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STATE AND LOCAL

TAXES AND THE AVIATION INDUSTRY*

CHARACTERISTIC of the development of all new forms of transportation has been the problem of winning public acceptance. The first favorable public reaction is usually qualified in this manner, "It's a wonderful thing—but it isn't practical." The real usefulness of a new form of transportation begins when its economic capabilities have been demonstrated. The winning of full public acceptance is dependent upon the integration of the new form of transportation into our economic and governmental structure.

While considerable progress has been made, it is most evident that civil aviation is in a period of transition, and that within the immediate future legislative bodies will be called upon to make decisions which will largely influence the future of the several segments of civil aviation, and ultimate public acceptance of the many capabilities of the airplane as a vehicle of transportation.

THE PUBLIC AND GOVERNMENTAL PURPOSE OF AN AIRPORT

Many years have passed since our first municipal government was shocked with a proposal that the public funds of the city should be used to provide a landing field or airport for the benefit of a few persons who wished to fly. Military requirements, and the desire to expedite the carriage of mail stimulated and hastened the acceptance of the principle that an airport was a public and governmental purpose—as far as scheduled commercial operations were concerned. It has taken longer to win the point that ANY airport available for public use was in the same category. In response to public need, airports were first developed largely with federal funds, then with growing assistance from municipalities, and last of all, with assistance from the states, who have been "catching up" with their responsibilities. In this total effort to create needed airport facilities, we are told that the total public investment in airports exceeds the total investment in civil aviation—and most of this public investment has come from general tax sources at the municipal, state, and federal levels.

During this period of development, efforts were made to define the exact legal or governmental nature of an airport—a task that was a necessary incident to the integration of the airport into our governmental structure. It has been likened to a park, a seaport, a highway, a public utility, a radio frequency, etc., but it did not fit squarely into any of these categories.

In its simplest form, an airport may be said to perform two functions, the second of which cannot exist without the first, but the first function being able to exist without the second.

1. It provides a confined public area for the landing, taking-off, loading, unloading, and parking of an aircraft. This is the *purely governmental* purpose which permits the aircraft to flow as a vehicle of transportation.
2. Contiguous to the airport facilities *may* develop for the service of *persons* carried by the aircraft, *things* carried by the aircraft, or for the aircraft itself. These are purely *proprietary* functions.

*The text printed here is the report of the Committee on Taxation to the NASAO Annual Meeting in Nov. 1952 with editorial changes. —Editor

They may be provided at the airport by the owning governmental entity, by venture capital, by a combination of both,—or not at all.

When the two above functions are combined and carried on as a unit operation by a municipality, the whole takes on the form of a municipal public utility, though just how or when it becomes a public utility is not clear except in cases where legislative action has clearly defined the function, as in the creation or airport commissions.

We shall find that the airport problem of today is made up of both functions, but for the purposes of this discussion, they are treated individually. Our first and major concern is with the landing area of the airport. In spite of the tremendous investment of public funds in airport facilities, the airport problem remains critical for civil aviation.

1. Obsolescence is overtaking the major air terminals in our large metropolitan centers as rapidly as improvements can be made. Except in a few cases, operating revenues from these terminals either do not meet costs, or if they do, are not adequate to cover replacement and obsolescence.
2. The airports in our smaller cities, with less revenue opportunities are confronted with the same toll of years.
3. The small community airport needed in sufficient numbers to provide economic utility to the small aircraft is conspicuous by its failure to develop.

We have commented in previous reports on the similarity of this problem to the early history of the development of the highways. At first the great share of the burden of building roads was carried by general tax levies at the several levels of government. Ultimately the user took over the major share of the burden. If legislative bodies had not provided for this method of financing the cost of highways, the automotive industry would have had great difficulty reaching its present day status.

