

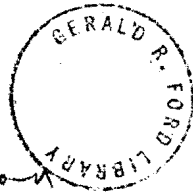
**The original documents are located in Box 2, folder “Aircraft Noise (13)” of the James M. Cannon Files at the Gerald R. Ford Presidential Library.**

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[ca. Oct. 1976]

| STATE<br>AIRPORT          | AIRPORT USE<br>RESTRICTIONS | LETTERS TO<br>CONGRESS | CONGRESSIONAL<br>SUPPORT OF<br>RETROFIT | LEGAL<br>ACTIONS | LAND ACQUISITION<br>PROGRAMS | OTHER<br>LEGAL F |
|---------------------------|-----------------------------|------------------------|---|------------------|------------------------------|------------------|
| ALABAMA<br>Birmingham     |                             |                        |   |                  | Yes                          | Yes              |
| ALASKA<br>Anchorage       | Yes                         | Yes                    |   |                  |                              |                  |
| ARIZONA<br>Phoenix        |                             |                        | Yes                                     |                  | Yes                          |                  |
| CALIFORNIA                |                             |                        | Yes                                     |                  |                              |                  |
| Sacramento                |                             |                        |   | Yes              |                              |                  |
| Hollywood Burbank         |                             | Yes                    |   |                  |                              |                  |
| Santa Monica              |                             | Yes                    |   |                  |                              |                  |
| Lindbergh Field           |                             | Yes                    |   | Yes              |                              | Yes              |
| San Jose                  |                             |                        |   | Yes              | Yes                          | Yes              |
| Long Beach                |                             | Yes                    |   |                  |                              |                  |
| Los Angeles International |                             | Yes                    |   | Yes              | Yes                          | Yes              |
| Orange County             |                             | Yes                    |   | Yes              |                              | Yes              |
| San Francisco             |                             | Yes                    |   |                  |                              |                  |
| Oakland                   |                             |                        |   | Yes              |                              | Yes              |
| Santa Maria               |                             | Yes                    |   |                  |                              |                  |
| Van Nuys                  |                             | Yes                    |   |                  |                              |                  |
| Fresno                    |                             |                        |   |                  | Yes                          | Yes              |
| Stockton                  |                             | Yes                    |   |                  |                              |                  |
| COLORADO                  |                             |                        | Yes                                     |                  |                              |                  |
| Stapleton International   |                             |                        |   |                  |                              |                  |
| Colorado Springs          |                             |                        |   |                  | Yes                          | Yes              |
| CONNECTICUT               |                             |                        | Yes                                     |                  |                              |                  |
| Bradley International     |                             | Yes                    |   |                  |                              |                  |
| Danbury                   |                             | Yes                    |   |                  |                              |                  |



| STATE<br>AIRPORT    | AIRPORT USE<br>RESTRICTIONS | LETTERS TO<br>CONGRESS | CONGRESSIONAL<br>SUPPORT OF<br>RETROFIT | LEGAL<br>ACTIONS | LAND ACQUISITION<br>PROGRAMS | OTHER<br>LEGAL F |
|---------------------|-----------------------------|------------------------|---|------------------|------------------------------|------------------|
| FLORIDA             |                             |                        | Yes                                     |                  |                              |                  |
| Miami International |                             | Yes                    |   | Yes              |                              |                  |
| North Perry         |                             | Yes                    |   |                  |                              |                  |
| West Palm Beach     |                             | Yes                    |   | Yes              |                              |                  |
| Jacksonville        |                             | Yes                    |   |                  | Yes                          |                  |
| Pompono Airpark     | Yes                         |                        |   |                  |                              |                  |
| GEORGIA             |                             |                        |   |                  |                              |                  |
| Atlanta             |                             | Yes                    |   | Yes              |                              |                  |
| HAWAII              |                             |                        | Yes                                     |                  |                              |                  |
| Mau                 |                             | Yes                    |   |                  |                              |                  |
| Pearl Harbor        | Yes                         |                        |   |                  |                              |                  |
| General Lyman       | Yes                         |                        |   |                  |                              |                  |
| IDAHO               |                             |                        |   |                  |                              |                  |
| Haily               |                             | Yes                    |   |                  |                              |                  |
| ILLINOIS            |                             |                        | Yes                                     |                  |                              |                  |
| Chicago O'Hare      |                             | Yes                    |   |                  |                              |                  |
| Howell              |                             | Yes                    |   |                  |                              |                  |
| INDIANA             |                             |                        | Yes                                     |                  |                              |                  |
| Weir Cook           |                             | Yes                    |   |                  |                              |                  |
| Indianapolis        |                             |                        |   |                  | Yes                          |                  |
| St. Joseph County   |                             | Yes                    |   |                  |                              |                  |
| IOWA                |                             |                        | Yes                                     |                  |                              |                  |
| KANSAS              |                             |                        |   |                  |                              |                  |
| Paolo               |                             | Yes                    |   |                  |                              |                  |
| Wichita             |                             |                        |   |                  | Yes                          |                  |



| STATE<br>AIRPORT       | AIRPORT USE<br>RESTRICTIONS | LETTERS TO<br>CONGRESS | CONGRESSIONAL<br>SUPPORT OF<br>RETROFIT | LEGAL<br>ACTIONS | LAND ACQUISITION<br>PROGRAMS | OTHER<br>LEGAL |
|------------------------|-----------------------------|------------------------|---|------------------|------------------------------|----------------|
| KENTUCKY               |                             |                        | Yes                                     |                  |                              |                |
| Bowman Field           | Yes                         | Yes                    |   |                  |                              |                |
| Standaford Field       | Yes                         |                        |   |                  |                              |                |
| LOUISIANA              |                             |                        | Yes                                     |                  |                              |                |
| Shreveport             |                             | Yes                    |   |                  |                              |                |
| New Orleans            |                             |                        |   | Yes              | Yes                          | Yes            |
| Monroe                 |                             | Yes                    |   |                  |                              |                |
| MAINE                  |                             |                        |   |                  |                              |                |
| Portland International | Yes                         | Yes                    |   |                  |                              |                |
| Bangor                 |                             |                        |   |                  | Yes                          |                |
| MARYLAND               |                             |                        | Yes                                     |                  |                              |                |
| Baltimore              | Pending                     | Yes                    |   |                  |                              |                |
| MASSACHUSETTS          |                             |                        | Yes                                     |                  |                              |                |
| Norwood                | Yes                         | Yes                    |   |                  |                              |                |
| Barnes Field           |                             | Yes                    |   |                  |                              |                |
| Logan International    |                             | Yes                    |   | Yes              | Yes                          | Yes            |
| Beverly Airport        | Yes                         |                        |   |                  |                              |                |
| MICHIGAN               |                             |                        | Yes                                     |                  |                              |                |
| Flint                  |                             | Yes                    |   |                  |                              |                |
| Willow Run             |                             | Yes                    |   |                  |                              |                |
| Detroit Metro          |                             | Yes                    |   | Yes              | Yes                          | Yes            |
| MINNESOTA              |                             |                        | Yes                                     |                  |                              |                |
| Minneapolis-St. Paul   | Yes                         | Yes                    |   | Yes              | Yes                          | Yes            |



