during the rush hour, if you are going from Maryland to Virginia. If we had helicopter service, it would be a lot of people that would go.

I have flown on helicopters from Congressional Country Club to Friendship and caught a plane a half hour from the time I left the Congressional Country Club and boarded the plane and with no problems at all.

I never could have made it on the road that same way.

Mr. HOWARD. I want to ask a comment directly as to the provision for paying for this service, such as a surcharge on all passengers coming in and out of the three airports in the regular commercial flights that we have today.

But in the picture of Federal help or aid, the whole spectrum of transportation, do you feel that it would be out of the ordinary for the Federal Government to in some form provide a partial subsidy for this service?

In other words, do you feel that even if it can't pay for itself at the beginning, it is necessary for so many other interests involved with the people that it might be proper to subsidize?

Mr. TOOMEY. I think, in this particular case, if the subsidy is required or subsidy is necessary to operate, it should be granted, in this particular case, if that is the only way the service can commence.

Mr. HOWARD. I have no further questions.

Any further questions?

Mr. MIZELL. I notice in your testimony, that you strongly support the acquisition and construction of a heliport in the downtown site. In your comment just now, you go one step farther, if I understand you correctly, by supporting subsidy for this operation.

Mr. TOOMEY. Under the circumstances, it is the only way that the service can be operated with a subsidy of some sort, yes. That is the only way it can be done.

Mr. Mizell, I have been coming here for 17 years on, asking for heliport subsidy. The need becomes greater every day.

As was pointed out by Mr. Gray, a few years back the population of Washington was 900,000 and today we have 20 million, compared with 5 million visitors.

Mr. MIZELL. Have you taken the position on the proposed 10 cents surcharge?

Mr. TOOMEY. No, sir; they have not.

Mr. MIZELL. Would you care to comment from a personal standpoint what your position would be?

Mr. TOOMEY. You put me on spot, but I will tell you what I think.

I don't like to see any group of individuals arbitrarily charge for a service. If that is the only way it can be done. Fine. Do it. But I do think it could be making a definite distinction on a group of travelers.

Mr. MIZELL. In your opinion, if the service is established, based on the financial condition of helicopter services in other metropolitan areas, do you think this would be a continuous subsidy?

Mr. TOOMEY. Well, I don't think anyone can answer that because we don't know. It might be. It might not be.

Chicago was a good example. Chicago was making good money. They put the road in from O'Hara. In 1961 or 1962 it opened up and then their business fell off.

But had they been on a subsidy right along, that might be a very successful operation.

Mr. TOOMEY. As I said before in the hearing, there had been back in the 1960 subsidy, I don't know, for New York, Los Angeles, San Francisco, several areas for helicopter service and I believe in all of them, over a number of years, a few years the necessity for subsidy for the operations of this Federal subsidant went down in amendment.

I believe one of them was breaking even or about to break even. However, at that time, during the appropriations for transportation all Federal helicopter subsidy was terminated.

So there seems to be some basis for a belief that a subsidy might not necessarily be of a permanent nature. I don't know whether that was every city, depending on how many airports it has, other facilities, how close the airport is to the city.

But I believe there is enough to substantiate the fact that all helicopter subsidy would be, all cities would be a losing proposition for the foreseeable future.

Of course, we never did get information because of cutting off of all the subsidies. We have nothing for sure, but I think if we project what we now know from some of the subsidies we have, we could feel in some cases this would be.

Mr. MIZELL. If I might pursue this a little further, because I think this is a very important issue.

You ask the Congress to establish a permanent subsidy for heliport appropriations, and based on the financial condition of the other operations in the country now, I think, it could very well be a permanent subsidy. If they have any financial statements or any such evidence in the near future when they might be able to go off the subsidy, I think this would be helpful.

If I may ask one more question. In looking at this from the standpoint of a permanent operation, do you think the portal site that has been proposed here should be considered as a permanent site?

Mr. TOOMEY. If the portal site is used, it would be the first one that we can use as such thing. If it is used and found to be successful, there is no reason why it shouldn't be permanent.

Mr. MIZELL. Do you think it would be the best site to encourage the greatest use of the helicopter service?

Mr. TOOMEY. The best site, I would say the closer you can get to the business area would probably be the best site. If that is the closest you can get, that is the best site now, the best, I believe.

If the Zoning Commission won't zone the land, how can you get any closer?

There is nothing in the zoning code right now that permits it.

Mr. MIZELL. I am beginning to get the point so that for this service to ever be self-supporting, it would have to be located in an area that would encourage the people to utilize it.

Mr. TOOMEY. No question about it.

Mr. MIZELL. And certainly if it is located at the portal site, you wouldn't be encouraging people to use the service at National Airport.

Mr. TOOMEY. Oh, no.

Mr. MIZELL. In many cases those in the business area or the hotels on the other side of the business district, might want to leave from Friendship, you certainly wouldn't be encouraging them to use this.

Mr. TOOMEY. If it were in the rush hour, from that side of town they would have as much trouble getting to and from Friendship. It is according to which way you turn to make up the difference.

Mr. HOWARD. Thank you very much.

Coming into National Airport, as I do, I am thinking of Dulles and Friendship. However, living out in Silver Spring, in that area, and using each day the Baltimore-Washington Parkway during the rush hour, if I were downtown in the Northwest and had the opportunity to either go to the portal site to get to Friendship or trying to drive to Friendship in my automobile, there is no doubt I would think that the portal site is pretty good any day of the week until Friday.

Thank you very much.

Mr. MILLER. Mr. Chairman?

Mr. HOWARD. Excuse me.

Mr. MILLER. I do have one question.

On the basis of the testimony we just heard, the CAB recognized the importance of the site and also certified Washington Airways for service some 5 years ago. Is this a part of the problem, since we see that Civil Aeronautics Board will be reopening investigations to find another carrier? Is there another carrier interested in this project at the present time?

Mr. SCHEURER. The record shows that the Washington Airways desires to surrender that certificate, since it was unsuccessful in getting the site at 20th and L Streets as a downtown heliport or any site by permission of the Zoning Commission.

And the hearings which are now going on are to determine whether that certificate should be surrendered and accepted. And, if it is, whether another carrier should be allowed to provide the service which Washington Airways now has the authority to provide. That is the status.

Mr. MILLER. We have the scheduled airlines. In the Washington-Baltimore area, it seems that, no one would be more interested in that particular project or would you have difficulty finding another organization that would operate it?

Mr. SCHEURER. There are some other applicants in the reopened proceedings which are now being heard before an examiner of the Board.

Mr. MILLER. Very well. Thank you, Mr. Chairman.

Mr. HOWARD. Thank you. Any questions?

Mr. MIZELL. I might pursue this a bit further. You may not want to comment on this at the present time.

Are you aware of any of the new applicants that are willing to take this service without Federal subsidy?

Mr. SCHEURER. The two applicants that I am ware of are both going to have witnesses in your hearing, Mr. Mizell, so I think you better ask them when they appear.

Mr. MIZELL. I will do that.

Mr. HOWARD. Thank you very much, gentlemen.

Our next witness is Mr. Karl G. Harr, Jr., president, Aerospace Industries Association of America, Inc.

We are very appreciative of your attendance here this morning in bringing your view and feeling to the subcommittee concerning the legislation before us.

If you are by yourself, please proceed with your testimony.

STATEMENT OF KARL G. HARR, JR., PRESIDENT, AEROSPACE INDUSTRIES ASSOCIATION OF AMERICA, INC.

Mr. HARR. Thank you, Mr. Chairman, members of the committee.

My name is Karl G. Harr, Jr., and I am president of the Aerospace Industries Association of America, Inc., representing the Nation's leading manufacturers of aircraft and related equipment, including helicopters.

Surface transportation in Washington, D.C., like that in other cities, is becoming more congested every day. A system of public use heliports, with supporting helistops, would provide another means of access to the Capital and would serve as a vital link between all nearby airports, suburban areas, and other city centers within short haul range.

The helicopter is uniquely suited to fill these specialized transportation gaps. It can overfly ground congestion and utilize the airspace below the heavily traveled commercial jet corridors. Moreover, the helicopter can take off and land safely from comparatively small and simple ground-level and rooftop heliports and requires no expensive right-of-way. Many areas and building roofs in the Nation's Capital could serve helicopter traffic with a minimum of preparation.

The President of the United States, of course, already enjoys the safety, convenience, and speed of downtown Washington helicopter service. The extension of these advantages to the general public on an economical basis is long overdue.

Others here today have and will address the specific problems attending the proposed heliport site between 12th and 14th Streets and Maine Avenue and D Street SW. Although it is considered appropriate for this association, with its manufacturing membership, to express general and complete support for the Washington site, our most effective role in this instance clearly is to discuss briefly the implications of city center heliport development in general and for Washington in particular. The primary message we wish to leave with you today however, is one of excitement and hope for the coming era of short-haul transportation and our continuing assistance, in any way we can, with any and all aspects of the Washington plan.

At present there are three Government heliports in the Washington, D.C., area—at the Pentagon, on the south lawn of the White House, and on the roof of the Department of Transportation Building. Use of these facilities has been limited largely to Government officials. In addition, 12 hospitals in the area have designated heliport sites for emergency medical use.

Today there are 71 corporate, civil government, and commercial helicopters—exclusive of military vehicles—operating within Washington and a 75-mile radius thereof. A few of these, such as those owned by the Wilson Steamship Line and the Curtis Bros. Furniture Corp., make it possible for company executives to commute to and from work, landing on private heliports. However, the majority of helicopter owners can land only at area airports.

Here in Washington, for example, Washington Airways had to ask that its Civil Aeronautics Board certificate to operate a scheduled helicopter service in the Washington/Baltimore area be canceled due to the lack of suitable city-center helicopter facilities available to it. Triangle Airways, Inc., also found that scheduled helicopter service between the major airports in the area was not feasible without a downtown heliport. Potomac Industries, Inc., of Fairfax, Va., a corporate helicopter owner and air taxi operator, voiced the same need. Triangle and Potomac have sold their helicopters.

Citizens can use helicopter systems to connect them with commercial jets in New York, Chicago, Los Angeles, and San Francisco, but cannot enjoy the same service at the Washington, D.C., end of their flights. Other metropolitan areas providing similar services include Miami, Daytona Beach, Tampa, and St. Petersburg, Fla.; Peoria and Winnetka, Ill.; Newark and Trenton, N.J.; Cincinnati and Columbus, Ohio; Richmond, Va.; and Fort Worth and Houston, Tex.

New York City's relatively new public heliport at East 60th Street and East River dramatizes that city's expanding transportation modes. In its first month of operation, January 1969, the heliport was used by 192 helicopters. (More than 100 helicopters are operating within a 100-mile radius of Manhattan.) By the end of 1969, some 15,780 landings and takeoffs had been made at the heliport, accommodating nearly 6,000 arriving passengers and 9,100 departing users. Six helicopters are based permanently at the site and the facility will soon have ground-level parking for 20 more. The Washington, D.C., area can be expected to produce comparably enthusiastic use of helicopter service.

Downtown helicopter service can perform a unique function for this area: While Washington is one of the rare cities with a close-in airport, the larger aircraft and increased numbers of passengers make it essential that other area airports be used more fully. To do this, we must overcome the time and distance isolation of the Dulles International and Friendship facilities. City-center helicopter service would greatly enhance these airports from the passengers' viewpoint. Moreover, helicopter service could extend the Washington area traveler's range within the Northeast corridor, to Philadelphia and New York, thus further lessening airport congestion.