TAX GENERATING CAPABILITIES OF THE AVIATION INDUSTRY

While the aviation industry has not reached the state of maturity enjoyed by the automotive industry, it is showing a capacity which may well ease its burden of being solely dependent upon the general taxpayer. About the same kind of argument and relative problems arise in connection with the application of the user tax principle to aviation's needs as were encountered in connection with the highway problem. The following tabulations must be of interest, particularly to the states and municipalities:

PERCENTAGE OF TAXES LEVIED BY LOCAL, STATE AND FEDERAL

<i>Year</i>	<i>Total Taxes</i>	<i>Federal</i>	<i>State</i>	<i>Local</i>
1939	\$ 2,876,439	56.8%	37.7%	5.5%
1940	4,418,000	62.9%	33.3%	3.8%
1941	6,465,234	70.2%	26.8%	3.0%
1942	14,438,000	87.0%	11.5%	1.5%
1943	18,485,439	89.4%	9.4%	1.2%

(Source: Rhyne: Airport Lease and Concession Agreements 1948)

The relatively small total tax revenues are an obvious reason why consideration could not be given to user and benefit type taxes some years ago. Of particular interest is the increasing ratio of federal taxes and the declining ratio of state and local taxes. Now let us look at more recent years:

Year	Total Taxes	Federal	State	Local
1949	\$19,228,896	78.0%	17.0%	5.0%
1950	41,147,151	87.0%	10.0%	3.0%
1951	74,436,668	91.0%	7.0%	2.0%

(Source: CAB Form 41 Reports, Domestic only)

The above schedules of taxes relate to only one segment of the industry, the scheduled airlines. When the taxes levied by the several levels of government against the other segments of the industry are included, the total must now be approaching or in excess of \$100,000,000 annually. Note the trend which persists toward the declining ratio of state and local taxes. These would seem to indicate that to the extent the state and local governments engage in tax concessions, the ratio of federal taxes increases (largely through the function of the income tax).

A more complete perspective of the relative tax revenues of the several levels of government can be had by examining the division of taxes from the air carrier industry alone for a typical year. It should be kept in mind that with respect to the total state taxes shown, only a few of the states dedicate or otherwise set aside these revenue sources for airport improvements. The airlines industry has expressed as a matter of policy its objection to such dedication at the state level. The general aviation segment of the industry has been on record as strongly supporting the dedication of aviation tax revenues to the problem of airport improvement.

The airline position has been that airports are "furnished by municipalities and are paid for by landing fees."

In 1951 trunk carriers reported that they paid taxes amounting to \$74,436,668 on earnings totaling \$653,444,496. \$68,036,569 were federal taxes, \$5,114,709 state and \$1,285,390 local.

In the same year, the Local Service Carrier paid a total of \$1,520,578 in taxes, of which \$1,062,243 were federal, \$432,398 were state, and \$25,932 were local. It will be seen that the taxes paid by the scheduled carriers is beginning to "catch up" to the federal outlay of funds for airports and airways (about 90 million expended by CAA in 1951 for operation of the airways) but the total still does not off-set these federal costs. At the state level, the taxes do not begin to off-set the cost to state and local sponsors of airport improvements, but to the extent that these taxes are dedicated to airport purposes, they do provide substantial relief to the general tax-payer.

The contention of the air carrier that payment is made to the municipality for the use of the airport is not shared by the municipalities.

"It has been previously observed in this report that city officials who must negotiate with airline representatives for the use of city owned airports are often in a disadvantageous position in that the airline negotiator comes to the conference table with a wealth of facts and experience gathered from a number of such negotiations, whereas the city representative may lack such broad experience in the same field."—"It is in the interest of all that city airport deficits be lowered through a more reasonable sharing of costs by those who make use of the airports and that the airline companies find ways other than the medium and at the expense of municipally-owned airports to bolster financial positions." (Rhyne—1948)

It should be obvious that use fees paid at airports for services rendered are not taxes nor should they be in lieu of taxes. The landing fees in most instances do not meet the costs of operation, management, and supervision—much less pay airport costs.

The above tabulations show the growing tax generating capabilities of one segment of the aviation industry only, namely the scheduled airlines. Before examining other segments of the industry and other problems, the following generalizations are made.