| STATE<br>AIRPORT        | AIRPORT USE<br>RESTRICTIONS | LETTERS TO<br>CONGRESS | CONGRESSIONAL<br>SUPPORT OF<br>RETROFIT | LEGAL<br>ACTIONS | LAND ACQUISITION<br>PROGRAMS | OTHER<br>LEGAL FE |
|-------------------------|-----------------------------|------------------------|---|------------------|------------------------------|-------------------|
| MISSOURI                |                             |                        | Yes                                     |                  |                              |                   |
| St. Louis International |                             | Yes                    |   | Yes              | Yes                          | Yes               |
| Springfield Municipal   |                             | Yes                    |   |                  |                              |                   |
| MONTANA                 |                             |                        | Yes                                     |                  |                              |                   |
| NEBRASKA                |                             |                        |   |                  |                              |                   |
| Lincoln                 |                             | Yes                    |   |                  |                              |                   |
| Epply Airport           | Yes                         |                        |   |                  |                              |                   |
| NEVADA                  |                             |                        | Yes                                     |                  |                              |                   |
| Reno                    |                             | Yes                    |   | Yes              | Yes                          |                   |
| NEW HAMPSHIRE           |                             |                        | Yes                                     |                  |                              |                   |
| NEW JERSEY              |                             |                        | Yes                                     |                  |                              |                   |
| Newark                  |                             | Yes                    |   |                  |                              |                   |
| NEW MEXICO              |                             |                        |   |                  |                              |                   |
| Albuquerque             | Yes                         |                        |   |                  |                              |                   |
| NEW YORK                |                             |                        | Yes                                     |                  |                              |                   |
| Kennedy                 |                             | Yes                    |   |                  |                              |                   |
| LaGuardia               |                             | Yes                    |   |                  |                              |                   |
| McArthur Field          |                             | Yes                    |   |                  |                              |                   |
| Stewart                 |                             | Yes                    |   |                  |                              |                   |
| Albany County           |                             | Yes                    |   |                  |                              |                   |
| Buffalo International   |                             | Yes                    |   |                  | Yes                          |                   |
| Chemung County          |                             | Yes                    |   |                  |                              |                   |
| Westchester County      |                             | Yes                    |   |                  |                              |                   |
| NORTH CAROLINA          |                             |                        | Yes                                     |                  |                              |                   |
| Douglas Municipal       |                             | Yes                    |   |                  | Yes                          | Yes               |

| STATE<br>AIRPORT           | AIRPORT USE<br>RESTRICTIONS | LETTERS TO<br>CONGRESS | CONGRESSIONAL<br>SUPPORT OF<br>RETROFIT | LEGAL<br>ACTIONS | LAND ACQUISITION<br>PROGRAMS | OTHER<br>LEGAL |
|----------------------------|-----------------------------|------------------------|---|------------------|------------------------------|----------------|
| OHIO                       |                             |                        |   |                  |                              |                |
| Akron                      |                             |                        | Yes                                     | Yes              | Yes                          | Yes            |
| Cleveland                  |                             | Yes                    |   |                  | Yes                          |                |
| Cincinnati                 |                             |                        |   |                  | Yes                          | Yes            |
| OKLAHOMA                   |                             |                        |   |                  |                              |                |
| Tulsa International        |                             |                        |   | Yes              |                              |                |
| Riverside                  |                             | Yes                    |   |                  |                              |                |
| Ardmore Downtown           | Yes                         |                        |   |                  |                              |                |
| Wiley Post                 | Yes                         |                        |   |                  |                              |                |
| OREGON                     |                             |                        |   |                  |                              |                |
| Portland                   |                             |                        |   | Yes              |                              | Yes            |
| PENNSYLVANIA               |                             |                        |   |                  |                              |                |
| Philadelphia International |                             | Yes                    | Yes                                     |                  |                              |                |
| Eire International         | Yes                         |                        |   |                  |                              |                |
| Allentown                  |                             | Yes                    |   |                  |                              |                |
| North Philadelphia         | Yes                         |                        |   |                  |                              |                |
| Wings Field                | Yes                         |                        |   |                  |                              |                |
| RHODE ISLAND               |                             |                        |   |                  |                              |                |
| SOUTH CAROLINA             |                             |                        |   |                  |                              |                |
| Charleston                 |                             |                        |   |                  |                              | Yes            |
| SOUTH DAKOTA               |                             |                        |   |                  |                              |                |
| Joe Foss Field             | Yes                         |                        |   |                  |                              |                |
| TENNESSEE                  |                             |                        |   |                  |                              |                |
| Memphis International      |                             | Yes                    | Yes                                     |                  |                              |                |
| Shelby                     |                             |                        |   |                  | Yes                          | Yes            |

| STATE<br>AIRPORT       | AIRPORT USE<br>RESTRICTIONS | LETTERS TO<br>CONGRESS | CONGRESSIONAL<br>SUPPORT OF<br>RETROFIT | LEGAL<br>ACTIONS | LAND ACQUISITION<br>PROGRAMS | OTH<br>LEG. |
|------------------------|-----------------------------|------------------------|---|------------------|------------------------------|-------------|
| TEXAS                  |                             |                        | Yes                                     |                  |                              |             |
| Dallas-Ft. Worth       |                             | Yes                    |   |                  |                              |             |
| Tradewind              |                             | Yes                    |   |                  |                              |             |
| Houston                |                             |                        |   | Yes              |                              | Y           |
| WEST VIRGINIA          |                             |                        | Yes                                     |                  |                              |             |
| WASHINGTON             |                             |                        |   |                  |                              |             |
| Seattle-Tacoma         | Yes                         | Yes                    |   | Yes              |                              | Y           |
| Pasco                  |                             | Yes                    |   |                  |                              |             |
| VERMONT                |                             |                        | Yes                                     |                  |                              |             |
| VIRGINIA               |                             |                        | Yes                                     |                  |                              |             |
| Dulles                 |                             | Yes                    |   |                  |                              |             |
| Washington National    | Yes                         | Yes                    |   | Yes              |                              |             |
| Patrick Henry          |                             | Yes                    |   |                  |                              |             |
| WISCONSIN              |                             |                        | Yes                                     |                  |                              |             |
| Rock County            |                             | Yes                    |   |                  |                              |             |
| LaCrosse Municipal     |                             | Yes                    |   |                  |                              |             |
| Watertown Municipal    | Yes                         |                        |   |                  |                              |             |
| Timmerman Field        | Yes                         |                        |   |                  |                              |             |
| General Mitchell Field | Yes                         |                        |   |                  |                              |             |

[Oct. 1976]

*FLC*  
*Aircraft*  
*Noise*

I think it was in the late winter or early spring of 1975. It was quoted in the paper. It was reaffirmed by the reporter that talked to him. I happen to believe that newspaper account of what he said rather than a denial, which I don't believe was the fact. So, even when you pin him down he varies, I think, from an accurate answer. I could have used stronger language, but --

✓ QUESTION: Mr. President, I am Commissioner of Airports of LAX and several others. In August of this year, Secretary Coleman made a recommendation to OMB relative to noise abatement programs as it affects retrofit and the phasing out of the aircraft.