As with fixed-wing aircraft, considerable time, effort, and expense are being allocated to controlling helicopter noise, and objection often raised by the public when downtown heliports are proposed. At pres-

ent most passenger helicopters are approximately equal in perceived noise levels to a motorcycle or truck from 50 feet away. The location of major heliports on the tops of high buildings would serve to diminish even this relatively moderate noise level from the standpoint of passers-by and adjacent residents.

Nevertheless, we would support, and if asked, assist in the selection of sites and access corridors conducive to the greatest noise reduction. In addition, of course, regardless of whether a Washington heliport is authorized, research and testing on quieter helicopter engines will continue. Real progress has already been made and it is anticipated that excessive and harmful noise will not be an impediment to this important venture.

In 23 years of commercial and military service, helicopters have served as efficient transport and valued assistants in search, rescue, and medical evacuation emergencies. Now they are performing traffic control and police functions. Here in Washington the police department operates three Bell 47G4A helicopters from the Naval Research Lab near Bolling Field. Downtown locations are available in emergencies and although the department plans city-center facilities on its new police building, it is encountering zoning problems.

It is time that helicopters be fully utilized in day-to-day transportation. We strongly urge that the Subcommittee on Public Buildings and Grounds, and eventually the Congress as a whole, work toward this end by approving H.R. 9723.

Thank you.

Mr. HOWARD. Thank you very much.

A list of the manufacturing members of your association will be made a part of the record at this point.

(List of manufacturing members referred to follows:)

AEROSPACE INDUSTRIES ASSOCIATION

MANUFACTURING MEMBERS

Abex Corporation	Grumman Aerospace Corporation
Aerodex, Inc.	Gyrodyne Company of America, Inc.
Aerojet-General Corporation	Heath Tecna Corporation
Aeronca, Inc.	Hercules Incorporated
Amphenol Space & Missile Systems Division	Honeywell Inc.
The Bunker-Ramo Corp.	IBM Corporation
Avco Corporation	Federal Systems Division
The Bendix Corporation	ITT Defense-Space Group
The Boeing Company	ITT Aerospace/Optical Division
CCI Corporation	ITT Avionics Division
Murdock Machine & Engineering	ITT Defense Communications Division
The Marquardt Company	Kaiser Aerospace & Electronics Corporation
Chandler Evans, Inc.	Lear Siegler, Inc.
Control Systems Division of Colt Industries	Lockheed Aircraft Corporation
Curtiss-Wright Corporation	LTV Aerospace Corporation
The Garrett Corporation	Martin Marietta Corporation
General Dynamics Corporation	McDonnell Douglas Corp.
General Electric Company	Menasco Manufacturing Company
Aerospace Group	North American Rockwell Corporation
Aircraft Engine Group	Northrop Corporation
General Motors Corporation	Philco-Ford Corporation
Detroit Diesel Allison Division	Pneumo Dynamics Corporation
The B. F. Goodrich Company	Raytheon Company
Aerospace & Defense Products	Missile Systems Division
Goodyear Aerospace Corporation	Rohr Corporation

AEROSPACE INDUSTRIES ASSOCIATION

MANUFACTURING MEMBERS—CONTINUED

Singer-General Precision, Inc.	Hydraulic Research & Manufacturing Co.
Solar, Division of International Harvester Co.	Thiokol Chemical Corporation
Sperry Rand Corporation	Tool Research and Engineering Corporation
Sundstrand Corporation	TRW Inc.
Sundstrand Aviation Division	United Aircraft Corporation
Teledyne CAE	Westinghouse Electric Corporation
Teledyne Ryan Aeronautical	Aerospace Electrical Division
Textron Inc.	Aerospace Division
Bell Aerospace Company	Astronuclear Laboratory
Bell Helicopter Company	
Dalmo-Victor Company	

Mr. HOWARD. Any questions?

Mr. MILLER. You are probably very much familiar with the question that has come up concerning helicopter use in metropolitan areas where they are not making money, and require a subsidy.

There are objections to this by people in the area primarily because of the noise factor, and air pollution problems. What is the problem with the helicopter service? They cannot seem to operate on its own. There have been some instances cited where some are about to break even. What is being done?

Mr. HARR. I think it is a case of lines meeting on the graph in the evolution of the vehicle in terms of cost of operation. Profitability will arise out of a growing need for their ability to avoid congested areas, along with experience in handling them and willingness of people to avail themselves of helicopter service.

I think some of these things were coming together in the last few years, therefore you had people venturing into the business of trying to operate.

Mr. HOWARD. I don't know the answer to this question. Is there a feeling among the public concerning safety in helicopters more so than regular airplanes, large or small? Do you know whether there are?

Mr. HARR. I don't think there is any study on this.

Mr. HOWARD. A lot of people say, "I will fly in an airplane, but I won't go in a helicopter."

Mr. HARR. My experience spans all forms of airplanes. I know of no partisanship either consciously or subconsciously. I can honestly say that I am aware of no documentable distinction one way or the other.

I think, however, that the proximity and visibility the helicopter in the city area may focus more attention on it than an airplane flying at 30,000 feet.

Mr. HOWARD. Someone mentioned, over years back, that the development of the helicopter due to the war in Southeast Asia has been accelerated because of the extensive use of helicopters in Vietnam, that we have made in the development 25 years progress in what, 10 years?

Being in this field, do you agree with that?

Mr. HARR. There is no question about it, generally speaking. Progress actually started in the Korean war, which featured the extensive use of helicopters for the first time. As a matter of fact, helicopters became a principal form of transportation for troops, which brought

about tremendous improvement in terms of experience across the board.

How immediately translatable that progress is to civil operations is something that people are working on all the time.

It seems to me, Mr. Chairman, that this bill is important because it is one more positive, valid attempt to bring helicopter transportation to an urban area. If we dwell not on what is the best site in Washington or whether the ground site is better than a rooftop site, but on whether we have a valid proposition, one that makes sense economically in terms of improving the system, we can include other options as they come along.

Mr. HOWARD. I would presume, however, you would like to promote the idea this is a good thing to have for economic reasons. Helicopter service failed financially in New York. Can helicopter service be a moneymaker in New York now, and if so, what would have caused—

Mr. HARR. It is a moneymaker right now in New York, I believe.

Mr. HOWARD. Maybe it isn't losing as much as it used to. Maybe it has improved as the public accepts it.

Mr. HARR. I think it has improved in terms of operating costs plus improved payloads. Again, it is the kind of thing which revolves slowly using the experience acquired by operators learning the business; this is a brandnew business.

Mr. HOWARD. One of the things that could hurt it, I imagine, would be the scheduling. In other words, if you have enough helicopters that you could run to meet enough schedules of people coming in and out of the airport then you would get them to use it.

But if a person at Dulles, if it would take 1 hour and 15 minutes to get to downtown Washington finds he has to wait 1 hour and 45 minutes, he will not use it. So perhaps it might be that a large investment might bring a person closer to making money than a small investment with only a few capital yield because only a small percentage of the traveling public can meet the schedule.

Mr. HARR. I don't want to get in over my depth in economics and I could very quickly. I haven't looked at it from the point of view of any specific service, but certainly you have pinpointed a general dilemma.

Mr. HOWARD. I thank you very much for your testimony, Mr. Harr. (Mr. Gray returns to preside as chairman.)

Mr. GRAY. Thank you very much for coming, Mr. Harr.

Our next witness is Mr. Jerome Huisentrut, legal counsel, Air Transport Association of America.

STATEMENT OF JEROME F. HUISENTRUIT, ASSISTANT GENERAL COUNSEL, AIR TRANSPORT ASSOCIATION OF AMERICA

Mr. HUISENTRUIT. My name is Jerome R. Huisentrut. I am assistant general counsel of the Air Transport Association of America, the trade and service organization representing virtually all of the scheduled airlines of the United States.

The ATA is strongly opposed to H.R. 9723 and urges this subcommittee to reject this bill. Our primary reason for opposing H.R. 9723 is that it authorizes an availability charge for helicopter transporta-

tion. In addition, we question the appropriateness of the southwest area site stated in this bill for the heliport in the District of Columbia.

Section 3 of the bill proposes that helicopter service in the Washington-Baltimore metropolitan area be partly financed by an availability charge.

The availability charge will be part of the passenger fare paid to the helicopter carrier and will be based upon the number of origin and destination fixed-wing passengers utilizing Friendship, Dulles, and National Airports.

Nowhere in this bill is it stated who will pay the helicopter availability charge. Will it be paid only by those persons using the helicopter service? Will it be paid by the fixed-wing airlines from their operating revenues? Will it be paid by all passengers passing through the three airports, whether or not they utilize helicopter service.

This question is unresolved in the draft legislation. For the reasons stated below, regardless of which of the three sources of payment is intended, we strongly oppose the availability charge provision.

If the availability charge is to be paid only by the persons using the helicopter service, this provision of the legislation serves no purpose. The fare charged to these passengers should not be divided into a transportation charge and an availability charge, for this is confusing to the passenger. In addition, it would be pointless to base an availability charge on the total number of O. & D. passengers at the three airports.

The Federal Aviation Act now contains ample provisions for determination of just and reasonable fares by the Civil Aeronautics Board in all air transportation services, and no special ratemaking provisions are required or desirable with respect to the fare applicable to the user of helicopter service.

On the other hand, if the availability charge is to be paid by the fixed-wing airlines from their operating revenues, this would be grossly unfair. The effect would be that that scheduled airlines using the three airports would be required to subsidize a helicopter operator when in the past the fixed-wing carriers' assistance to helicopter carriers has been done on a voluntary basis where the circumstances warranted.

The fixed-wing carriers can hardly afford to subsidize such a service, for they themselves are unable to meet their own operating expenses. As this subcommittee is well aware, the economic recession of the past several years has had a severe adverse impact upon the Nation's scheduled airline industry and huge losses have been reported by these carriers during this period.

Finally, if the availability charge is to be assessed against all O. & D. passengers at the three airports, regardless of whether or not they utilize the helicopter services, this is grossly unfair subsidization by all passengers for a service which only a few would use. It would also be an unconstitutional use of the taking power because of the discrimination inherent in such charge.

The availability charge would mean, in effect, that every time a person arrives or departs from one of the three airports he would have to contribute to the fund to subsidize the helicopter operator. This charge would hit most passengers twice on a single journey, for they would be paying a subsidy coming and going.

If Congress deems helicopter service in the Washington area, or elsewhere, essential in the public interest, it need only make its views known to the CAB so that the provisions of existing law providing for subsidy for such service can be implemented.

The legislation is also unclear as to how the availability charge would be collected. If it is intended that the burden of collection and remittance be placed upon the fixed-wing carriers, we must again object. It would be unfair to require our airlines to serve as a collection agency to extract surcharges from our passengers on behalf of the helicopter operator.

A word must also be said with respect to the procedures which the CAB would use in establishing the helicopter availability charge under section 1002(g) of this bill. This section provides that the Board may establish the charge "through its rulemaking procedures." This is an ambiguous provision and we do not know what is meant by it.

Under the provisions of the present Federal Aviation Act, the CAB may establish fares and charges only after notice and hearing. If the provisions in section 1002(g) of this bill are designed to eliminate the notice and hearing requirements with respect to CAB prescribed rates, we must object. The Congress has wisely imposed notice and hearing requirements in all legislation authorizing the Government to prescribe rates. Any departure from such requirements would deny the carriers, as well as the general public, elementary due process.

Finally, we wish to comment briefly on the site selection for the heliport located in the District of Columbia. Several of our members have taken the position that a heliport location in the District of Columbia should be in the general area where the greatest traffic potential lies.