1. The ratio of federal taxes to state-local taxes suggests that the burden on state and local governments might be substantially reduced if the states now begin to recede from their policy of tax concessions for an infant industry. It would appear that the net effect would not be to increase the total taxes paid by the carrier but to provide a more equitable distribution of these taxes since increased state taxes would be reflected in reduced federal income taxes.
2. It is equally apparent that in some cases states may be taxing the industry somewhat higher than is desirable but at the same time other states have not been taxing nearly enough.
3. It is most apparent that the objective of relative uniformity is far from being accomplished and that maximum effort of government and industry should be devoted toward the achieving of not absolute uniformity which is equally impossible and impractical, but most certainly relative uniformity. (See attached schedules for additional details on air carrier taxes.)

We must be equally concerned with the ability of the general aviation segment of the industry to generate tax revenues which will assist in carrying the burden of creating, improving, and maintaining the airport facilities which this segment requires if maximum economic utilization of the vehicle is to develop. We will find that like the air carrier, general aviation has a steadily increasing capacity to share a burden of the cost. Indeed, the general aviation segment has been paying a steadily increasing amount of taxes, but because of the taxing methods of the several states, these taxes cannot be identified and in the majority of the states, they are not dedicated. Consideration of this segment of tax potential requires that we examine the aviation gasoline tax and the property tax on aircraft.

AVIATION GASOLINE TAXES

It is commonly stated in the industry and in governmental circles that only sixteen of the states levy aviation gasoline taxes and that thirty-two states either refund or provide tax exemption.

Nothing could be further from the truth.

Actually, thirty-five states have either a direct tax or a sales tax on aviation gasoline which applies both to the airlines and the the general aviation segment. Of the direct tax states, ten provide rebates to the high volume users, the principal beneficiaries being the scheduled airlines. The true picture in the thirty-two states having either refund or exemption provisions, eighteen of which have sales taxes of either 2% or 3%, is that an amazing amount of the aviation gasoline sold (except to the high volume users) pays the straight tax. This is because of the conditions which surround the claiming of the refund and the red tape involved which is difficult enough for the residents of the state but in most instances a positive barrier to the transient. Thus in California in a period of twenty-seven months, \$843,192 of refundable tax receipts went unclaimed. The following examples of conditions are self-explanatory.

Tax Refund or Exemption States Requiring a Permit:

Colorado	Montana	New Jersey
Iowa	Nebraska	New Mexico
North Carolina	Washington	Kansas
Oklahoma	Florida	Idaho

Even after obtaining the permit in some states the conditions which apply are such as to make them full tax states for the itinerant or the small user.

Iowa & Nebraska—\$1.00 fee
New Mexico—Applies only to 50 gallons or more
North Carolina—\$1.00 fee applies to 10 gallons or more
Washington—\$.50 fee
Kansas—\$.50 applies only to 40 gallons or more
Texas—\$.50 fee, 1% retained on each refund
Virginia—Applies to 5 gallons or more
West Virginia—Applies to 25 gallons or more

While this study has not obtained the potential tax revenues of the several states, any interested state could probably get reliable information from the reports of federal aviation gasoline collections by states. Some idea of the potential may be obtained from the Minnesota experience. The non-airline aviation gas consumption will be somewhat in excess of two million gallons for the calendar year 1952. (an increase of about 28% over 1951), producing slightly over \$100,000 in tax revenues dedicated to airport improvements. Since Minnesota ranks approximately eighteenth among the states in total aviation activity, each individual state can make its own quick estimate.

The point to be remembered is that the majority of the states, general aviation is paying and generating very substantial tax revenues in the form of aviation gasoline taxes. In only sixteen states, are these taxes used directly for aviation purposes, although two of the refund states do dedicate the unclaimed refunds to aeronautical purposes.

Since general aviation is already paying a very substantial aviation gasoline tax nationwide, there should be little objection by this segment of the industry if all of the states adopted a flat policy of collecting these taxes, eliminating all refunds and exemptions, providing the resultant revenues were made available to meet the problem of providing and improving airport facilities.