Are you going to be prepared to give us an answer prior to November 2 as to what we can expect on noise abatement in LAX?

THE PRESIDENT: I have spent a great deal of time with Secretary Coleman in the last month on just that question, and I have also spent a good bit of time with others within the Administration. And let me give you some idea of what the problem is as well as what the solution might be.

I don't want to preempt precisely what we are going to do. But the problem is that there are about 25 airports in this country where there is a noise problem. It involves roughly 6 million people who live adjacent to or within the area of those airports. The noise standards that were established by FAA, as I recall about two years ago, required that all new aircraft that are going to use those, or any airports in this country, must meet those standards.

Under that kind of a program, as I recall, it will take 8 to 10 years to go through the whole cycle of abandoning those present planes that don't meet the standards and replacing them with planes that do meet the standards. I am very concerned that we have not been tougher in this regard.

Now when you say that, in effect you are saying that today we are going to impose on all aircraft who use our many, many airports in this country the same standards, the new ones as well as those that are unable to meet the problem, which, if you did it today, would force the aircraft industry to replace, as I recall, roughly two-thirds of their present fleet.

Now the commercial airliners say that under their restrictions imposed on their ticket cost they cannot go into a program that permits them immediately to buy the aircraft that would meet this problem. They say that the CAB won't give them enough price relief.

So the answer is one of two approaches -- either we get the regulatory reform that I recommended to the Congress which would force the CAB to permit certain price adjustments in their fares without going through a lengthy process before the CAB and, if they got that relief, if Congress stood up and passed the regulatory reform that I recommended, then the CAB and the industry itself, would have the capability of meeting the problems that they face in financing the procurement of the two-thirds of the planes that don't meet the noise standards.



Now, the other option. At the present time, there is an 8 percent Federal tax on commercial plane tickets. That money goes into an aircraft, into an airport trust fund. That trust fund presently has a surplus.

There is a suggestion that that be reduced from 8 percent to 6 percent, and that a financing plan be worked out that would take that 2 percent and permit the airlines to immediately be a beneficiary of that so that they could buy more modern aircraft more quickly. It is very complicated but it is a solution.

So, when you come down to it we are in the process of making a final decision as to whether we should -- well, the alternatives are Congress must pass the regulatory reform that gives the industry itself an opportunity to meet the problem or, if Congress will sit on its hands, as it has in other regulatory reform proposals, if they won't take the one option, then I think the other option is a necessity because I am not going to tolerate an 8- to 10-year program of trying to solve the noise problem at airports, the 26 -- Los Angeles, La Guardia, Kennedy, O'Hare, and the others.

It is not right to the 6 million people when we have a better answer, either regulatory reform on the one hand or a financing program as I have suggested on the other.

QUESTION: Mr. President, I am a reservist with the Strategic Air Command. I can tell the B-52s will not go another ten years. When are we going to get the B-1?

THE PRESIDENT: I made a speech on that point yesterday out at the Rockwell plant, and I made precisely the point you are talking about. The B-52s today are an integral part of our three-pronged strategic programs for the defense of this country.

We need high-performance, long-range aircraft. We need our land-based ballistic missile systems. We need our submarine-launched ballistic missile systems.

We are improving our land-based programs with the MARK-III, and we are moving into the MX missile development. We are building the Trident submarine to replace the present nuclear-powered ballistic missile submarine. But, we cannot permit the 25-year-old B-52s to continue for another 10 or 15 years.

As I said yesterday, I am not going to permit pilots to fly in aircraft which is older than the pilots themselves. And that is what you do if you go on with the B-52. The B-1 has met every test, not only as to performance but as to cost. And I am very much opposed to those who want to cancel it or delay it and, unfortunately, Mr. Carter, in the form that he espouses, either wants to delay it or cancel it.

I think we owe something to the young people who are called upon to fly those aircraft to give them the best equipment that this country can buy.

MORE

[ca. Oct. 1976]

26 NOISY AIRPORTS

Memphis, Tennessee  
Ft. Lauderdale, Florida  
Chicago, Ill. (O'Hare)  
Los Angeles, California  
Phoenix, Arizona  
Washington, D.C. (National)  
West Palm Beach, Florida  
Las Vegas, Nevada  
Oakland, California  
Atlanta, Georgia  
Denver, Colorado  
Miami, Florida  
San Diego, California

Tampa, Florida  
Boston, Massachusetts  
New York City (JFK)  
Minneapolis-St. Paul  
San Francisco, California  
Anchorage, Alaska  
Honolulu, Hawaii  
San Juan, Puerto Rico  
San Jose, California  
Buffalo, New York  
New York City (LaGuardia)  
Newark, New Jersey  
Seattle, Washington

Worst Six Airports

Kennedy

La Guardia

Newark

Chicago - O'Hare

Boston

Los Angeles



[Oct. 1976]

QUIET SKIES

(Appropriate Salutation)

We have assembled here at \_\_\_\_\_ Airport today so that I could speak with you about two important and related national problems.

And in the process I am going to discuss a real-life case study of what is wrong with Washington -- and what must be done about it.

The first of these two national problems is aircraft and airport noise -- and I will today announce a plan to reduce the noise pollution around this and other major airports in the Nation.

The second problem is the need to ensure that the 200 million Americans who fly every year have the finest possible airline service. I will today describe the measures necessary to make certain that the American consumer will be served by a healthy and competitive system of commercial airlines.

*continued  
to*



Both of these problems and their resolution affect your lives, your jobs, your environment, your property, your future and your children's future, and the well-being and progress of the Nation.

For some 6 million Americans who live and work around 100 major airports in the U.S., the noise of jet planes is a very real and personal environmental problem. I know, because I used to live near Washington National Airport, and sometimes the noise was so bad you could not read a newspaper, hear the T.V., or finish a conversation with the children.

For these 6 million Americans the problem of noise is getting worse as air travel increases -- and we want air travel to increase.

But we must also end the noise problem.

Since the 1950's, when the airlines introduced new jet airplanes into the fleet, noise has been recognized as a major constraint to commercial aviation. Through research and development, by the government and by private industry, we have learned how to make jet engines quieter, and more efficient in fuel use. The technology is ready.



We have taken the first steps to reduce the noise around airports. In 1969 the Federal Aviation Administration, one of the two Federal agencies that regulate the commercial airlines -- I know you are aware that Congress feels the airlines are so important that you need two Federal regulatory agencies to tell you what to do -- in 1969 the FAA issued standards that would cut in half the (<sup>real</sup>perceived) noise of new jet aircrafts, effective at the start of 1975.