Helicopter service generally is considered a specialized service which is utilized by a very small proportion of airline passengers. For the most part, persons using helicopter service are business travelers where time commands an extremely high premium and where the relatively high fare charged for the service is usually a business expense.

The business office area of the District of Columbia is bounded generally by 15th to 20th Streets NW. and H to M Streets NW. If the business traveler had to use a taxi or other means of surface travel to go from his office through heavy ground traffic to the heliport, the utility of the helicopter service would be so greatly diminished that it would be unappealing to its prime potential customer.

The site selection stated in this bill—between 12th and 14th Streets and Maine Avenue and D Street SW.—is in the southwest area of Washington, far removed from the District's business area and therefore appears inappropriate.

In conclusion, ATA strongly opposes H.R. 9723 because the provision for a helicopter availability charge is either unnecessary, if only the helicopter user is to pay for this charge, or unfair, if the other airlines or their passengers are to pay this charge. The site selected for the District of Columbia heliport is located in an area which will not serve its prime potential customers.

We thank you very much for the opportunity to present our views on this legislation.

Mr. GRAY. Thank you, Mr. Huisentrut.

How many members do you have in ATA?

Mr. HUISENTRUIT. About 30.

Mr. GRAY. Thirty?

Mr. HUISENTRUIT. Yes.

Mr. GRAY. Are most all of the major airlines members of your association?

Mr. HUISENTRUIT. Almost all of the certificated scheduled airlines are members of the ATA. The supplemental airlines are not.

Mr. GRAY. You are familiar with the consortium of nine airlines who have been certificated to operate a heliport service?

Mr. HUISENTRUIT. Yes, Mr. Chairman.

Mr. GRAY. What is the radical change or viewpoint of most of the majority of your members of the ATA, of the helicopter service? Did they come in and strongly encourage CAB to grant them a certificate and they are opposed to most helicopter service per se?

Mr. HUISENTRUIT. Mr. Chairman, I think that a fair reading of my testimony is that we are opposed to two sections of the bill. I did not state, and do not mean, that we are opposed to helicopter service per se.

Mr. GRAY. From the reading of your statement, I don't think there is a good reason for a need in there.

Mr. HUISENTRUIT. Some of our members are presently before the CAB in a proceeding which will determine the question of need.

Mr. GRAY. The reason I bring the point up now is the fact that I stated in the beginning of the hearing, this bill is merely a vehicle to have public hearings to find out why number one, we have not had a heliport program, and two, what is the need for the service.

We are not wedded to this particular piece of legislation. I would think that since all airlines, particularly those that operate out of Dulles and Friendship, that you, as a representative would be interested, number one, in having some alternative to what the bill proposes.

We are merely having hearings on this particular piece of legislation because we think some day sometime it is going to be required by the Congress, the general public or users, and we think that a heliport will be required.

Your people went to a great expense to ask for this service and now they have completely done a 180° turn.

We wonder why you don't have some alternative to this legislation as to what you feel would be a suitable operation, who should pay the subsidy.

You people are in the business, and that's all we in the Congress are trying to do.

It is as much a problem for me to go over the 14th Street Bridge and get in and drive where I am. I am interested in the public who are not as fortunate as I am.

I have an area of 8,000 square miles, and they want me to be able to get around. I know it would certainly be appropo to a rural district to see the tremendous need for aircraft in a congested area like Washington. So that is the only purpose in hearings and I would hope somewhere along the line that the ATA would take the position that this is not a bad bill but we think we have something better off. We would like to see the heliport located in Union Station, downtown, or we would like to see service elsewhere. Just a few minutes ago, we heard cases where various organizations are appealing to the CAB for authority to operate such a service. It seems to me like an inconsistent position.

Mr. HUISENTRUIT. Mr. Chairman, may I answer to that point?

I am sorry you feel that I appear so completely negative.

All of the testimony so far this morning indicates that the service itself will not be self supporting, at least for the initial period. Hopefully, as the service is developed, it could become self supporting.

So the question is: Where is the support going to come from? I was addressing myself to this bill because under its provisions the support seems to be coming from a portion of the people who may never use the service. My point is that, if the Congress feels there is a great public need for the service, it has the obligation, I would think, to appropriate subsidies for this service. That is my first thought.

Mr. GRAY. I can recall back in 1966, 5 years ago when we first started talking about heliports of at least four of your associate members stating that if schedule service was inaugurated from downtown Washington to Dulles and Friendship, they would subsidize the loss. Representatives of Pan American and some of the others.

They said:

We would be delighted, if it takes us \$12 to haul a passenger from downtown Washington to Dulles. If it is a continuing reservation, that is the person calls, I will take a helicopter here and I am going to catch a PanAm flight to Puerto Rico, or I am going to go out to Los Angeles and it takes \$12 to operate the service and you can only get six passengers, we would make the difference.

At one time they were willing to go 100 percent of the subsidy. Why wouldn't they be willing to take 10 cents per passenger off all the traveling public? Because where is that \$6 that they were once willing to subsidize coming from? It comes from the traveling public that buys the tickets and the rates that they charge, and the rates that are set by CAB are predicated upon expenses and that would be part of the legitimate expense.

I can't see how they possibly can now oppose a 10 cents subsidy that is spread across the board making it more equitable to all people, whether they don't use it today, it is available in case they do need it.

Mr. HUISENTRUIT. Mr. Chairman, with respect to proposed subsidization by the consortium of airlines which did get certificated from CAB. These carriers realized that not only would it require substantial capital investment of approximately \$7 million but they also committed \$8 million of their funds for subsidization of the initial certificate.

This whole concept was based on two principles: The first principle was that they were actually operating the service themselves and the second principle was that the downtown heliport site would be in the area where they could serve their prime potential market.

Now in this case we have a site which our members feel would not serve their prime potential market.

Second, they are opposed to collecting a subsidy from their passengers to pay over to some other third-party operator.

Mr. GRAY. Let's look at it in this light. If they have an \$8 million deficit paid for by nine airlines, where are you going to get it? From the traveling passengers on just those nine airlines, right?

Where else is it going to come from? When they go to the CAB to ask for fare increase, which they have done and are doing now, that \$8 million would have to be picked up in increased fares. So the passengers traveling those nine airlines are going to pay that \$8 million subsidy right there.

Where we are saying, "Let's be equitable about this and if there is going to be 12 airlines," how many members do you have?

Mr. HUISENTRUIT. About 30.

Mr. GRAY. You have 30. And all their passengers are going to have available this charge, why not spread it across 30 instead of taking it to the passenger using that line. Because you know you are not going to use an \$8 million subsidy and not take it from the public.

That is the only place you can get it.

I don't understand. Nine airlines come in here, gung ho, pound on the table before CAB and say we want to give this service. We want to subsidize. We want to charge the passengers.

We are trying to find a more equitable way of doing it, as you have done here today, but you have no alternative to offer. This is the thing.

After all, we are trying to help the people you represent. Why are you trying to offer a scheduled service into Dulles and into Friendship? So your people won't be leaving out there with a 40- or 50-percent load. That is what they are doing now.

I took a flight to Peoria here earlier on Ozark Airlines. There were four people on a DC-8. Four people.

Why wouldn't you people that represent the carriers want to see some method of getting people out to your airports? That is what we are trying to do.

Your client said, they come in and spend a lot of money. You know what the cost is going to be because you have been before the CAB in lengthy hearings. It costs money.

I assume they were interested or they wouldn't have gone to that expense to get a certificate.

Mr. HUISENTRUIT. That's right. However, it didn't work out because the premise underlying their proposal, a downtown heliport they were never able to obtain a suitable site.

Mr. GRAY. That is the purpose of the hearing. We are saying that the portal site is clear. It is available on a temporary basis while we are trying to build the visitors center and get a permanent center. We are not saying this portal site will be a permanent site.

In 1966 when Congress passed that, we used the word "temporary," and we thought when the permanent facility—and had it not been for the bankruptcy of the Penn-Central, and I might say parenthetically we were ready to drop the bid. If it had been 1 week later, that Penn-Central had the bankruptcy, they would have started construction. We were 1 week late in drawing the plans. That is how close we came to having the facility almost completed now.

But you are willing to let the tail wag the dog here. The whole purpose is to try to get some service going.

If you people don't want to operate it, then why would you not want to see somebody else step in if they are going to haul passengers to get to your planes? This is the thing I don't understand.

You are taking the position that if we can't have it, we don't want anybody else to have it.

Mr. HUISENTRUIT. That is not what I said.

Mr. GRAY. How else could you read this statement? You are opposed to helicopter service when 2 years ago you said I want helicopter service.

You are opposed to any kind of subsidy. And you said, "We are going to have an \$8 million subsidy. We are going to take it off the passengers that travel our airlines," and today you object to 10 cents a passenger.

I am not criticizing your change of mind but what I am saying is the tail is wagging the dog. You are not for any kind of service.

There is not one word in here that says we would like to see this matter proceed.

I am not trying to tell you how to testify. I am saying I am at a loss and I am trying to understand it. You are the people we are trying to help, you don't want a downtown heliport, that is what you are saying. You are nit-picking at the site. We are not nit-picking at the site.

We just say that site is clear. It hasn't been used for years. The Federal Government, the taxpayers have put out money and it has been used for a parking lot. We think there is a better use for that site.

You heard the RLA representative say they would be willing to let this sit out for a temporary heliport.

That 10-cent surcharge is one way of spreading the cost and making it available for the people.

I would like to ask you this. What is your position on the congressional bill to charge a dollar and a half per passenger to provide air marshals on the planes?

Mr. HUISENTRUIT. Mr. Chairman, incidently, that bill was not passed. Our position on it was——

Mr. GRAY. Not passed? It is the law.

Mr. HUISENTRUIT. No, I am sorry, Mr. Chairman. The passenger does not pay an extra charge for the armed guard program. The cost of the armed guard program comes from Federal appropriation.

Mr. GRAY. The bill was passed. What was your position on it? This is the taxpayers money. This is what we are saying here.

Mr. HUISENTRUIT. Our position was that the individual passenger using the service should not be assessed a service charge for the armed guard program which is a Government police function.

Mr. GRAY. In other words, you opposed the surcharge at the ticket counter. You are willing for everybody to pay the cost but you didn't want your passengers, those 30 airlines that you represent have to be charged when they come in and buy a ticket?

Mr. HUISENTRUIT. That's right, because this was a national problem inflicted by——

Mr. GRAY. You want the protection but you don't want your passengers to pay for it; is that it?

Mr. HUISENTRUIT. Well, Mr. Chairman, I think the armed guard program was a program inaugurated by the administration which the airlines agreed to cooperate with. I don't think we initiated it.

Mr. GRAY. But you welcomed it.

Mr. HUISENTRUIT. Some carriers did and some didn't

There is a great deal of mixed feeling within our industry about the wisdom of having anybody with a gun aboard an aircraft.

Mr. GRAY. Do you think there is any equity in taxpayers paying a dollar and a half on every ticket that is about what it amounts to, a

dollar and a half for every ticket in and out of Dulles, National, Friendship for air marshals and that is in most instances aren't even flying on the planes.

Then charging 10 cents to passengers that may not use the helicopter but yet the availability charge would provide the service if they needed it in case of an emergency.

Mr. HUISENTRUIT. Mr. Chairman, if the airlines were responsible for U.S. foreign policy and international relations, I would say there would be no equity in the general public paying for the armed guard program, virtually all of the U.S. hijacking arise from international conflict and psychosis, over which the airlines have no control. This is a national problem.