There remains the vigorous and historic objection of the scheduled airlines to aviation gasoline taxes and the so-called "weight of authority" of previous studies which have been made (CAB in 1945, President's Air Policy Commission in 1948, Committee on Intergovernmental Fiscal Relations in 1943). It must be remembered that one of the underlying themes of these previous studies was a proposed trade in which the federal government would abandon the field of taxation of motor vehicle gasoline if the states would abandon the taxation of aviation fuel. Virtually all of the arguments made against state taxation by these studies are of equally doubtful validity based on today's conditions. About the only valid argument comes from the petroleum industry in its objection to having its product used as a yardstick for taxing purposes, but even this industry is somewhat compensated by the fact that the dedicated revenues build airports which increase the use of their products and purchase bituminous material for the surfacing of runways.

In 1951, the aviation industry as a whole paid in excess of eighteen million dollars to the federal government in aviation fuel taxes, of which the trunk line carriers contributed slightly over seven million dollars. This tax the airlines do not find objectionable. At the same time, the trunk line carriers paid about \$1,100,000 in gasoline taxes to the states. In the sales tax states, the amount of the tax paid per gallon ranged from approximately \$.035 to \$.060 (about a half cent a gallon). In Minnesota, a direct tax state, the high volume users paid from \$.054 to slightly over \$.01 per gallon, depending upon the quantity. The highest tax paid in a direct tax state was \$.06 per gallon. All this compares with the federal tax of \$.02 per gallon. In common

with the taxes on the aviation gasoline used by the non-airline segment, the principal objection is the lack of relative uniformity and perhaps in a few states excessively high rates.

No method of handling aviation fuel will provide for the carrier or other user a uniform price, either by states or even at stops within states, tax or no tax. It would seem to follow that if a reasonable uniformity of taxing procedures could be accomplished by the states, both for the general aviation user and for the high volume user, that much of the objection to this form of taxation should vanish and the resulting grievances should aid in removing the burden of airport facilities from the general taxpayer to the user, who inevitably in the long run will be far better able to pay. This must be true with the aircraft as a vehicle as it was with the bus, the truck, and the automobile if the airplane is to justify its economic existence and be integrated into our economic structure. It must be evident that in our systems of transportation we cannot be taxing the people generally or existing forms indefinitely for the purpose of sustaining the airplane as a transportation vehicle.

FLIGHT PROPERTY TAXES

With the exception of the flight equipment owned by the scheduled airlines and the large irregulars, it would seem that the taxing of the airplane as a vehicle could be accomplished successfully in much the same manner as motor vehicles are taxed by the several states, with the same reciprocal benefits.

The regular or irregular commercial carriers present a different problem, involving the difficulties of multiple taxation and the question of whether taxation should be at the situs or by allocation of the tax base. Here again there is a disturbing lack of uniformity among the several states. At the present time, only three states use the airline flight property tax (Minnesota, Nebraska, and Arizona). Nine other states evaluate the total operating properties of the airlines for the purpose of taxation on a unit basis, using a formula for the purpose of allocating a portion of the total value to the individual state for tax purposes (Colorado, Nevada, North Dakota, Oregon, Utah, Washington, West Virginia, Wisconsin, Wyoming). The soundness of the flight property tax for the purpose of avoiding multiple taxation does not appear to be argumentative. The carriers have objected to the factors used in the formula, both for the purpose of a flight property tax and for the purpose of allocating a base under the unit system.

The need for uniformity here is even more glaring than in the case of the gasoline tax, particularly since some states levy no taxes at all, thereby making "skons" out of those who do. Again it is most obvious that the successful integration of this vehicle into our governmental and economic structure requires immediate and urgent effort toward the establishment of uniformity.

OTHER PROPERTY TAXES

A perplexing problem of the industry involves taxation of airports, the property on airports, leaseholds and the like. The owner of a private airport devoted to public use is the first to be confronted with this problem. He provides a public service and yet if he attempts to improve his property, his taxes soar. In a few states, efforts have been to grant relief by returning small portions of tax revenues, a device of questionable legality. It would appear that the ultimate solution to this phase of the problem would be legislation in the several states which would permit at least the runway area to be dedicated to a public purpose for tax exemption purposes. This probably would require transfer of the fee title to the runway area to some governmental entity.