For the <sup>nearby</sup> ~~last~~ two years, all commercial planes coming off the assembly lines in the United States have met these standards.

But the FAA did not act to correct the biggest part of the airport noise problem -- some 1600 older jet airplanes, or about 77 percent of the U.S. commercial airlines fleet.

These planes are still flying; and if you live near this or any other major airport in the United States, you are still listening to them.



Why, seven years after the FAA set aircraft noise standards, are these noisy planes still flying?

The answer, very simply, is that FAA knew that some of the airlines could not afford to pay for modifying or replacing their older planes to meet the new noise standards.

Why not? One reason, frankly, is that some of the airlines have not been well-managed.

But another important reason airlines could not afford to pay for noise reduction is that the Civil Aeronautics Board, the other Federal agency that regulates the airlines, could not look ahead and provide the revenues the airlines would need to pay for noise reduction.

The CAB is like that mythical bird which flew backward and knew where it had been, but not where it was going. Under their own regulations for setting airline fares, CAB looks backward at "<sup>or present</sup>historic costs," but not ahead to realistic future costs.

The CAB was created almost 40 years ago to promote and assist a young and hopeful airline industry. There were reasons then to allocate routes, set fares, and limit competition; at the beginning, the public need for good service required extensive government involvement to assure orderly growth of the airlines.

It is different now.

When the CAB began in 1938, domestic airlines carried a total of 1.3 million passengers, for 476 million passenger miles.

This year, U.S. airlines will carry more than 200 million passengers, for 128 billion passenger miles -- a growth of 26,800 percent. Airlines now carry more people between cities than any other form of public transportation.

The airline industry is no longer an infant; it is mature, big and fully capable of prospering in a free, open and competitive market.

It was for this reason that on October 8, 1975, I proposed to the Congress the Aviation Act of 1975, which



would have reduced economic controls, opened markets, reduced fares and made it possible for all airlines to better serve the American consumer.

My objective was to work with the Congress to *continue to* ensure that the U.S. will have the most efficient airline system in the world, providing the American public with the best possible service at the lowest possible cost.

That was 11 months ago; but neither the House nor the Senate has acted on this important legislation, which is the first comprehensive updating of airline regulation in almost forty years. *passed* Nor has Congress ~~proposed~~ any alternative.

However, the blame does not all rest on Congress. Some airline executives, and their Washington lobbyists, have short-sightedly opposed this change. While they say publicly they are for free enterprise and open competition, they have privately lobbied against open competition, against the American consumer, and in fact against greater opportunity for the growth and prosperity of their airlines.



Consequently, we have this situation:

Too Much Noise:

The FAA, by not moving on noise standards, has shown a lack of decisiveness that must be changed.

Outdated Regulations:

The CAB, by following policies and procedures that are impractical and out of date, is clearly unable to assist the airlines in providing the best and cheapest service to the public.

Congressional Inaction:

The Congress, by its failure to act on aviation regulatory reform, is continuing a critical economic problem for the airlines and all the people who work for airlines and depend on them.

As President, I cannot tolerate inaction any longer.



We must end the noise pollution around American airports and bring quiet skies back to America again.

We must free aviation from arbitrary and unnecessary restrictions and regulations so that the airlines themselves can pay the cost of noise abatement.

To do this, I am taking the following actions:

First, I am today directing the Secretary of Transportation to instruct the Administrator of FAA to extend its noise regulations to all U.S. commercial aircraft, to be phased in over an 8-year period.

Second, I am putting the Congress on notice that I will not accept its inaction. Congress must adopt the airline regulatory reform measure I proposed in 1975. Congress must act on this reform in the interest of the American public.

I want the members to know now that aviation regulatory reform will be on their doorstep when they come back in January.

Third, I propose that the present Federal tax on domestic passenger fares be reduced from 8 percent to 6 percent, and on domestic freight, be reduced from 5 percent to 3 percent. This tax on the consumer is now going to the Airport and Airway Trust Fund to provide Federal assistance to airport construction and improvement. There is now a surplus of \$1.4 billion in this fund. Passengers have a right to this tax reduction.

However, if the Congress does not act on regulatory reform for the airlines within 60 days after the new session opens, I shall have no choice but to propose the reimposition of that 2 percent as an environmental surcharge on passenger fares and freight bills. The funds from the surcharge would be directed into a special trust fund, administered by the Secretary of Transportation, to assist the airlines in financing the new and quieter planes that are necessary for the abatement of aircraft noise around our major airports.

I do not want to call for this environmental surcharge on passengers. Regulatory reform is a far better solution. But if Congress does not act on the aviation regulatory reform I proposed last October, there has to be another alternative.

Even then, an environmental surcharge would be a temporary expedient -- not a permanent solution to the real problem facing the airlines and other over-regulated industries in this country.

Such a surcharge would help end the noise problem. But it will not change the CAB's outdated methods of setting fares and controlling markets. It will not improve an airline's ability to compete and provide better service.

The lasting solution is to give the free enterprise system its best chance to operate.

The genius of the American economic system throughout our history has been a partnership between government and free enterprise. The right role of the government in the American economic system is to help private enterprise accomplish needed objectives for the American people -- and not to hinder private enterprise.

Our national growth in 200 years has been phenomenal, and in no area of our lives has the partnership between government and private enterprise worked better than in transportation.

In the National Transportation Policy Statement of my Administration of September 17, 197~~7~~<sup>5</sup>, we said:

"Transportation has substantially shaped the growth and development of the United States.

Waterways led our ancestors to new frontiers.

Today, our energy-efficient inland waterways and merchant marine seek out new markets. Railroads

fed the hearths of an industrial revolution and now have renewed significance in the era of environmental and energy consciousness. Highways made us the most mobile population on earth, profoundly altered our land use patterns, and established the automobile, truck and bus as an important part of the Nation's mobility and economic activity. Mass transit provided the lifeline to city centers and now offers hope for their revival. Civil aviation extended its reach around the globe and helped design the interdependent world in which we now live. General aviation has greatly increased business and pleasure mobility and opened up formerly unreachable territories. Pipelines are vital to energy independence.

"To sustain and enhance our economic vitality and growth, the productivity of our commerce and the quality of our leisure, we need a healthy and responsive transportation system. National transportation policy must serve these broad goals of our society by helping to guide the development, financing and maintenance of a safe, efficient, accessible and diverse transportation system. Such

a system should meet the needs of all Americans -- as passengers, consumers, employees, shippers and investors -- in a way that is consistent with other national objectives. The values and priorities of our society are changing as the land on which we live is changing, and transportation must blend with other national goals in seeking heightened quality in the American way of life."

We have set our national goals for what is and what must continue to be the best airline system in the world. By working together we can reach those goals.

Thank you.

[Oct. 1976]

QUIET SKIES

(Appropriate Salutation)

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The first of these two national problems is aircraft and airport noise -- and I will today announce a plan to reduce the noise pollution around this and other major airports in the Nation.