Mr. GRAY. I am talking about the equity between charging the general public for a service that they may not use.

For example, I have relatives that have never flown. They are paying for marshals to ride to protect your passengers. Is there any difference between that and charging 10 cents to provide a service someone may never use? What is the difference?

Mr. HUISENTRUIT. May I turn that around and say there would be no difference between the present armed guard program and the general public paying for a subsidized helicopter service in the District if the Congress felt this was in the public interest and appropriated the funds for such service.

Mr. GRAY. But the thing I am getting at. All these things we are talking about, the air marshals, the helicopter service, all would be to the benefit of the airline because if one marshal kept one plane from being hijacked and confiscated like those that were blown up over in Egypt—a TWA costs what? several million dollars?—that included the benefit of the airlines and I didn't see anybody, I haven't seen any one airline that didn't say they didn't want the marshal or they didn't want that extra protection, you see.

And when you take the money. Federal money, as we do here in the Congress and build an airport, they charge people that may never go near that airport.

There is nothing new about surcharges and availability charges. There is nothing new about it at all. The whole question being resolved in these hearings, is the way to get it started. Is it the way to get it started?

You say that you are opposed to it and yet you represent the big carriers.

So I am just wondering, what alternatives do you recommend? Are we never going to have scheduled service in the Washington area? If you take this position, what is your alternative to having it?

Mr. HUISENTRUIT. The alternative, No. 1, we realize that the site is the most important factor in the eventual economic success of helicopter service in this area.

If you are going to put it somewhere, the further you remove it from the business district, the greater are the chances that it will never become viable.

Mr. GRAY. Have you had studies on this at all?

Mr. HUISENTRUIT. ATA itself has not had studies prepared but the carriers who had the consortium made studies and submitted them as exhibits before the CAB.

Mr. GRAY. I have had representatives of the American Airline and several others and they said the Union Station site would be a perfect site for them.

This site is accessible to the Union Station site and certainly is within the boundaries that you represented in your testimony, and so on.

I am just wondering the difference in this. They said, "We are ready to start the service, and if you can get the heliport at Union Station we will be ready to go." Now that is not downtown.

Furthermore, we have, and these are official figures, studies that have been made for the parking service, and the Capitol is the largest visitation point of anywhere, not only in Washington but the Nation. Nine million people a year come through the Capitol Building, and I would say that the next largest visitation point is the Washington Monument, and then it goes down to 3.8 million, at the Smithsonian.

As far as people traveling, they want to use the service, including 535 Members of Congress and their staff, I am sure they would use this type of service. The numbers just don't bear out your testimony, because this is where the people are.

Mr. HUISENTRUIT. Well, Mr. Chairman, with respect to that. We are not trying to cater to any particular group. My only point was that we want to have the site located in the area where our marketing people believe the service will be used. Helicopter service, whether it is subsidized or unsubsidized, is a very expensive service in comparison with surface transportation. I would say that a very minute number of tourists in the Nation's Capital would use the helicopter service.

Mr. GRAY. You don't think the governors and members of the legislature and prominent businessmen who all come to the Capital would like to catch a flight back out to California, to the West or Midwest someplace would use this service as much or more than some businessman downtown?

Mr. HUISENTRUIT. If they would, Mr. Chairman, that would point more to the appropriateness of Federal subsidy. I agree with the gentleman from West Virginia, that this is the Capital of the whole United States, it is not merely the city of Washington. This points to the appropriateness of a Federal subsidy for this service if it facilitates the Government's business.

Mr. GRAY. Talking about the generation of people using the service on a percentage basis, the more people you use, the better chance you have of getting the customers. I am talking about Los Angeles, they had more business going out to Disneyland then any place else. I went out there a couple of times to get to Disneyland and it was completely filled.

The point is, the people are what brings the business. The fact of the matter is there is more people on Capitol Hill, than in any other part, not only of the city but the world. When the visitors center is completed or if we put it down in the square, you will have from 20 to 30 million people a year congregated in one area. More people than any other single place in the world.

If you can't generate the proper business with those kind of numbers, I don't know where you are going to go. I don't understand your testimony. I don't understand. You are representing 30 air carriers.

Downtown is frankly dying away. The core of the city is dying away. If you don't put it down there it is not going to operate. I don't know.

The people are going to be visiting. Congress will be here. We have increased the annual visitation from 3½ to 20 million, with 5 million foreign visitors estimated to be coming in.

You can see the tremendous growth and travel in the Nation's Capital, yet everybody says it has to be downtown.

It is not my purpose, you have a right to say what you want to, but I think the reason I am critical here is that you are representing the people we are trying to help and there are no alternatives being suggested to get this started. You can help the public and the air carriers. We know that the business is there. We know most of the carriers are losing money, primarily for operations like Dulles, which is too far out, inaccessible.

I would hope that you could go back and talk to the people. They don't have to support this bill. I am not asking you to do that or put words in your mouth, but certainly to come up with alternatives to provide service, and they could suggest.

I thank you very much for coming. I don't have anybody to yield to questions.

Mr. BARNETT. The site now proposed by the bill is objectionable to the association. Were you assuming in the 1966 act, were you expecting that this site was going to be a permanent site?

Mr. HUISENTRUIT. The 1966 law did not establish a particular site, but provided that the site would be chosen by the Government agencies—DOT and the Redevelopment Land Agency.

The bill that became the law did not mention any site whatever and merely said it would be chosen by the Government agencies.

Mr. GRAY. Thank you very much.

The next witness is A. L. Wheeler, president of Pioneer Airlines, Inc., accompanied by Ward D. Masden, vice president of operations, Pioneer Airlines, Inc.

We want to thank you for your patience. You may proceed.

STATEMENT OF A. L. WHEELER, PRESIDENT, PIONEER AIRLINES, INC.; ACCOMPANIED BY WARD B. MASDEN, VICE PRESIDENT, PIONEER AIRLINES

Mr. WHEELER. Thank you, Mr. Chairman.

I would like to comment briefly about some of the matters that have been brought up by other witnesses and give you my thoughts.

We, too, Mr. Chairman, agree with you that what we need is a good downtown heliport, and a good downtown heliport would be the portal site.

The question is, which is the best available site for the heliport, downtown, the one at the visitors center, the portal site or any other site which is acceptable, but we must get moving.

We must do something if we are going to solve this problem. We have been investigating this thing for 10 years, to my knowledge, 11 years. We have been working to determine whether it will be this site, that site or another site.

The ultimate will never be achieved. The population is not a static proposition. It moves. As you pointed out, the innercity is dying. Five

years ago there were many more people using the innercity facilities. The hotel occupancy in the city is down 10 percent. Where the best site is today may not be the best site tomorrow.

What you have to do is consider all these factors, and find the heliport site for the city of Washington. But if we continue to investigate this site and investigate, make another choice, try to find another place, we will never get the job done. We must make a start.

I am one of those people that believe a half a loaf is better than none.

Mr. GRAY. I agree with you and this is the point that I have tried to make with almost every witness. We are trying to get ideas. When you take a negative approach and have no alternative, that makes it very difficult to determine what the consensus of the opinion is in Washington about the schedule of service all over, and in general and here in particular.

Mr. WHEELER. The combine is proposing to abandon the service because they say they can't find a heliport. I say there must be some other reason to cause them to abandon the service. Maybe it is because of the large losses that they have. They are talking about they are not making any money.

This is the best site available at the present time. If the Union Station was available, the visitors center or Mount Vernon Square, that is another proposition, but we have a site that can be made available within 2 months should they want it. But they aren't interested in this. I say why?

They say the traffic wouldn't justify. So you probe a little deeper. Why wouldn't the traffic justify? What is your test to determine whether this is or that is the best?

They say we want one on 20th and L Street. Fine. How do you determine 20th and L Street is a good heliport or not?

Well, it is within a short taxi ride or walk for our travelers. They say our travelers, just like the passenger, belong to them. What difference does it make whether the passenger goes to one point downtown or to another point if the time is the same. There is very little difference in the time to downtown as between the various sites mentioned.

If you set it right on 20th and L Streets, as they say they want it, and I am not opposed to 20th and L Streets, I just say we can't get that site, which I will go into that in a minute.

What difference does it make if you are at the Statler and take a ride to 20th and L, or a taxi ride to the portal site or the one over on Capitol Hill? It doesn't make any sense to me. They are just about as close to one of the sites as another.

A minute one way or another is not going to affect that choice, not going to affect that amount of traffic.

Mr. GRAY. It is also true that if large volume of traffic were generated, shuttle-type buses, like on the Mall, could be used.

Mr. WHEELER. Certainly. Another thing, we seem to me to be talking about the central zone of the taxi and it wouldn't cost 5 cents more to go from one section to another. It is just as accessible in either of these locations than 20th and L, and I am not opposed to the 20th and L Street site.

I mean, we must get a site. If we don't, we are going to kill it. We must come up with a site where we can bring helicopter air transportation to the people of Washington. The Congress is the last resort. If

not the whole thing is going to evaporate and it is going to be extinguished.

This would be a sad commentary, because this is a form of transportation that can help solve many of our congestion problems here in the city and in the Washington area, which, as you pointed out, has been increasing tremendously in the last 10 years.

So far as the traffic standpoint is concerned, the commercial traffic, I can't understand that, because it seems to me a businessman that comes and visits the Government buildings, the Commerce Building, the Labor Department, the Internal Revenue Department, the Post Office Department, all of those buildings on Pennsylvania Avenue is just as much a businessman as if he were to go downtown and visit some of the merchants selling clothes, to some clothier or to a shoe-maker or something.

Mr. GRAY. Plus the untold hundreds of thousands of businessmen that come to the Capital to see their Congressmen.

Mr. WHEELER. Certainly.

Mr. GRAY. I have an average of 20 or 30 a day myself and if you multiply that by 535, all the number of people that come here, plus small business loan applicants and some other businessmen.

Mr. WHEELER. Exactly, Mr. Chairman. That doesn't make any sense to me. How can you distinguish between these things?

I say to you that a heliport located halfway between Capitol Hill and say 16th and K Street would do more to serve the interest of the people and air passengers than any other location.

I think this location, if I had to pick a location, I would think this location would be better. Although I am not saying that the others aren't just as adequate.

I am saying from a frank standpoint this location will develop just as many passengers as any location. More passengers, I would say than the 20th and L Street location which the combine says either we must have this location or we won't serve.

And you ask them why. Why is the same amount of passengers would be developed by the portal site, would you serve it, and they say no. I can't follow this.

I know there is something to it and I can't really get down to why, and they won't tell you.

Now it could easily be, and maybe on this basis you could understand it, they are in a serious financial condition. They have made an offer to give \$8 million. They haven't put up the money. I don't think they can put up the money. I don't think their stockholders and their board of directors would contribute.

Mr. GRAY. That is a subsidy.

Mr. WHEELER. It is a subsidy, pure and simple.

Mr. GRAY. Where does it come from? From the users.

Mr. WHEELER. From the users, just as you pointed out.

Mr. GRAY. Their rates and request for rate increase before the CAB are predicated upon costs, costs of operation and that is a part of their costs.

Mr. WHEELER. That is exactly right, Mr. Chairman.

Subsidy has been provided in three different ways for helicopter transportation.

First was a subsidy by the taxpayers. That is everybody all over the United States contributing something to the helicopter transportation in the three cities. This is New York, Chicago, and Los Angeles. No relation to the service, just general tax. That is one way.

Congress decided in 1965 to discontinue that.

Then a few of the airlines did this in New York. Pan Am and TWA decided to finance New York Airways.