A most serious barrier to the development of general aviation arises from the difficulty of constructing buildings on municipally-owned properties. Long term leases are difficult to obtain and in the case of structures, for the purpose of taxation, these leaseholds are regarded as real estate, but for all other purposes, the structure remains a chattel. The condition is one in which neither venture capital nor lending institutions can justify the risk of funds. Any number of devices are attempted by operators and airport management to escape the tax provisions on the one hand and to entice venture capital on the other and none appear to be satisfactory. The simplest answer with respect to virtually all but the terminal type airports would be to sell the fee title subject to certain appropriate restrictions to the operator or other person wishing to invest in an improvement on or contiguous to an airport property. The present policy or concept of the municipal airport entity which requires that structures to house proprietary functions must be constructed on leased land contributes greatly to the instability and delinquency of the industry and complicates the property tax problem.

1. Airlines and airport service operators alike tend to be nomads, their tenancy on any airport insecure.
2. Being unable themselves to provide structures and other facilities the industry tends to encourage municipalities to use public funds to provide these structures. In such cases, we have tax free structures, housing purely commercial functions with the municipality exposed to the risk of loss, all of which adds up to an additional burden on the general taxpayer.

CONCLUSION

Lack of adequate information and doubts as to the reliability of such information as has been available have been barriers to intelligent legislative action in the past. During the current year, a study has been made by the Minnesota Legislative Interim Committee which body in turn employed the University of Minnesota to develop factual information. Copies of the University report will be transmitted to all the state directors about December 1 through the courtesy of the Minnesota Legislative Interim Committee. The University of Illinois has just published an excellent study of fixed-base operations in that state. Still another study of the overall aviation picture is being conducted by the University of Oklahoma. It is of major importance that these most recent factual studies together with all other pertinent information that can be assembled be made available to the legislative bodies, the members of Congress, the appropriate industry and government segments and any other interested agencies, so that a maximum effort can be made to solve some of these problems which delay the normal growth of the total aviation industry.

NATIONAL ASSOCIATION OF STATE AVIATION OFFICIALS (NASAO)

RESOLUTIONS AND MOTIONS ADOPTED AT ANNUAL MEETING, NOVEMBER, 1951

Editor's note: The following resolutions were adopted by the NATIONAL ASSOCIATION OF STATE AVIATION OFFICIALS in twenty-first annual convention assembled at St. Petersburg, Florida, November 21, 1952:

RESOLUTIONS ADOPTED

1. That NASAO recommends and shall actively sponsor or support amendatory changes and revisions to the Federal Airport Act, the

Regulations issued pursuant thereto, or Administrative policy of the Civil Aeronautics Administration thereto appertaining, as in each instance shall be determined to be appropriate, as will best accomplish the following:

(1) Change the method of appropriation either to

(a) a biennial basis, or

(b) A procedure whereby the total of the unappropriated balance of the \$500,000,000 total authorization set forth in the act be allocated to the several states and territories by the regular formula; that within the limits of each such allocation the CAA be authorized to execute grant agreements (upon approval of project plans and specifications and satisfactory demonstration of availability of the non-Federal share of project costs); and that annual FAAP appropriation requests to the Congress be based upon such firmed-up grant agreements as shall have been consummated by the time appropriation requests are submitted.

(2) Eliminate classifications and change "project" to "airport" in FAAP Planning.

(3) Clarify the requirements and standards as to demonstration of "title satisfactory to the Administrator" as will make them conform to local standards and practices respecting good or merchantable title.

(4) Permit Federal participation and the FAAP in the procurement and installation of TVOR facilities at public airports.

(5) Permit use of state or territory minimum labor rates in lieu of those established, under presently obtaining requirements of the United States Department of Labor where the states or territories have the machinery established for certification of rates for state work.

(6) Inculcation and encouragement at all levels of CAA of the use of the "advanced method of contract project payments based on estimates arrived at by the local cognizant representative by the CAA.

(7) Liberalization by appropriate revising of the Federal Airport Act, Regulations, and Administrative Policies of requirements upon local FAAP sponsors and airport owners in the matter of alienation of title or interest in FAAP airport real property as will make it possible for local FAAP public airport owners to stabilize and enhance both the governmental and the proprietary aspects of the airport development, maintenance and operation of the optimum public benefit through the attraction of private venture capital and private enterprise on such public airports on a basis as will be acceptable to private investors and lending concerns.