The second problem is the need to ensure that the 200 million Americans who fly every year have the finest possible airline service. I will today describe the measures necessary to make certain that the American consumer will be served by a healthy and competitive system of commercial airlines.



Both of these problems and their resolution affect your lives, your jobs, your environment, your property, your future and your children's future, and the well-being and progress of the Nation.

For some 6 million Americans who live and work around 100 major airports in the U.S., the noise of jet planes is a very real and personal environmental problem. I know, because I used to live near Washington National ~~Airport~~, and sometimes the noise was so bad you could not read a newspaper, hear the T.V., or finish a conversation with the children.

For these 6 million Americans the problem of noise is getting worse as air travel increases -- and we want air travel to increase.

But we must also end the noise problem.

Since the 1960's, when the airlines introduced new jet airplanes into the fleet, noise has been recognized as a major constraint to commercial aviation. Through research and development, by the government and by private industry, we have learned how to make jet engines quieter, and more efficient in fuel use. The technology is ready.

We have taken the first steps to reduce the noise around airports. In 1969 the Federal Aviation Administration, one of the two Federal agencies that regulate the commercial airlines -- I know you are aware that Congress feels the airlines are so important that you need two Federal regulatory agencies to tell you what to do -- in 1969 the FAA issued standards that would cut in half the perceived noise of new jet aircrafts, effective at the start of 1975.

For the last two years, all commercial planes coming off the assembly lines in the United States have met these standards.

But the FAA did not act to correct the biggest part of the airport noise problem -- some 1600 older jet airplanes, or about 77 percent of the U.S. commercial airlines fleet.

These planes are still flying; and if you live near this or any other major airport in the United States, you are still listening to them.

Why, seven years after the FAA set aircraft noise standards, are these noisy planes still flying?

The answer, very simply, is that FAA knew that some of the airlines could not afford to pay for modifying or replacing their older planes to meet the new noise standards.

Why not? One reason, frankly, is that some of the airlines have not been well-managed.

But another important reason airlines could not afford to pay for noise reduction is that the Civil Aeronautics Board, the other Federal agency that regulates the airlines, could not look ahead and provide the revenues the airlines would need to pay for noise reduction.

The CAB is like that mythical bird which flew backward and knew where it had been, but not where it was going. Under their own regulations for setting airline fares, CAB looks backward at "historic costs," but not ahead to realistic future costs.



The CAB was created almost 40 years ago to promote and assist a young and hopeful airline industry. There were reasons then to allocate routes, set fares, and limit competition; at the beginning, the public need for good service required extensive government involvement to assure orderly growth of the airlines.

It is different now.

When the CAB began in 1938, domestic airlines carried a total of 1.3 million passengers, for 476 million passenger miles.

This year, U.S. airlines will carry more than 200 million passengers, for 128 billion passenger miles -- a growth of 26,800 percent. Airlines now carry more people between cities than any other form of public transportation.

The airline industry is no longer an infant; it is mature, big and fully capable of prospering in a free, open and competitive market.

It was for this reason that on October 8, 1975, I proposed to the Congress the Aviation Act of 1975, which

would have reduced economic controls, opened markets, reduced fares and made it possible for all airlines to better serve the American consumer.

My objective was to work with the Congress to ensure that the U.S. will have the most efficient airline system in the world, providing the American public with the best possible service at the lowest possible cost.

That was 11 months ago; but neither the House nor the Senate has acted on this important legislation, which is the first comprehensive updating of airline regulation in almost forty years. Nor has Congress proposed any alternative.

However, the blame does not all rest on Congress. Some airline executives, and their Washington lobbyists, have short-sightedly opposed this change. While they say publicly they are for free enterprise and open competition, they have privately lobbied against open competition, against the American consumer, and in fact against greater opportunity for the growth and prosperity of their airlines.

Consequently, we have this situation:

Too Much Noise:

The FAA, by not moving on noise standards, has shown a lack of decisiveness that must be changed.

Outdated Regulations:

The CAB, by following policies and procedures that are impractical and out of date, is clearly unable to assist the airlines in providing the best and cheapest service to the public.

Congressional Inaction:

The Congress, by its failure to act on aviation regulatory reform, is continuing a critical economic problem for the airlines and all the people who work for airlines and depend on them.

As President, I cannot tolerate inaction any longer.

We must end the noise pollution around American airports and bring quiet skies back to America again.

We must free aviation from arbitrary and unnecessary restrictions and regulations so that the airlines themselves can pay the cost of noise abatement.

To do this, I am taking the following actions:

First, I am today directing the Secretary of Transportation to instruct the Administrator of FAA to extend its noise regulations to all U.S. commercial aircraft, to be phased in over an 8-year period.

Second, I am putting the Congress on notice that I will not accept its inaction. Congress must adopt the airline regulatory reform measure I proposed in 1975. Congress must act on this reform in the interest of the American public.

I want the members to know now that aviation regulatory reform will be on their doorstep when they come back in January.

Third, I propose that the present Federal tax on domestic passenger fares be reduced from 8 percent to 6 percent, and on domestic freight, be reduced from 5 percent to 3 percent. This tax on the consumer is now going to the Airport and Airway Trust Fund to provide Federal assistance to airport construction and improvement. There is now a surplus of \$1.4 billion in this fund. Passengers have a right to this tax reduction.

However, if the Congress does not act on regulatory reform for the airlines within 60 days after the new session opens, I shall have no choice but to propose <sup>Continued</sup> ~~the reimposition~~ of that 2 percent as an environmental surcharge on passenger fares and freight bills. The funds from the surcharge would be directed into a special trust fund, administered by the Secretary of Transportation, to assist the airlines in financing the new and quieter planes that are necessary for the abatement of aircraft noise around our major airports.

I do not want to call for this environmental surcharge on passengers. Regulatory reform is a far better solution. But if Congress does not act on the aviation regulatory reform I proposed last October, there has to be another alternative.

Even then, an environmental surcharge would be a temporary expedient -- not a permanent solution to the real problem facing the airlines and other over-regulated industries in this country.

Such a surcharge would help end the noise problem. But it will not change the CAB's outdated methods of setting fares and controlling markets. It will not improve an airline's ability to compete and provide better service.

The lasting solution is to give the free enterprise system its best chance to operate.

The genius of the American economic system throughout our history has been a partnership between government and free enterprise. The right role of the government in the American economic system is to help private enterprise accomplish needed objectives for the American people -- and not to hinder private enterprise.

Our national growth in 200 years has been phenomenal, and in no area of our lives has the partnership between government and private enterprise worked better than in transportation.