Then Los Angeles, I think American and United decided, I think it was United. Maybe it was TWA and some other airline. Those passengers who utilized their service were paying for that and they had no relation to the service involved necessarily.

A passenger going on United or TWA from one city, Chicago to Omaha, was financing the New York helicopter operation.

Your bill, and I commend it, comes up with a third way of financing it which makes people who use it or have it available pay. They have a direct relation to the subsidy. The people who can use it or do use it or have it available pay for it. To me that is a far better way of assisting these small carriers.

What we are talking about are small carriers, not big companies. We are talking about companies who have two or three helicopters to operate.

We are not talking about TWA or American, who flies all over the United States. I can understand their disinterest. They are flying big airplanes, carrying people long distances. They are not interested in operating a little taxi cab service in Washington, D.C.

So, in getting to the subsidy aspect, the subsidy point. Who would be the logical people to finance this operation? Those who benefit or have it available or the people who have no relation to it. I think the former.

So I say, if we are going to have to subsidize it, which I believe we are, if we want it and need it, the availability charge is the best way to do it.

Mr. GRAY. The point you are making, Mr. Wheeler, is the fact that if a person flying in and out of one of these three airports, they may, some day, I assume after the service is inaugurated, have the chance to use that service.

Mr. WHEELER. Yes.

Mr. GRAY. In case of the air marshal and other examples I have given, my people never fly to Illinois, and they are paying for those people who do fly to give them protection.

Certainly then, to the point you are addressing in this bill, the airports who strongly supported it charge people that never go near an airport. The people may never fly.

Mr. WHEELER. That is recisely it, Mr. Chairman.

Mr. GRAY. At least this bill addresses itself to the people who do fly, who would have a much better chance of using the service.

Mr. WHEELER. This is the objective of all modern utility regulations, to try to get the charge on the people who we know are available to benefit.

This is not anything new. You might think from the testimony today this is something new but this has been going on for a long time.

Mr. GRAY. It is certainly nothing new and it is not limited to this field.

Mr. WHEELER. No, sir; it is not.

Mr. GRAY. I just move out in McLean, Va., just to give you an example. I am paying \$1.75 in the perpetuity of my utilities because the subdivision out in this area, not this house but the subdivisions out in that area want all of the powerlines to be put underground.

So I am going to pay this, if I live there 20 years. I am paying \$1.75 a month in order for somebody down the road to get their wires underground.

So your users charge is nothing new and it is not limited to air travelers.

Mr. WHEELER. Absolutely.

Mr. GRAY. It is an easy way to get progress, to get things done.

Mr. WHEELER. If there is a need and if the public needed it, this is a vehicle to get it done. This is the vehicle to get the problem solved.

The next question is if this is the best way. I don't know, but it seems to me from our investigations, and I have been living with this thing for 10 years. I can find no other way that is a fairer means of distributing the burden.

Mr. GRAY. You are an applicant for this certificate to operate scheduled service?

Mr. WHEELER. Yes, sir.

Mr. GRAY. Should the CAB grant the permission, are you in any position to inaugurate the service?

Mr. WHEELER. Yes, sir. We have been the applicant and only applicant that has been in it for 10 years and we have been in through all three of these cases and we are in a position to do it.

We have letters of commitment from various financial concerns, provided that the operation makes sense economically, like permitting the use of an availability charge as is set forth in your bill.

Mr. GRAY. What kind of equipment would you use?

Mr. WHEELER. 5-61L equipment, sir.

Mr. GRAY. Is it similar to what was used?

Mr. WHEELER. It is similar to what was used in New York and similar to the ones used in Los Angeles and San Francisco.

Mr. GRAY. I think we can visualize the problems if the President had to use surface transportation to get to the airport, if he wanted to go some place, if the President had to use a car to fight the average traffic. Why can't all the people have this type of service?

Mr. WHEELER. Absolutely. Mr. Chairman, as a matter of fact, I can't understand the airlines position to be in opposition to it, because this will benefit them. It will benefit their passengers just as the feeder line benefits their passengers. For example Ozark Airlines, a feeder airline serves their passengers from Springfield to Chicago and feeds these passengers to the trunklines at Chicago to get a plane to New York or some other place.

This would benefit them and this is something that will assist them and they should be in favor of this.

I don't want the trunklines to be financing it. I don't think it is fair to ask the trunks to finance it because the helicopter carrier financed would be beholden to them and may have to serve their interest. Under your bill the helicopter carrier can independently determine what is best for all passengers that we serve.

Mr. GRAY. I am wondering why, how they can be so strongly for the service, have a chance to operate and fail to operate it and then don't want anyone else to have it.

Mr. WHEELER. I can't understand it myself, Mr. Chairman.

Mr. GRAY. Do you want to submit your entire statement for the record at this point?

Mr. WHEELER. Yes, sir; I would.

Mr. GRAY. I notice Mr. Masden has a very comprehensive statement to make. You can give it or we can put the entire statement in the record, whichever is your choice.

Mr. WHEELER. I have a couple more comments that might be helpful.

Mr. GRAY. Without objection the entire statement of you and Mr. Masden will be included at this point in the record.

(Statements of Mr. Wheeler and Mr. Masden follow. Attachments to statements retained in subcommittee file:)

STATEMENT OF A. L. WHEELER, PRESIDENT, PIONEER AIRLINES, INC.

I am pleased to testify in support of H.R. 9723. As you may know, Congress previously has enacted Public Law 759. Pursuant to this law, the Portal Site was selected as the best site available for a heliport for downtown Washington. In the Senate report to this law, Congress found that helicopter service was immediately needed. This finding was in 1966. Yet no helicopter service has been provided although the CAB has certificated Washington Airways, Inc. (WAI), a combine of all the scheduled airlines serving Washington and Baltimore. WAI now seeks to abandon this certificate because among other things no satisfactory heliport is available for downtown Washington. I am therefore pleased that Congress is again moving to provide a heliport for downtown Washington, which heliport is eminently satisfactory to Pioneer Airlines.

As you may know, Pioneer Airlines has been engaged in helicopter activities for approximately ten years. It has originated and operated the police traffic surveillance operation and operates approximately 1400 helicopter hours per year. This operation has been conducted without injury to anyone. In fact, it has become somewhat of an institution in this area. Pioneer also operates an FAA approved maintenance shop for Bell 47 equipment and Jet Ranger and similar types of helicopters.

The CAB has set a hearing beginning September 22nd to determine if Washington Airways will be permitted to abandon its certificate and if so, if it will certificate Pioneer Airlines to provide the helicopter service between downtown Washington and Dulles, between downtown Washington and Friendship and between downtown Baltimore and Friendship, National and Washington, and between National, Friendship and Dulles Airports.

As you may know, there is an extreme need for expedited service between downtown Washington and Dulles and Friendship Airports, between downtown Baltimore and National Airport and between downtown Baltimore and downtown Washington and between the airports themselves. Dulles is 31 miles from downtown Washington and Friendship is 32 miles from downtown Washington. The distances between downtown Washington and its airports are greater than in any other city in the United States. Unless a suitable site, such as the Portal Site, is available, the Board will not recertificate the service and there will be no expedited service between Washington and its airports. Consequently, it is imperative if this service is to be rendered that a site such as the Portal Site, which is acceptable to Pioneer, be made available for such service.

From time to time other applicants and other carriers have indicated their preference for other sites. Some of these sites are within the Prohibited Zone, P-56, designated by the White House under Executive Order 10126. Others have selected sites on top of office buildings located nearer to the commercial community but a substantial distance from Capital Hill. Others have selected sites near Capitol Hill but substantial distances from the commercial community.

This type of process can continue ad infinitum with the result that no site will be selected and no helicopter service will be provided. The millenium is seldom achieved. The Portal Site, located on Maine Avenue between 12th and 14th Streets, is a good ground level heliport centrally located approximately midway between the principal traffic generating points of the city, namely, Capitol Hill and the government buildings on the one hand, and 16th and K streets, the commercial center, on the other hand. It has sufficient space to accommodate a landing area

approximately 200' x 650' with adequate parking space and easy surface accessibility from all directions. It is also within the first taxi zone enabling the users to travel within the zone for minimum taxi fare.

The National Capital Planning Commission favors the Portal Site over other sites which have been considered. Also, the RLA might be an eligible sponsor for development of the Portal Site under the Airport Development Aid Program. The District of Columbia Government would be an eligible sponsor under this Program, in which event matching funds would be available for the development of this site as a heliport.

From an acoustical standpoint, the Portal Site generates little or no noise annoyance to the residential community. The NEF 20 and 30 contours drawn around this site show that there would be very few if any residents disturbed by this location. Moreover, the added emission of visible and invisible gasses by the helicopters which would use the Portal Site in inconsequential, particularly when compared with emissions of the automobiles and fixed-wing aircraft in the area. Consequently, from an ecological standpoint, the Portal Site is a very satisfactory location for the District of Columbia downtown heliport.

The Portal Site is presently owned by the RLA which has not been particularly sympathetic to a heliport in this area. They have, in the past, attempted to follow the wishes of a few people to the detriment of the majority of people. In earlier years, Pioneer leased a heliport from the RLA on a temporary basis and has attempted to rent several other heliports. In these latter years, the RLA has become rather doctrinaire and has declined such an offer on the part of Pioneer Airlines because of complaints, they say, from residents, or that it can obtain greater revenues from its use as a parking lot, or "under-utilization of the site," or for other reasons.

With respect to the Portal Site, there are no residential homes within approximately a half mile. Even when Pioneer proposed a heliport on the Overlook Site, which is about two or three blocks from a residential neighborhood, the overwhelming response of the people in the neighborhood was in favor of a heliport. This is shown by the attached survey, Exhibit B, which I myself made at that time. Notwithstanding such overwhelming support as contrasted with a few complaints, RLA chose to support the slim minority rather than the vast majority of view.

In the name of democracy it has applied autocracy at its worst. The ugly truth of the matter with respect to RLA is its desire to retain its lucrative parking lease. Obviously a heliport which benefits the whole area cannot compete with a parking lot unless a value is ascribed to the improved public service derived from the heliport. RLA refuses to place such a value on the improved service; it declines to set the value to the city of those who would come to this city because of new and extraordinary form of transportation; it will not determine how much extra time and dollars by which the city will benefit through the extended visits made possible by helicopter transportation. Instead it merely recites that it will receive more money from the use of the Portal Site for other than heliport purposes. This view too narrowly defines public interest and there are other considerations in this case that are more important and valuable in terms of dollars. But RLA stubbornly refuses to either make this broader evaluation or decision. RLA's decision is almost analogous to the one in which the city is in serious jeopardy of losing its baseball franchise because another governmental agency has been more interested in economics and the public interest. The Agency, Armory Board, in that case relented but it may have been too late. The time is now for obtaining the Portal Site as the D.C. heliport.

The issue ought not to be how much money the RLA can make off of the site but whether helicopter service is more in the public interest for the people of Washington than a parking lot. The answer to such a question is a ringing "yes." Helicopter service and the greater public convenience should prevail. What the public doesn't need is another office building or another motel, or another apartment building. These would make no real contribution to the basic needs of the inner city. What would make such a contribution would be a heliport and scheduled helicopter service, a unique and proven form of intra-city transportation which has the ability to expedite travel for businessmen, the Government employees and tourists to a greater degree than any other known form of local transportation. To obtain this extraordinary service, a good heliport is essential. Ordinarily in a city the size of Washington, there would be a plethora of sites for such a worthy undertaking. However, I will assure you that this is not the

case. I have canvassed the area for more than 10 years and find that this Portal Site is the only available site that will satisfy all the requirements for such scheduled helicopter service. This site is unique.