2. That NASO concurs in and shall actively support such legislation as shall be introduced in the Congress in the substantial form appearing in Attachment No. 1 to Unclassified Document ACC 102/12A (Revised) dated June 9, 1952.

3. That NASAO recommends and shall actively support working conjunctively with the Civil Aeronautics Administration, the military establishments, the Airport Operators Council, and other interested organizations, amendatory legislation as will effectively accomplish, by modification of the provisions and conditions of surplus airport property deeds, the following:

(1) Provide for taking over of exclusive control by the military upon declaration of a national emergency by the Congress rather than the President;

(2) Provide that upon and during such a taking over of exclusive military control

(a) The Government shall have maintenance and repair responsibility for the whole of the facility taken;

(b) The Government shall pay a fair rental computed on a basis which excludes rental value attributable to past expenditures by the Government;

(c) The cognizant military department shall permit civil use on an operational and financially reasonable basis if and to the extent militarily feasible;

(d) Any substantial additions or alterations necessary for military use and occupancy shall be made by the military establishment only after notice to the Administrator of Civil Aeronautics and the owner, and so nearly as possible in conformity with the airport's master plan of development as certified by the Administrator of Civil Aeronautics.

4. That NASAO recommends and shall actively support legislation as will extend, as necessary to the accomplishment of its assigned purpose, the expiration date of the present congressional appropriation of funds for the reimbursement to airport owners of the cost of work involved in accomplishing repair or rehabilitation of damage occasioned by Federal use as the same shall have been certified to the Congress forming the basis of such present appropriation.

5. That the Civil Aeronautics Administration be and is hereby urged that in its administration of the FAAP program in the Territory of Alaska special recognition be taken, policies be pursued, and design criteria and specifications be adjusted as will accommodate the special and unusual conditions surrounding airport development, including but not limited to certain reservations in the Government of title interests, short construction seasons, inclement weather during the construction season, soil and subsoil conditions, terrain, and growths as render equipment and materials move-in and certain components of construction costs unusually high.

6. That the President-Elect of the United States as soon as appropriately may be after his inauguration be requested to authorize and direct the Air Coordinating Committee to follow through on the implementation of the recommendations of the President's Airport Commission to insure that those recommendations which shall have received the general support of the affected public and industry agencies be promptly placed in effect, and that those which do not receive such general support are not placed in effect without prior opportunity for full discussion by all concerned before the Air Coordinating Committee.

7. That NASAO adopt the following to be known as "The 1952 Helicopter Plan and Program of NASAO."

(1) *Establishment of NASAO Helicopter Committee.* In order to keep current with helicopter experience and development, the President of NASAO should appoint a small committee, of which the Executive Secretary should be an ex-officio member, which should act as a service unit to the membership of NASAO on matters affecting helicopters and with respect to action which individual states should take in order to prepare intelligently and wisely for the widespread operation of helicopters in the future.

(2) *Cooperation Between Governments and Others Interested in Helicopter Operations.* In order that the Federal, the States, the Municipal, and other interests in the helicopter in its essentially local op-

erations be coordinated and that there be available to all concerned full knowledge of the helicopter and its operating habits and the best available information as to what laws and regulations should and should not be made applicable to the helicopter, the NASAO should take steps looking toward the establishment of a "Joint Helicopter Committee" composed of persons functioning in their individual capacities who, though affiliated with one of the agencies mentioned below, would not necessarily by his action as a member of such joint Helicopter Committee bind such agency. Such a Joint Helicopter Committee would provide for a new type of cooperation between Federal, State, Local, and industry interests made necessary by the coming of the helicopter.

Such a Joint Helicopter Committee might be composed of persons affiliated with the following agencies and organizations: The NASAO, The Municipal Governments, The Civil Aeronautics Administration, The Civil Aeronautics Board, The Helicopter Council, A Helicopter Operators Association and any other agency or organization having sufficient demonstrated interest.