In the National Transportation Policy Statement of my Administration of September 17, 1975, we said:

"Transportation has substantially shaped the growth and development of the United States. Waterways led our ancestors to new frontiers. Today, our energy-efficient inland waterways and merchant marine seek out new markets. Railroads



fed the hearths of an industrial revolution and now have renewed significance in the era of environmental and energy consciousness. Highways made us the most mobile population on earth, profoundly altered our land use patterns, and established the automobile, truck and bus as an important part of the Nation's mobility and economic activity. Mass transit provided the lifeline to city centers and now offers hope for their revival. Civil aviation extended its reach around the globe and helped design the interdependent world in which we now live. General aviation has greatly increased business and pleasure mobility and opened up formerly unreachable territories. Pipelines are vital to energy independence.

"To sustain and enhance our economic vitality and growth, the productivity of our commerce and the quality of our leisure, we need a healthy and responsive transportation system. National transportation policy must serve these broad goals of our society by helping to guide the development, financing and maintenance of a safe, efficient, accessible and diverse transportation system. Such

a system should meet the needs of all Americans -- as passengers, consumers, employees, shippers and investors -- in a way that is consistent with other national objectives. The values and priorities of our society are changing as the land on which we live is changing, and transportation must blend with other national goals in seeking heightened quality in the American way of life."

We have set our national goals for what is and what must continue to be the best airline system in the world. By working together we can reach those goals.

Thank you.

[Oct. 1976]

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[Oct. 1976]

Noisy U.S. Airports (ranked in order of number of people affected by severe or serious aircraft noise).

1. LaGuardia, New York
2. Chicago (O'Hare), Illinois
3. J. F. Kennedy, New York
4. Newark, New Jersey
5. Boston, Massachusetts
6. Los Angeles, California
7. Miami, Florida
8. Denver, Colorado
9. Cleveland, Ohio
10. San Francisco, California
11. Seattle, Washington
12. Buffalo, New York
13. St. Louis, Missouri

Additional Noisy Airports (not ranked, numbered for convenience only, are):

14. Atlanta, Georgia
15. San Diego, California
16. Oakland, California
17. Washington, D.C. (National)
18. San Jose, California
19. Tampa, Florida
20. Memphis, Tennessee
21. Ft. Lauderdale, Florida
22. Honolulu, Hawaii
23. Phoenix, Arizona
24. West Palm Beach, Florida
25. Las Vegas, Nevada
26. Anchorage, Alaska
  
27. San Juan, Puerto Rico
28. Minneapolis-St. Paul, Minnesota
29. Baltimore, Maryland
30. Detroit, Michigan
31. Salt Lake City, Utah
32. Louisville, Kentucky
33. Albuquerque, New Mexico
34. Ontario, California
35. Palm Springs, California



[Oct. 1976]

STATEMENT OF THE PRESIDENT  
ON AIRCRAFT NOISE

Aircraft noise around airports is a substantial annoyance for six to seven million Americans. The problem is particularly serious at some of the major airports, such as those in New York, Los Angeles, Boston, Atlanta and Chicago. In fact, it represents a significant or potential problem for residents living near many other airports across the nation, and as air travel increases, noise will become a serious problem at some of these other airports as well. Cities like San Jose, San Francisco, Miami, Denver, San Diego, Seattle and Phoenix are under increasing public pressure to take steps to reduce aircraft noise. In fact, the Federal Aviation Administration has identified 100 airports where noise is a problem.

Citizen complaints, law suits for noise damages and proposed restrictions on airport use have begun to threaten the efficiency and viability of the interstate air transportation system.

During the past six weeks I have reviewed extensively the aircraft noise problem. I have considered the recommendations of Secretary of Transportation William T. Coleman, Jr., Federal Aviation Administrator John L. McLucas, EPA Administrator Russell E. Train and many other federal, state and local officials concerned with the effect of aircraft noise on people in areas surrounding our major airports.



I have become acutely aware of the seriousness of this problem and have reached the following conclusions:

1. The aggravation and annoyance of aircraft noise are a nationwide problem that can be addressed only by the joint efforts of government, airport operators and industry, working together cooperatively. If each of us performs the responsibilities for which we are uniquely suited under a comprehensive policy to reduce aircraft noise, we can and will achieve measured progress in improving the quality of life for airport neighbors.

2. We have the technological capability to bring about significant reductions in aircraft noise emissions. Our major constraint has been the economic condition of the carriers which has prevented the rapid introduction of quieter technology and the development of new airplanes that will provide even greater noise reduction benefits. Because of this economic problem, 77 percent of the civil aviation fleet operating today does not meet the present federal noise standard for new subsonic aircraft. This is intolerable. We must take action not only to quiet or retire the noisy aircraft but also to accelerate their replacement with new quieter technologies that will bring

additional benefits in noise reduction, fuel efficiency and new technology. To be effective, this action requires that we also address the issue of how the results which are now possible technologically may be financed.

3. In considering the serious and complex problem of aircraft noise, I am aware of many interrelated problems that must be addressed simultaneously. These problems include:

- - the financial and regulatory constraints on the ability of our air carriers to purchase new, quieter airplanes;
- - the inadequate utilization of technological and employment capability in the aeronautical manufacturing industry;
- - the lost potential for substantial energy conservation improvements by the delayed introduction of new more fuel efficient aircraft;
- - the importance to the national interest of maintaining U. S. leadership in providing aeronautical products for the rest of the world in light of increasing European competition;  
and
- - the need to reduce aircraft noise levels so as to minimize the necessity for airport operators to impose curfews and

other restrictions on the use of airports that interfere with the efficiency of interstate travel.

In reviewing these problems, I have considered the recommendations of members of my Cabinet and staff, and I have directed that the following action be taken:

1. Within ten days the Secretary of Transportation will publish a comprehensive aviation noise policy. That policy will set forth why the solution to the noise problem in this country must be a joint effort by federal, state and local governments, airport operators, air carriers and aircraft manufacturers. It will include a statement of the responsibilities of each and a specific plan and timetable for federal action that will ensure that the federal government meets its statutory obligations to reduce noise by promulgating regulations that have been delayed too long.
2. I am directing the Federal Aviation Administrator, in consultation with the Secretary of Transportation, to promulgate within two weeks a regulation that will require domestic commercial aircraft to meet present federal noise standards in accordance with a phased-in time schedule, not to exceed eight years. I am

further directing the Federal Aviation Administrator, in consultation with the Secretary of Transportation, to promulgate by the end of this year a new federal noise regulation that will establish new, tougher standards for new subsonic technology aircraft.

3. I have directed the Secretary of State to initiate negotiations with the International Civil Aviation Organization and the European Civil Aviation Conference to bring about international agreement on noise standards for all international aircraft operations into the U.S. If agreement is not reached within four years, we will begin to apply U. S. standards to foreign aircraft unilaterally.

4. I have directed the Secretary of Transportation to provide special financial and technical assistance to airport operators to help them develop comprehensive noise abatement plans, to assist them in the acquisition of buffer land and purchase of noise suppressant equipment, and to assure that the land around airports is zoned and developed in ways that are compatible with airport operations.