In essence, what this Committee is deciding is whether scheduled helicopter service in the Washington-Baltimore area will be made available to downtown Washington, D.C., the most important point on the helicopter system. There is strong support from the Board of Trade composed of most all of the businesses in the community. There is Congressional support from Mr. Walter Fauntroy, District of Columbia Delegate, and from members of the House from contiguous areas. There is support from the Federal Aviation Administration and the Department of Transportation and from the Civil Aeronautics Board. And there is a willing carrier, Pioneer Airlines, ready to provide the service. Unless this bill is passed and this site made a heliport, it will be utilized for some other purpose. This decision will be primarily based on economics, namely, how the most money can be derived from this site, without due consideration to the public interest. I hope this Committee will not let this important city asset be needlessly squandered.

While Pioneer has no desire to operate the downtown heliport, nevertheless it has repeatedly taken the position that it will operate it and is willing to pay a reasonable rent for the facility. If Congress is unwilling to appropriate funds necessary to establish a facility on the field, Pioneer will do this and deduct it from its annual rent.

Half the funds necessary to acquire this heliport can be obtained from the FAA pursuant to enacted legislation. I need not tell this Committee that should helicopter service be inaugurated on the Portal Site and it was desirable to move the heliport to some other available site, for example should the heliport at the National Visitors' Center at Union Station become available and it was useable and desirable to move the heliport to this site, then Pioneer would be willing to do so. Should the Government at a future time decide that some other use of the land would be more in the public interest than a heliport, it would be free to reclaim this site. Title remains in the D.C. Government. The use of the site as a heliport would cost the government nothing as the value of the land is appreciating.

I wish also to support the provision in Congressman Gray's bill which provides without cost to the taxpayer the helicopter availability charge. As the Congress undoubtedly knows, the state of the art of the helicopter is such that it cannot operate economically without some form of assistance. The best form of assistance is from the users and those who have it available to them. This charge, which is contained in Congressman Gray's bill, accomplished this objective and at the same time assures helicopter service for the people of the District. Unless this provision is included in this bill and the company is assured, like other utilities, of its break-even need plus a fair rate of return, the financing of such service and its inauguration and maintenance is problematical. I fully endorse H.R. 9723.

QUALIFICATIONS OF A. L. WHEELER

Mr. Wheeler is a graduate of the University of Georgia, A.B., and a graduate of Harvard Law School, LL.B. He was House Counsel for Trans World Airlines, and has been in private practice since 1945. He was former Clerk and Counsel for the Senate District of Columbia Committee and former Chairman of the Democratic Central Committee for the District of Columbia and former General Vice Chairman of the President's Inaugural Committee. He is founder, former Vice President, Director and General Counsel of North Central Airlines, Inc.

Mr. Wheeler is currently President and Chairman of the Board of Pioneer Airlines.

STATEMENT OF WARD B. MASDEN, VICE PRESIDENT, PIONEER AIRLINES, INC.

For more than 10 years I have inspected various sites proposed as heliports for downtown Washington, D.C. For more than 10 years proposed operators have been frustrated by first one obstacle and then another. The securing of such a heliport is essential for scheduled operations between Washington and its airports.

Because Washington is a unique city without self-government and with so many different agencies having a voice in the determination, Washington has

no downtown heliport. The President, the Congress, the Planning Commission, the Zoning Commission, the Board of Zoning Appeals, the Redevelopment Land Agency, the Federal Aviation Administration, the General Services Administration, the National Park Service, Environmental Protection Agency, the Civil Aeronautics Board and the citizens' associations are among the many. While it may be true that two heads are better than one, it does not necessarily follow that one hundred heads are better than one. The sheer task of attempting a consensus among such a group is an impossibility. The result has been complete failure in obtaining a heliport in downtown Washington. The only hope of obtaining such a heliport lies with the Congress. I was therefore gratified to learn of Congressman Gray's bill, H.R. 9723, which specifies the Portal Site on Maine Avenue between 12th and 14th Streets as a heliport for the District of Columbia.

I have canvassed the area for all these years both for the FAA and for Pioneer and others. I can honestly say that the best site available at the present time for a heliport for downtown Washington is the Portal Site. This site has available a strip of land approximately 200' x 650' which is reasonably level and which could easily serve as a heliport for large heavy helicopters such as the S-61. I have myself agreed with the approval of this site when I was Helicopter Specialist for the FAA Flight Standards Service, and I have recently rechecked this site with the FAA and they again indicated their satisfaction with it. There is no need for any abnormal restrictions as there are no serious obstacles to the approaches. There is sufficient room on the site for adequate parking and an administration building. In fact, this heliport was selected by the FAA and recommended pursuant to the previous law, P. L. 759, authorizing a temporary heliport for the District of Columbia. The approaches will not interfere with the fixed-wing aircraft serving National because the helicopter routes will lie beneath the fixed-wing routes and more than adequate separation exists.

I would like to commend Congressman Gray on the selection of this site not only because of its location and its operational feasibility but because it is perhaps the only site available for a ground level operation. Utilization of a ground level site rather than a rooftop site in downtown Washington is essential if the operation is going to be a success. This is so because Washington is the most important point on the proposed helicopter routes in the Washington-Baltimore area. More traffic will flow to and from downtown Washington by far than any other point in the Washington-Baltimore area. If traffic is unnecessarily limited so that the maximum in traffic support cannot be realized, then the service will be strangled and cannot succeed. For example, on an 86° day from a rooftop operation in Washington, D.C., the 30 passenger S-61L helicopter could only utilize 17 seats and an 11 passenger Bell 212 could only utilize 10 seats. On a 95° day, the 30 passenger S-61L helicopter could only utilize the 15 seats and the 11 passenger Bell 212 could only utilize 8 seats.

As can be seen from the above, the rooftop operation arbitrarily restricts the traffic which can be handled by the operation at the downtown heliport, which ought to have the maximum in capability and flexibility. This latter can only prevail if a ground level heliport is selected or if a rooftop is constructed which would have comparable dimensions. Since no such rooftop exists and since the Portal Site is the best site available for such operations, there is little choice if helicopter service is to be promptly brought to the Washington-Baltimore area.

I do not want to leave the impression that the selection of the Portal Site is improvising. It is not. The Portal Site is a fine location and probably is the best that can be obtained. Other sites may or may not be closer to the heart of the traffic for a majority of the travelers. Various studies have revealed that the origin of the traffic is this section or that section. None of these studies reveals where the traffic came from immediately prior to their trip to the airport. If I had to speculate I would think that the traffic comes from the Hill, the government buildings and downtown Washington in about equal proportions. If this is so, which I believe it is, then location of the heliport at the Portal Site would both theoretically and operationally best serve the Washington-Baltimore area.

I wish to endorse the helicopter availability charges as the most logical method of assisting the financing of the helicopter operation in the Washington-Baltimore area. It costs the taxpayer nothing and places the burden, if 10¢ a passenger can be considered such a burden, on the people who use the service or have it available to them. This is where the burden belongs and is placed. As the state of the art of helicopter operations develops and the cost of such service decreases and the use of such service increases, the CAB, which supervises the payment

of the assistance, will undoubtedly reduce the assistance until it is extinguished. I need not tell you that most certificated air carriers have been assisted by the Federal Government in one form or another. The availability charge is a form of assistance provided the helicopter carrier not at the expense of the taxpayer but at the expense of the user or those who have it available. I am pleased to present my testimony in full support of H.R. 9723.

Mr. WHEELER. Thank you, Mr. Chairman.

We talk about the Planning Commission and what it has done and what can be done by the Planning Commission here in the District of Columbia.

To my knowledge, and I have been studying this project for 10 years and I have testified before them, appeared before them many, many times. One thing that the Planning Commission doesn't have jurisdiction over is Federal land.

So when they study the problem, they are studying it on a piecemeal basis. They don't consider land in which the Federal Government owns, such as the portal site, such as the Mount Vernon Square. All of these sites.

So, when we come up with sites that are subject to zoning regulations, the zoning regulations, the 20th and L Street site is right within the zoning regulation site.

Now the problem with the 20th and L Street site: it is within a quarter of a mile of four hospitals and at least 10 high-rise luxury apartments. This is why they haven't been able to get it zoned. They can't get the Zoning Commission to move. What is the use of the Zoning Commission moving when they don't like the site?

They say either we are going to do it on the 20th and L Street site or we are not going to do it at all. This has been told to me by members of the Zoning Commission.

They say to me, "OK, we are not going to have this helicopter service interfering with the four hospitals and a dozen apartment houses." They talk about the hospitals, and I will name them: Doctors' Hospital, the new Metropolitan Hospital, the Columbia Hospital, and George Washington Hospital, all within a quarter of a mile.

In addition to that you got the whole new apartment, luxury apartments on both sides of New Hampshire Avenue. That makes no sense to try to disturb all those people when you can have a choice of another site.

Mr. GRAY. Do you know whether or not—I asked the question of the gentleman a while ago—a detailed study has been made concerning the generation of traffic downtown? Why are they so wedded to the downtown location when everybody is moving out?

Mr. WHEELER. My own personal opinion is they don't want to start service. They have been an unwilling carrier in this proceeding from the start. They are not interested in this thing. They don't care about it, and they don't want anybody else to have it.

I say this because I have been in the airline business. I have been the vice president of one of the airlines and a director and one of the founders of one of the airlines for 17 years and I know this to be the fact. I am not just stating this, I know this to be a fact.

It is completely inconsistent to say I won't accept the portal site but I would accept the 20th and L Street site when from a traffic standpoint they are the same. From an operational standpoint there is no comparison. The top of a building will only take one helicopter at a

time. The portal site will take many. You can make a more economical operation out of the portal site because you can consolidate flights.

For example, a flight proposing to come in from Dulles or Friendship can land and go beyond to National, but they can't do that on a rooftop. Very much more difficult to do it because they can only serve one at a time.

Mr. GRAY. Mr. Masden, you were associated with the FAA for a number of years and considered to be an expert in the field, what is your opinion of this portal site? Would it meet the need of scheduled helicopter service?

Mr. MASDEN. It would be an excellent site. Yes, it would. It would permit full gross loads at 95° days, which is the figure or the degree we usually use as a reference point.

Further, it would permit a procedure of operation that would get you these full loads whereas off the rooftop it would be my opinion, not being with FAA and not at the approval end of it at the moment, it is my thought that let us say a 86° day, they would lose about nine passengers with S-61 equipment. They talk about how many passengers they are going to carry but they are immediately going into an operation that is going to suffer 9 to 11 passenger loss. The portal site wouldn't do this.

Mr. GRAY. For the record, how long did you work with the FAA?

Mr. MASDEN. I was with FAA for 27 years.

Mr. GRAY. Twenty-seven years. Then you are capable, if any one is capable of speaking to this.

Gentlemen, we appreciate very much your testimony. I am sorry we have to move on. We have five more witnesses.

Mr. WHEELER. Thank you very much.

Mr. GRAY. Thank you for coming.

Our next witness is Mr. Elmer Hutter, Hutter Ports, Washington, D.C.

Mr. Hutter, would you please come forward. Thank you, Mr. Hutter, for your patience. You have been sitting on the front row. You have been very patient and we appreciate it.

Mr. HUTTER. My hearing is impaired. I have to sit up front. Reserved seat.

Mr. GRAY. Fine. We appreciate your patience in waiting. Go right ahead.

Mr. HUTTER. I am over 21 years, I have learned to have patience.

Mr. GRAY. You may proceed.