(3) *Reexamination of State and Local Laws and Regulations as to Helicopter Treatment.* With the aid of information and advice received, particularly from the NASAO Helicopter Committee, referred to in Item (1) above, states should review their laws and regulations with a view to their non-applicability to the helicopter and to effecting changes therein, if any be required, so as to treat the helicopter in accordance with its special performance characteristics. This is particularly required with respect to airport planning, the establishment of public and private heliports, visibility limitations, minimum altitudes of flight, airport traffic patterns and other matters where the differences between helicopters and fixed wing airplanes justify different regulatory treatment.

8. That the Administrator and his staff be commended for the sympathetic interest, initiative, and action taken in the interest of General Aviation and be encouraged to continue consultations toward this end with NASAO and the aviation industry directed at proposing specific amendments to the Civil Aeronautics Act of 1938: (a) to remove regulatory barriers which stem from the present Act; and (b) to decentralize responsibility wherever possible from the Federal to the State and Local governments.

BE IT FURTHER RESOLVED: That this assembly of NASAO endorse generally the Administrator's Program for General Aviation for CAA.

9. That it be and is the official position of NASAO in international affairs that:

(1) Invitation be extended to both the Canadian and Mexican .. Governments to designate official representatives to meet with the NASAO International Committee;

(2) That said invitation will not in any way suggest active membership in NASAO but will be offered for the expressed purpose of improving international border relations.

10. That NASAO recommends and shall actively work for and support the establishment, by Executive Order or other appropriate means, of a Joint Army-Navy-Air Force-CAA Committee specifically charged with the establishment of uniform specifications and design and obstruction criteria for airport construction or improvement in which any of the several agencies of the Federal Government are interested.

11. That the Department of Defense be requested to declassify to the maximum extent and as rapidly as possible, information re-

garding new types of aircraft, propulsion or control which might be adaptable to the general aviation field, so that the aviation industry may take advantage of such developments in designing and producing a better small airplane.

12. That the NASAO wholeheartedly endorses the Golden Anniversary of Powered Flight undertaking and pledges the active cooperation and participation by its members therein, and does hereby urge all phases of the aviation industry to correlate and coordinate through the National Secretariat of the project all layout and text patterns in public relations efforts portraying the historical or social, political and economical impacts of aviation so as to make possible the assembly of loose-leaf materials for educators or re-print reproductions for distribution to adult commemoration programs which will be initiated throughout the Golden Anniversary of Powered Flight year in an effort to extend the acceptance and understanding of the non-flying public.

13. That the Administrator re-examine his policy with respect to issuing registration or aircraft certificates without title information in an effort to determine if it is administratively and financially possible for the CAA to alleviate the difficulties in determining status of aircraft titles by utilization of the authority contained in Section 503 (g) of the Civil Aeronautics Act of 1939, as amended.

14. That the Congress, the Secretary of Defense, the military establishments, and the educational agencies of the nation be urged affirmatively to adopt and prosecute a comprehensive youth and in-service training program in motorless aircraft as will give the fullest possible aeronautical opportunity, experience, and indoctrination.

15. That the Crash Injury Research Project at Cornell University Medical College be actively continued and designated as an independent, non-government and non-industry research group for the continued advancement in the field of aviation safety; and

BE IT FURTHER RESOLVED: That said Crash Injury Research Project, so long as it continues to provide unbiased data of use to the aviation industry and the nation, be given full support and cooperation of the NASAO; and

BE IT FURTHER RESOLVED: That the NASAO vigorously recommends to the cognizant government agencies and to the aviation manufacturing industry the general use of advanced crash-survival design where such design lies within the realistic limits of practical application and the known "state of the art;" and

BE IT FURTHER RESOLVED: That the NASAO recommends favorable consideration of structural provision for anchorage points of adequate strength in all future non-air carrier aircraft as will permit the optional installation and use of shoulder harness.

The following motion on Sovereignty was voted by the Association:

Be it moved that the National Association of State Aviation Officials in annual meeting assembled continue its active interest and efforts in the subject of sovereignty in the airspace, to the end that firm and clear defining of the respective jurisdictions of the Federal and State sovereignty be accomplished either by congressional action or by United States Supreme Court decision.

Be it further moved that in the event a test case is presented to the United States Supreme Court on this subject, the NASAO be heard by the filing of a Brief Amicus Curiae with the United States Supreme Court.