5. I will ask the Congress to reduce by 2 percentage points the domestic ticket and freight waybill taxes, thereby releasing



the excess tax revenues that are presently unused by the Airport Development Aid Program and enabling the air carriers to pay the costs of meeting these new environmental standards without increasing the cost of air travel to the consumer. My tax reduction proposal will be included in a revised Aviation Reform Act that I will submit to Congress before the start of the next session. Thus, the Administration's continued support for this tax reduction will be conditioned on Congressional acceptance of aviation regulatory reform.

6. I have directed the Secretary of Transportation to consider in an open public hearing what financing provisions are necessary to ensure that the air carriers can meet the noise requirements. The Secretary will consider what sort of special financing provisions should be established in addition to the reduction of the ticket tax I have proposed (whether, for example, a special surcharge of 2% should be imposed to provide revenues that could be used to help secure necessary financing for the replacement of the noisy aircraft and, if so, how such revenues should be dispersed). In formulating a financing proposal, the Secretary shall consult with consumers, representatives of industry and other concerned

parties, and shape his proposal to meet the following criteria:

- - financing measures should be available to assure that noise regulations meet the statutory test of "economic reasonableness;"
- - financing should be consistent with and help advance the cause of aviation regulatory reform;
- - the cost of environmental improvements should be met by the user, not the general public;
- - any special financing provisions should involve minimum government interference with investment decisions in the private sector and should be equitable among the carriers;
- - the cost of air travel to the consumer should not be increased as a result of the program.

7. This proposal will make possible the replacement of most of the 500 oldest, noisiest four-engine jets still in commercial operation. It will enable further the quieting, and in some cases replacement, of most of the approximately 1,000 newer, less noisy jets that do meet federal standards.

8. Before the next session of Congress begins, I will submit to the Congress a revised Aviation Reform Act that will provide--

in addition to the removal of unnecessary regulatory constraints on pricing, entry and routes--a provision that will make possible the generation of sufficient private sector financing to meet the federal noise requirements and achieve other important national benefits, including:

- - reduction of the number of Americans exposed to serious aircraft noise impacts by about 1 million;
- - reduction of the annoyance, inconvenience, discomfort, and mental distress caused by aircraft noise for all who live or work near airports;
- - the creation of 240 thousand new jobs in the aerospace industry;
- - the production of new generation of U. S. manufactured airplanes--presently stalled at the design stage--offering the advantages of new design and safety technology, and enabling U. S. manufacturers to respond to the projected worldwide demand for a new generation of airplanes in 1978-84;
- - substantial energy savings by improvements up to 30% in fuel efficiency, the more rapid introduction of the quietest engines now technologically possible--engines less than half as loud as the noisy jets they would replace;



- - better air service to the American traveler with lower operating costs and prices in airplanes designed to service many markets more economically.

A nationwide effort to reduce aircraft noise represents a commitment to a better quality of life for millions of Americans. We will replace the chaos, confusion and conflict that has all too often characterized the noise reduction effort thus far with firm federal leadership and close cooperation with the airport operators, the carriers and the people adversely affected by aircraft noise. Through our continuing efforts to develop quieter aircraft, by our requirement that noisier aircraft be quieted or replaced, and with our financial and technical assistance to airport operators, we will bring about a substantial reduction in the impact of aircraft noise on our fellow citizens, and at the same time create new jobs and improve the efficiency and competitive position of our air carriers and aerospace manufacturers.

[Oct. 1976]

Cannon

Possible Presidential Actions

- I. **(P)** Direct Secretary Coleman to instruct FAA to extend noise standards to all domestic commercial aircraft.
- II. **(P)** Put Congress on notice that it must adopt airline regulatory reform early in the next session.
- III. If Congress does not act on regulatory reform, then the President will send legislation to:
  - reduce federal tax by 2%
  - impose a 2% environmental surcharge, with the money going into a trust fund to assist the airlines in financing the new planes that meet noise standards.

90-day interval

1977  
Jan 1, 1976  
478  
425

90 days

Jobs in speech?

1550 - not in complete  
77% of whole  
within  
fleet

date - effective beginning  
Jan 1, 1977. Through



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[ca. Oct. 1976]

Insert on page 8

If the Congress does not act on regulatory reform for the airlines within 60 days after the new session opens, then I must act to make certain that the airlines can meet noise standards and at the same time continue to be a healthy and competitive industry <sup>PROVIDING</sup> ~~servicing~~ 200 million Americans.

Therefore, if Congress fails to act on Aviation Regulatory Reform by March 5, 1976, I shall send Congress legislation ~~that would~~ <sup>TO</sup> -

- Reduce the present Federal tax on domestic passenger fares from 8 percent to 6 percent;
- Reduce the present Federal tax on <sup>DOMESTIC</sup> freight from 5 percent to 3 percent; and
- Impose a 2 percent environmental surcharge on all passenger fares and freight bills.



Insert on page 8

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- reduce the present Federal tax on freight from 5 percent to 3 percent; and
- impose a 2 percent environmental surcharge on all passenger fares and freight bills.



*file  
avlatin*

THE WHITE HOUSE  
WASHINGTON

INFORMATION

October 2, 1976

MEMORANDUM FOR THE PRESIDENT

FROM:

JIM CANNON *Jmi*

SUBJECT:

California Trip/Aircraft Noise

Two of the airports you will be using on your forthcoming trip (Los Angeles International on October 7, and Hollywood-Burbank on October 8) have serious aircraft noise problems.

Specific information will be included in your briefing book, but I wanted you to know that these two airports have serious noise problems; and Hollywood-Burbank has obtained a court order temporarily suspending the application of these noise standards in order to permit the airport to remain open.

Meanwhile there has been a modest boom in aircraft buying. The attached article from Business Week points out that Boeing's orders are up, at least temporarily. Sales at McDonnell Douglas and Lockheed are still lagging.

Attachment



## Airlines give Boeing a one-shot boom

After years of struggling with excess capacity, U. S. domestic airlines are suddenly buying airplanes again. So far this year, American, Braniff, Delta, Northwest, Western, Southwest, and even ailing Eastern have ordered 77 new jetliners—compared with only 29 planes purchased by domestic carriers in all of 1975. This week, directors of United Airlines are expected to approve the year's biggest buy: as many as 25 Boeing 727s, worth nearly \$300 million. That will be the first time United has ordered new airplanes since 1968.

The jump in orders stems largely from a healthy rise in air traffic—up 10.7% so far this year—that has boosted profits for many airlines, helping to pay for new planes as well as increasing confidence in their ability to fill them.

**New orders.** The order flurry is spreading the greatest joy in Seattle, home of Boeing Co., which has won all but 15 of this year's domestic orders. On the home front at least, 1976 is shaping up as Boeing's best new-order year of the 1970s—topping the 1972 peak of 85 planes sold to domestic carriers. Boeing's rising domestic backlog will bolster its sales and profits in 1977 and 1978, when most of this year's orders will be delivered.