STATEMENT OF ELMER P. HUTTER, HUTTER PORTS, WASHINGTON, D.C.

Mr. HUTTER. I am Elmer P. Hutter, a professional registered congressional lobbyist and speak as sole proprietor of Hutter Ports, an applicant for certificate to provide scheduled helicopter service in the matter of Civil Aeronautics Board reopened Washington-Baltimore helicopter service investigation, docket 17665 currently before Civil Aeronautics Board.

The location of proposed Washington heliport is of direct interest and concern to me. In my opinion the location is paramount and it must be where it is of best use and service and convenience to the public.

Furthermore, it must be located in a place that will help minimize rather than add to surface traffic congestion. And in due course, it must be located so that passengers will be exposed to only a minimum of slow transportation and inclement weather conditions.

Hutter Ports is already on public record with a proposal that the Old Senate Office Building and Union Station be connected by a subterranean moving sidewalk or train.

I propose that a combination of the Union Station heliport, the moving walk or without said walk, buses, Metro Line subway trains, railroad trains be made into the transportation center for Washington, somewhat comparable to the New York City Pan Am Building Heliport, Grand Central Railroad Station together with the New York Port Authority bus terminal and Pennsylvania Railroad Station and New York City multiple subway systems, all connected, centralized and providing rapid transit without adding to street level traffic congestion and all out of the inclement weather conditions—safe too. The Union Station helicopter service heliport, it cannot be beat.

In order to obtain said above best rapid transit combination, I propose that instant H.R. 9723 be amended by striking section 1(a) and in its place shall be added section (1) (a) 1. Select an adequate portion of and/or above the Union Railroad terminal structure and the connecting railroad tracks within the District of Columbia at North Capitol Street, which terminal soon will be the National Visitors Center, together with the necessary northerly or other space.

Also to be amended: Section (b). Strike the period and continue the sentence by adding "to accommodate one, two, or more 42-48 or more passengers helicopters at any given time."

Thank you, Mr. Chairman and committee for the privilege of presenting my position. If you desire additional information, please so request it.

Mr. GRAY. Thank you, Mr. Hutter for your statement.

Mr. HUTTER. Thank you.

Mr. GRAY. We believe that the Union Station is the best location, but as I mentioned earlier this morning when you were here, I am sure we have run into financial difficulty because of the bankruptcy of the Pennsylvania Railroad. We are still looking to this as the location and this is merely an interim location until the permanent facility is filled.

I think your idea for an escalator-type walkway is very timely.

Thank you very much.

Mr. HUTTER. In addition, Mr. Chairman, I ask permission of Mr. T. Murray Toomey, to present for this record, a copy of his presentation at the Civil Aeronautics Board hearing in the way he prompted helicopter service. I think it would be helpful here.

Mr. GRAY. Fine.

Mr. HUTTER. Also I have to offer for this record a copy of Congressman Walter E. Fauntroy's statement at the CAB hearings. I didn't ask him but I am quite sure that he will permit submission of that.

Mr. GRAY. They will be included in the record at this point.

Thank you very much.

(The statement referred to follows:)

TESTIMONY OF T. MURRAY TOOMEY ON BEHALF OF THE METROPOLITAN WASHINGTON BOARD OF TRADE BEFORE EXAMINER WILLIAM F. CUSICK IN THE REOPENED WASHINGTON/BALTIMORE HELICOPTER SERVICE INVESTIGATION, DOCKET 17665

My name is T. Murray Toomey. I am Chairman of the Aviation Task Force of The Metropolitan Washington Board of Trade and I appear here today to testify on behalf of The Board of Trade in support of the continued certification of helicopter service to and from Washington including the use of a downtown heliport.

The Board of Trade is an organization composed of approximately 6,000 business, professional and civic leaders of Washington and its metropolitan area. It has taken an active interest in the area's air transportation needs since the early 1920's. It promoted the construction of Washington National Airport and was active from the beginning in support of a modern jet airport to serve Washington. It has testified before various Congressional committees with respect to aviation legislation affecting the Washington area and it has intervened and participated in a large number of Civil Aeronautics Board route proceedings involving air service to Washington.

In connection with the former, I am appearing on September 23, 1971, before the House Public Works Committee in support of H.R. 9723 insofar as it proposes the acquisition and construction of a downtown heliport site. As to its CAB appearances, The Board of Trade has been an intervening party in the helicopter service proceedings which have been held by the Board including the Washington, D.C. Helicopter Service Case, Docket 11941, et al., the Washington/Baltimore Helicopter Service Investigation, Docket 17665 and the instant phase of the latter. The position of The Board of Trade in the first two of these proceedings has been well documented, supporting the establishment of certificated helicopter service for metropolitan Washington including the use of a downtown heliport. This same position is being reemphasized at this hearing.

The need for a downtown heliport is obvious for the establishment of a successful helicopter service for the Nation's Capital and the unique character of the city in the world makes helicopter service a matter of convenience and necessity which has already been recognized. The Congress passed legislation instructing the General Services Administration and the Federal Aviation Administration to locate a heliport site in the District. A sum of \$100,000 was authorized to provide the basic physical requirements of such a site.

Since then, in 1967, Congress has also passed legislation establishing the National Visitors Center at Union Station including a heliport. These decisions reflect an accommodation of evident concern on the part of Congress for a fast and convenient method of travel between downtown and the airports serving the Washington area. In 1968 the CAB also recognized the importance of helicopter service to the Washington area by certifying Washington Airways, Inc. to provide such service for a period of five years. In connection with this certification. The Board of Trade subsequently supported Washington Airways by appearing before the Zoning Commission of the District of Columbia in an unsuccessful effort to have the Commission act upon the request to amend the zoning regulations. Met with this defeat, Washington Airways has offered to abandon its certificate, but The Board of Trade is unwilling to permit the helicopter experiment to be abandoned without further effort. Federally owned and controlled land is not subject to the Zoning Commission's regulations and the site suggested in H.R. 9723 would be a satisfactory downtown site for a heliport. Accordingly. *The Board of Trade endorses continued certification of area helicopter service by a carrier willing to seek and operate from a downtown site.*

TESTIMONY OF CONGRESSMAN WALTER E. FAUNTROY IN THE REOPENED WASHINGTON-BALTIMORE HELICOPTER INVESTIGATION, SEPTEMBER 21, 1971

DOCKET 17665, ET AL.

Mr. Examiner, I am pleased to submit this testimony and urge the continuance of the certification of helicopter service between Washington, D.C. and Friendship, National and Dulles and between downtown Washington and downtown Baltimore. I need not allude to the fact that Dulles and Friendship Airports serving Washington are at greater distances from downtown Washington

than the airports of any other city in the United States, much less those at New York, Los Angeles, and San Francisco, which already have certified helicopter service. Not only is there a genuine need for the service by the commercial and business interests in and around Washington and travelers to and from Capitol Hill and the government, but there is an important prestige advantage in having a helicopter service operating in the nation's capital. As I travel in foreign countries, I find that such an exciting and modern form of transportation would add to our prestige among the nations of the world.

From a standpoint of self-interest, I am most interested in having the service for Washington because it will bring activity and excitement into the heart of Washington. This is necessary if we are to redevelop the inner city and reconstruct, redevelop and restore Downtown. Moreover, the creating of an industry in Washington which will employ an estimated 168 people with a payroll of \$1,200,000 is a substantial contribution to the economics of the city.

In addition, both the Federal Government and the local government would obtain a return from these earnings of more than \$300,000 in the form of taxation which would in turn assist in the development of the area. I heartedly support recertification of helicopter service for the Washington-Baltimore area.

Mr. GRAY. Our next witness is Mr. Ronald Schlegel, Sikorsky Aircraft, Stratford, Conn.

STATEMENT OF RONALD G. SCHLEGEL, SIKORSKY AIRCRAFT DIVISION OF THE UNITED AIRCRAFT CORP.; ACCOMPANIED BY BRUCE R. WYCKOFF

Mr. SCHLEGEL. Mr. Chairman, I brought with me Mr. Bruce R. Wyckoff, who is manager of the northeast region, also of Sikorsky Aircraft.

Mr. GRAY. Delighted to have you, sir.

Mr. SCHLEGEL. In lieu of any other questions which are out of my realm of technical specialty.

Mr. GRAY. And your specialty?

Mr. SCHLEGEL. My specialty is acoustics.

Mr. GRAY. Acoustics?

Mr. SCHLEGEL. Since the testimony is very short, I think that unless you have any objections I will read it to you.

Mr. GRAY. No. Go right ahead.

Mr. SCHLEGEL. My name is Ronald G. Schlegel. I am a graduate mechanical engineer, a registered professional engineer in Connecticut, and supervisor of acoustics at Sikorsky Aircraft where I have been employed since 1957.

The testimony, which is hereinafter presented summarizes the findings of a study conducted by my staff and myself of the acoustic impact of the Sikorsky S-61 helicopter in the service proposed by Pioneer Airlines for the Washington and Baltimore areas.

This, as you know, is the type that Mr. Wheeler referred to earlier. This is the helicopter which he plans to use for the service.

Mr. GRAY. This same type of machine is in present use?

Mr. SCHLEGEL. Right. It is a slightly different version with the same mechanical components.

Mr. GRAY. I am talking about from a noise standpoint.

Mr. SCHLEGEL. Absolutely. The study which I have conducted was conducted primarily for the CAB in the proposed helicopter service. However, as part of that study I had to do a detailed study of the impact in the portal site as well as the rest of the roof.

The proposed Pioneer Airlines service is described in detail in their submittal to the Civil Aeronautics Board in docket No. 17665, and others. The details of my analysis are also described in this subject docket as Pioneer Airlines exhibit PAL-F, I would like to briefly describe the results of this acoustic study, since this document is too long to read here.

In summary, the portal site proposed by Pioneer Airlines for their Washington-Baltimore helicopter service has been found to be acoustically compatible with adjacent land use in conjunction with operation of the Sikorsky S-61 helicopter and for this use should have a negligible acoustic impact on the adjacent and surrounding property.

Measured noise levels of the Sikorsky S-61 helicopter, which is proposed for the subject service, were used in conjunction with the latest FAA accepted state-of-the-art technique for evaluating the acoustical impact of the helicopter service proposed by Pioneer Airlines; namely, the noise exposure forecast (NEF).

This method, which was developed in 1967 for the FAA, determines the integrated noise exposure in a community due to aircraft operations and relates this exposure to compatible land uses.

It accounts not only for the absolute noise level of an individual aircraft but also for the number of operations, the different types of aircraft, the different runways, the time of day or night, the presence of tones in the aircraft noise spectrum and the duration of the noise in relating the aircraft noise to the total noise exposure.

As a result of the aforementioned study it is concluded operation of the Sikorsky S-61 helicopter from the Washington, D.C., downtown portal site on Maine Avenue between 12th and 14th Streets, as proposed by Pioneer Airlines in the subject CAB hearings, is compatible with existing land uses in the area for the proposed operations.

The portal site is particularly advantageous from an acoustic point of view in that it removes terminal operations from noise-sensitive areas and allows maximum utilization of the proposed waterway flight paths as acoustic buffer zones.

To further amplify this point, exhibit A shows the noise exposure forecast for Pioneer's proposed S-61 flight operations in the Washington area.

Shown on the map of the Washington, D.C., area are the NEF 20 and NEF 30 contours for Pioneer's proposed S-61 flight operations in the Washington area, as well as the FAA published NEF 30 contour for CTOL, conventional takeoff and landing aircraft, operations at Washington National Airport.

The FAA in their 1970 report No. 70-9 entitled "Noise Exposure Forecast, Evaluation, Evolution, Extensions, and Land Use Interpretations," indicates that in most cases NEF 30 or lower is an acceptable noise exposure, while NEF 20 is of little or no concern.

The NEF 30 contour for the S-61 helicopter when used at the portal site for Pioneer's proposed operation covers only an approximate radius of 700 feet around the heliport and includes no noise sensitive areas.

Even the NEF 20 contour, for which little concern is expressed by the FAA, contains only office buildings. The FAA states in the aforementioned report that levels of up to NEF 30 are "satisfactory, with no special noise insulation required for new construction," and that NEF's of 30-35 are allowed for general office buildings and professional service.

Potential noise sensitive areas near the heliport, such as the Jefferson Junior High School and the Sylvan Theater, near the Washington Monument are far outside even the NEF-20 contour. Thus, no incompatibility appears to exist at the heliport site for Pioneer's proposed helicopter operation.

Further, it can be concluded from a survey of various publications that existing ambient noise in the area of the portal site will provide considerable acoustic masking to the low level of noise produced by the S-61 helicopter.

Such sources indicate that the major truck traffic routes through Washington pass through this area, almost 143,000 vehicles per week-day use the nearby 14th Street Bridge, the most heavily traveled, all southern route freight and passenger rail traffic pass near the heliport, and CTOL operations at Washington National Airport produce levels of 90-95 EPNdb in the general area. Thus, the helicopter operations should not adversely affect the existing noise environment.

In summary, therefore, it is my conclusion that the portal site proposed by Pioneer Airlines should not have an adverse impact on adjacent land use with respect to noise.

Mr. GRAY. Thank you very much. I appreciate having that extra testimony. What about pollution?

Mr. SCHLEGEL. I am not prepared—

Mr. GRAY. It would be negligible compared to what is coming out of National Airport; would it not?

Mr. SCHLEGEL. I have heard the testimony that was prepared by our GE representative and his testimony as presented to the CAB has shown that the pollution is also very negligible. Certainly small as is in the airplane, which is also very small percentage of the total pollution, and I think certainly if you consider as a possible substitute for other modes of transportation, it may even show a reduction. I am not sure of the exact testimony.

Mr. GRAY. Thank you very much. I appreciate it.

Any questions?

Thank you, gentlemen, very much.

Mr. HUTTER. Mr. Chairman, may I have one short say?

Mr. GRAY. Yes.

Mr. HUTTER. I forgot to say for additional rooftop space, the top of the Post Office is tremendously large. It will also facilitate mail carrying, in my proposal.

Mr. GRAY. Most of it is worn out by air anyway.

Mr. HUTTER. By trucks. That is the trouble. It has to go out to the airport anyway.

Mr. GRAY. I am saying, it is going by truck to the airplane and it could be done.

Mr. HUTTER. By truck. This is faster and right at the door of the plane that takes it to San Francisco or who knows where, right from door to door, airport to airport, aircraft to aircraft.

Mr. GRAY. It makes a lot of sense, Mr. Hutter.

Thank you very much.

Let me ask unanimous consent that the statement of Gen. Elwood R. Quesada, president, L'Enfant Plaza be included at this point in the record.

(Statement referred to follows:)

STATEMENT OF GEN. E. R. QUESADA, PRESIDENT, L'ENFANT PLAZA

Mr. Chairman and members of the committee, I am grateful for an opportunity to submit a statement in regard to H.R. 9723.

It is encouraging to me, as a longtime resident of the Nation's Capital, to find that the Public Works Committee has become interested in providing STOL ground facilities essential to the economic health of the District of Columbia and the surrounding area.

This subject has been under discussion for at least five years. Progress has been characterized by delays and inaction. It might interest the Committee if I repeated a statement contained in a book written by C. Northcote Parkinson, the author of "Parkinson's Law". The statement appears in his new book, "The Law of Delay". His statement is "Delay is the deadliest form of denial."

The aviation industry, in its broadest sense, and Government agencies, responsible for encouraging it, have, in my opinion, been obsessed with the development and construction of larger and larger airplanes that go faster and faster. There is merit to this philosophy for the simple reason that success in that area provides more efficient transportation during the longest journeys.

That philosophy neglects, however, the simple fact that approximately 30% of all air travel (common carrier) is of a distance less than 300 miles.

It is clear to me that this segment of the aviation industry has suffered from neglect, and one of the reasons contributing thereto is the lack of ground facilities that would contribute to a healthy, dynamic short haul service, designed to meet the obvious need of a downtown to downtown requirement of connecting city pairs. STOL facilities, as H.R. 9723 would provide, are a good example of the need.

The legislation before this Committee refers to STOL facilities for a specific area—The Portal Site. I would like to reaffirm what has been said before. Providing STOL facilities at that particular site may very well create problems that are legal and moral in nature. The Approved Urban Renewal Plan, in which the Portal Site rests, would certainly have to be amended and an amendment requires the consent of those who may be affected. In addition and since the Committee has asked for my comments, I feel compelled to say that a STOL site located there would have little or no demand to supply transportation from the city core of Washington to National Airport, and vice versa. It would, however, be able to meet a demand for transportation to Dulles and Friendship Airports. Going further, and in this same light, I doubt seriously if STOL transportation from that location could be compensatory.

It is my fondest hope, Mr. Gray, that your Committee will not interpret my remarks as negative. They are far from it. I would like to take this opportunity to urge upon your Committee to do everything it can to accelerate STOL facilities for the Nation's Capital, including the constructive conclusion in respect to the STOL facilities that have been proposed at the Visitors' Center (Union Station). It is my firm conviction that adequate facilities there would do much to encourage the type of service that your Committee has in mind. Equally important, it would encourage and permit short haul transportation from the city core of Washington to the city core of other large cities within the radius of 300 miles, which service approximately one-third of our total traffic.

Your Committee has already done a fine public service—at least so I hope—as you have stimulated governmental agencies and the air transportation industry into action. Your efforts should be rewarding.

Mr. GRAY. Our concluding witness today is Mr. Robert A. Richardson, executive director, Helicopter Association of America.

Welcome, Mr. Richardson. Please proceed.

STATEMENT OF ROBERT A. RICHARDSON, EXECUTIVE DIRECTOR, HELICOPTER ASSOCIATION OF AMERICA

Mr. RICHARDSON. Thank you very much. I have a very short statement to deliver on behalf of the professional helicopter operating people in the United States, of which we have over 200 member operators and, of course, there are many, many other helicopter operators in addition to our group.

Mr. GRAY. You have over 200 in the Helicopter Association of America?

Mr. RICHARDSON. Regular members who own and operate helicopters for hire or who own and operate helicopters for transportation.

In addition to that we have almost 100 associate members who are manufacturers of helicopters and allied equipment.

My written testimony is as follows, and with your permission I would like to read it. It is short.

Mr. GRAY. All right.

Mr. RICHARDSON. I am pleased to testify today in support of H.R. 9723. For a number of years there has been a crying need for a downtown heliport in the Washington, D.C. area. Without such a good heliport, neither scheduled nor charter helicopter transportation can really develop.

The portal site on Maine Avenue between 12th and 14th Streets is a fine ground level location for this heliport. It has the size necessary, its approaches are clear, the FAA has tentatively granted its approval, trafficwise it is near the principal traffic centers; namely, the commercial district centered at 16th and K Streets, the Hill, the Government buildings and the Pentagon.

It is located within the first taxi zone and has speedy ground transportation to most all points in the city. It is a ground level heliport and therefore can be easily used by the single engine operators.

Moreover, from a noise standpoint it has minimum if any intrusion upon the residents of the area. Consequently, I heartily support the selection of this site.

The downtown heliport will not only be available for the use of scheduled transportation between Dulles, National, and Friendship Airports and downtown Baltimore and Washington, but will also provide a public facility for other helicopter users including transient users.

The Helicopter Association of America is most anxious to have a good downtown heliport become available in this area which has long been without any facility.

If such a public facility becomes available and experiences substantial charter use along with the scheduled use, then this could well serve as a pattern for development in other large and important cities in this country for this new and developing means of downtown transportation.

The Helicopter Association of America also supports the helicopter availability charge provision of H.R. 9723.

At this stage of the development of scheduled helicopter transportation, assistance is needed. This assistance will be provided pursuant to this bill without cost to the taxpayer. This seems a fair and equitable way to encourage the development of this modern means of transportation.

Mr. GRAY. Thank you very much, Mr. Richardson for a very clear and very formal statement.

Are you familiar with the Union Station site that we have been discussing here today off and on?

Mr. RICHARDSON. Yes, I am.

Mr. GRAY. With your expertise and vast knowledge of the industry, as the executive director of Helicopter Association of America, you

would be in a position to know. I just want to ask your expertise about the possibility of using the portal site as a temporary heliport and then moving to the Union Station site when it becomes available. Do you think this still would be a feasible operation?

Mr. RICHARDSON. I think it would be a feasible operation if it could be accomplished with absence of interruption of service. It is very damaging to any new service that you attempt to get underway if you interrupt it for any length of time.

But I feel very strongly about our doing something now, which one or two of the other individuals have testified to, and if some method of transferring from this site to the other site, if that is indeed the way to go or seems to be the most desirable thing to do, can be accomplished without interrupting the service, then I think it would be feasible.

Mr. GRAY. It would be feasible.

Mr. RICHARDSON. It could be done.

Mr. GRAY. You heard the testimony that they would oppose the term portal site as a permanent location, but would entertain a lease on a temporary basis, say for a couple of years. We are now seriously negotiating and looking at other alternatives of putting this either that or close proximity to the parking ground and putting something on top. So that if we resolve this in the next few weeks, then we might have this permanent facility available within the 2-year period and later we could transfer. Do you think this could be done without interruption of service?

Mr. RICHARDSON. You must not interrupt the pattern of service once it has begun, because I think it would take some time to build, however, and I think it can be built. That is why I am here.

Mr. GRAY. Thank you very much. We appreciate your coming down today and your testimony. Any questions?

Mr. BARNETT. Do you think subsidy is necessary?

Mr. RICHARDSON. I feel some form of subsidy is necessary, the availability charge that has been discussed here. I feel that some form of subsidy is necessary.

I think it would be wrong for me to say that there is a piece of vertical lift equipment available for transportation of this nature at the present time that could be self supporting from the start.

I have intimate knowledge of short takeoff and landing operations that began not long ago and as a matter of fact in late 1968 and we operated it for 1 year between these three airports, and the momentum of building the service, in getting the people accustomed to using it just takes a considerable length of time.

Now it doesn't mean that after an initial period of, and it may very well be, and economic studies that have been presented in the earlier testimony in the Washington-Baltimore helicopter service investigation have indicated a period of a number of years before service could break even. I, just from my experience, I don't think you can start from scratch and expect it to be self supporting in the first year or two or three or perhaps as long as five.

But if we just sit and have another study and another investigation and on, and on, and on, we will never have the service.

And this shortsightedness and shortcoming on behalf of this, let's not blame anyone, let's just say this country, will be reflected not only all over the United States but in other parts of the world too.

It definitely will hold up short haul air transportation if we continue to ponder this thing which has been going on for 12 years.

In answer to your question, I don't see any alternative to some form of subsidy.

Mr. GRAY. Thank you very much.

Anyone else would like to be heard or submit a statement?

Without objection, we will leave the record open for submission of any further statements.

With that the Subcommittee on Public Buildings and Grounds stands adjourned.

(Whereupon, at 2:05 p.m., the above entitled matter was concluded.)