However, Boeing executives are not as joyful as outsiders might expect. E. H. Boulliou, president of Boeing Commercial Airplane Co., sees this year's orders as "a one-shot, short-term kind of thing" that is not enough to sustain either his company or the airline industry. U. S. carriers should be replacing around 10% of their fleets each year, he says—5% to retire old planes and 5% to cover expected traffic growth—"and we're not anywhere near that."

Boulliou is particularly fearful that this year's spate of orders may jeopardize future business by persuading Washington regulators that the airline industry is healthy again. That could ease pressures for fare increases and route rationalizations that would in turn help pay for future airplanes, he argues. "I'm really worried that a flurry of orders now may take our eyes off the ball," he says.

**Traffic up.** Indeed, Washington attitudes may be changing. One Administration source sees the current bulge in domestic airplane orders as a "potent argument" against a proposed \$3.6 billion escrow fund to help the airlines meet tighter noise regulations by retrofitting quiet engines on old planes or buying new



Boeing's Boulliou: Glad to have orders but still worried about future business.

planes. The fact that airlines are now buying planes indicates they do not need government help, he argues.

United Airlines points out that its new 727s are strictly to replace old planes, not to anticipate growth. As air traffic grows, United expects to hit a major capital problem in expanding its fleet by the early 1980s, says President Richard J. Ferris. Moreover, the U. S. airlines are still far from able to help manufacturers launch their proposed next-generation airplanes (BW—Apr. 12).

Nonetheless, this year's order bulge is a welcome sight to the airplane makers, who have limped along for several years primarily on foreign business. "Our salesmen are beginning to be optimistic," says an official at McDonnell Douglas Corp. "People are starting to look at planes who weren't looking at them before." McDonnell Douglas has not enjoyed Boeing's boom but has managed to sell 12 planes to domestic carriers this year vs. two last year. One potential customer is United, which is considering buying some more DC-10 jumbo jets this year.

**The 727 sells.** Lockheed Aircraft Corp. is still the industry laggard. But it has sold three L-1011 TriStars to a domestic carrier this year—Delta. Last year, it sold none.

Nearly all the domestic orders Boeing is winning are for its workhorse 727, a medium-range, medium-size trijet that fits the frugal budgets and modest growth outlook of the airlines. Boeing has sold 1,317 of the \$11 million airplanes, making it the top-selling airliner of all time. Only 313 of Boeing's jumbo 747s have sold (at a present \$30 million price).

CLEARANCE SHEET

DATE: 10-1-76

1976 OCT 2 AM 9 10

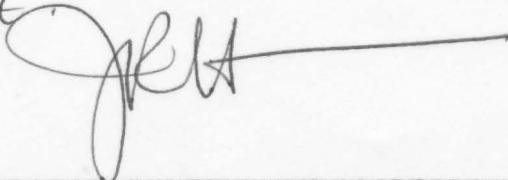
JMC ACTION  
Required by: \_\_\_\_\_

STAFF RESPONSIBILITY HOPE

SUBJECT: Briefing (Information) Memorandum for the President  
Aircraft Noise

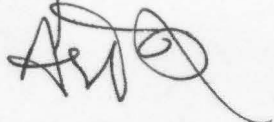
RECEIVED FROM: \_\_\_\_\_ DATE RECEIVED: \_\_\_\_\_

STAFF COMMENTS:

*Your request* 

QUERN/MOORE RECOMMENDATION:

- APPROVE
- REVIEW & COMMENT
- DISCUSS

*Jim, as we discussed*  


CANNON ACTION:

DATE:

Material Has Been:

- Signed and forwarded
- Changed and signed
- Returned per conversation
- Noted



\_\_\_\_\_  
JIM CANNON

Comment:

10/1/76


INFORMATION

THE WHITE HOUSE

WASHINGTON

October 1, 1976

MEMORANDUM FOR: JIM CANNON

FROM: JUDITH RICHARDS HOPE 

SUBJECT: President's Forthcoming  
Trip to California

The attached memorandum to the President on aircraft noise is pursuant to your request.



*Aircraft Noise*

THE WHITE HOUSE  
WASHINGTON

October 4, 1976

076 007 5 71 8 28

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

JIM CANNON

FROM:

JIM CONNOR *JEC*

SUBJECT:

Aviation Noise Proposal  
by Secretary Coleman

The President reviewed your memorandum of September 29 on the above subject and made the following notations:

"Very good except it doesn't include the Coleman plans as an alternative if Congress doesn't act.

It should be spelled out. Talk with Bill Coleman and add to the text so I can have something on my return."

Please follow-up with appropriate action.

cc: Dick Cheney



THE WHITE HOUSE  
WASHINGTON

INFORMATION  
REQUEST

October 5, 1976

MEMORANDUM FOR: JIM CANNON  
FROM: JUDITH RICHARDS HOPE *JRH*  
SUBJECT: Aircraft Noise Proposal

I attach for your consideration a draft paragraph which would expand on the Coleman plan as an alternative if Congress does not act.

Attachment



DRAFT

My plan will ensure that, within the next decade, there will be a significant reduction of aircraft noise levels around the nation's airports. It will also stimulate the development of a new generation of U.S.-manufactured aircraft, helping us to maintain our number one place in the international aviation marketplace. It will promote and increase the number of permanent jobs in our vital aerospace industry. This proposal also promotes the critical fuel conservation goals my Administration has set for this country because the new, quieter planes are 25 percent to 40 percent more fuel efficient.




## THE WHITE HOUSE

WASHINGTON

October 6, 1976

MEMORANDUM FOR: JIM CANNON

FROM: JUDITH RICHARDS HOPE 

SUBJECT: Aviation Noise Proposal by  
Secretary Coleman: Additional  
Considerations

1. The proposed plan currently presents this option: either enact regulatory reform with a 2% cut in the airline ticket tax, or the President will be forced to impose a 2% environmental surcharge to fund a DOT-administered aircraft replacement program. This "don't throw me in the briar patch" alternative may only serve to intensify the aviation industry's opposition to regulatory reform: they oppose it now and, with an added incentive of a \$3 billion plus replacement fund if it's defeated, they may be expected to intensify their opposition.

We should consider having the incentives run in favor of our Aviation Act: Amend the Aviation Act itself to make the noise proposal part of it, and create an omnibus air bill, much like the rail bill signed in February. Then, the longer Congress delays enactment, the longer people will have to suffer aviation noise and the longer the airlines will have to delay major investments for new equipment.

This approach is consistent with the assumptions on which our regulatory reform effort is based: our Act is phased over an 8-year period to take account of the dislocations which would occur with a precipitous change in the regulatory climate. The need for the Act rests on several premises including the expectation that fares would be lowered, and the realization that the CAB fare structure has been partly responsible for the carriers' poor financial condition--hence their severe capital shortage. Providing a temporary noise fund would help redress the damage from four decades of Federal regulation of prices and routes.

2. As noted earlier, I feel the 56,000 FAA employees should not be criticized for delay in setting noise standards. They have done so because of their awareness of the burden the standards would impose on the industry as well as DOT's requests that the matter be subject to careful study and cost-benefit analyses.

