

SKYJACKING

HEARING
BEFORE THE
COMMITTEE ON FINANCE
UNITED STATES SENATE
NINETY-FIRST CONGRESS

SECOND SESSION

ON

H.R. 19444

AN ACT TO AUTHORIZE FOR A TEMPORARY PERIOD THE EXPENDITURE FROM THE AIRPORT AND AIRWAY TRUST FUND OF AMOUNTS FOR THE TRAINING AND SALARY AND EXPENSES OF GUARDS TO ACCOMPANY AIRCRAFT OPERATED BY UNITED STATES AIR CARRIERS, TO RAISE REVENUE FOR SUCH PURPOSE, AND TO AMEND SECTION 7275 OF THE INTERNAL REVENUE CODE OF 1954 WITH RESPECT TO AIRLINE TICKETS AND ADVERTISING

OCTOBER 6, 1970

Printed for the use of the Committee on Finance



U.S. GOVERNMENT PRINTING OFFICE

51-560 O

WASHINGTON : 1970

S 3 4 1 - 1 5

COMMITTEE ON FINANCE

RUSSELL B. LONG, Louisiana, *Chairman*

CLINTON P. ANDERSON, New Mexico

ALBERT GORE, Tennessee

HERMAN E. TALMADGE, Georgia

EUGENE J. McCARTHY, Minnesota

VANCE HARTKE, Indiana

J. W. FULBRIGHT, Arkansas

ABRAHAM RIBICOFF, Connecticut

FRED R. HARRIS, Oklahoma

HARRY F. BYRD, Jr., Virginia

JOHN J. WILLIAMS, Delaware

WALLACE F. BENNETT, Utah

CARL T. CURTIS, Nebraska

JACK MILLER, Iowa

LEN B. JORDAN, Idaho

PAUL J. FANNIN, Arizona

CLIFFORD P. HANSEN, Wyoming

TOM VAIL, *Chief Counsel*

EVELYN R. THOMPSON, *Assistant Chief Clerk*

(II)

CONTENTS

	Page
Text of H.R. 19444.....	1
ADMINISTRATION WITNESSES	
Volpe, Hon. John A., Secretary of Transportation, accompanied by: Hon. James M. Beggs, Under Secretary, Department of Transportation; Kenneth M. Smith, FAA Deputy Administrator; and Barclay W. Webber, Acting Assistant General Counsel for Legislation.....	6
PUBLIC WITNESSES	
Keesling, Thomas M., vice president, American Society of Travel Agents, accompanied by Paul S. Quinn, general counsel, ASTA.....	18
Seybold, Leo, vice president, Air Transport Association of America, accompanied by Walter Jensen, assistant vice president of operations and engineering, ATAA.....	14
COMMUNICATIONS	
Andrews, J. Floyd, president, Pacific Southwest Airlines, letter to the chairman.....	25
De Lorenzi, John, managing director, public and government relations, American Automobile Association, letter to the chairman.....	24
Monroe, Robert E., congressional liason, Aircraft Owners and Pilots Association, letter to the chairman.....	25
Murphy, Hon. George, U.S. Senator from the State of California, letter to the chairman.....	23
Stevens, Hon. Ted, U.S. Senator from the State of Alaska, letters to the chairman.....	26
Ward, Robert B., executive vice president, National Business Aircraft Association, letter to the chairman.....	23

SKYJACKING

TUESDAY, OCTOBER 6, 1970

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C.

The committee met, pursuant to notice, at 10 a.m., in room 2221, New Senate Office Building, Senator John J. Williams presiding.

Present: Senators Williams of Delaware, Bennett, Curtis, Jordan of Idaho, and Hansen.

Senator WILLIAMS. The committee will come to order.

Today the committee is conducting a hearing on the President's proposal for financing the antiskyjacking program announced by the President on September 11. The bill before us, H.R. 19444, would increase the domestic air passenger ticket tax from 8 to 8.5 percent, and the international travel facilities tax from \$3 to \$5 for a temporary period from October 31, 1970, through July 1, 1972, and the cost of guards on airliners would be paid for out of the airway trust fund.

We will print the bill in the record and proceed with the witnesses.
(The bill follows:)

91st CONGRESS
2d SESSION

H. R. 19444

IN THE SENATE OF THE UNITED STATES

OCTOBER 1, 1970

Read twice and referred to the Committees on Finance and Commerce jointly

AN ACT

To authorize for a temporary period the expenditure from the Airport and Airway Trust Fund of amounts for the training and salary and expenses of guards to accompany aircraft operated by United States air carriers, to raise revenue for such purpose, and to amend section 7275 of the Internal Revenue Code of 1954 with respect to airline tickets and advertising.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That section 208 (f) (1) of the Airport and Airway Revenue
- 4 Act of 1970 is amended by adding at the end thereof the
- 5 following new sentence: "Amounts in the Trust Fund shall
- 6 also be available, as provided by appropriation Acts, to pay

1 those obligations of the United States incurred before July 1,
2 1972, for the training, salaries, and other expenses of guards
3 having the same powers as United States marshals to accom-
4 pany aircraft operated by air carriers which are United States
5 citizens.”

6 SEC. 2. Section 4261 of the Internal Revenue Code of
7 1954 (imposition of tax on transportation of persons by
8 air) is amended by redesignating subsection (e) as sub-
9 section (f) and by inserting after subsection (d) the fol-
10 lowing new subsection:

11 “(e) TEMPORARY INCREASE IN RATES.—Effective
12 with respect to transportation which begins after October 31,
13 1970, and before July 1, 1972—

14 “(1) in the case of amounts paid after October 31,
15 1970, and before July 1, 1972, the rate of the taxes
16 imposed by subsections (a) and (b) shall be 8.5 per-
17 cent in lieu of 8 percent, and

18 “(2) the rate of the tax imposed by subsection
19 (c) shall be \$5 in lieu of \$3.”

20 SEC. 3. (a) Section 7275 of the Internal Revenue Code
21 of 1954 (relating to penalty for offenses relating to certain
22 airline tickets and advertising) is amended to read as follows:

1 "SEC. 7275. PENALTY FOR OFFENSES RELATING TO CER-
2 TAIN AIRLINE TICKETS AND ADVERTISING.

3 "(a) GENERAL RULE.—In the case of transportation
4 by air all of which is taxable transportation (as defined in
5 section 4262) or would be taxable transportation if section
6 4262 did not include subsection (b) thereof—

7 "(1) the ticket for such transportation shall show
8 the total of (A) the amount paid for such transporta-
9 tion, and (B) the taxes imposed by sections 4261 (a),
10 (b), and (c), and

11 "(2) any advertising made by or on behalf of any
12 person furnishing such transportation (or offering to
13 arrange such transportation) which states the cost of
14 such transportation shall state the total of (A) the
15 amount to be paid for such transportation, and (B) the
16 taxes imposed by sections 4261 (a), (b), and (c).

17 "(b) PENALTY.—Any person who violates any pro-
18 vision of subsection (a) is, for each violation, guilty of a
19 misdemeanor, and upon conviction thereof shall be fined not
20 more than \$100."

21 (b) The amendment made by subsection (a) shall

5

4

1 apply to transportation beginning after the date of the
2 enactment of this Act.

Passed the House of Representatives September 30,
1970.

Attest:

W. PAT JENNINGS,

Clerk.

Senator WILLIAMS. Our first witness is the Honorable John Volpe, Secretary of the Department of Transportation. Mr. Volpe, we are glad to have you with us this morning and you may proceed.

STATEMENT OF HON. JOHN A. VOLPE, SECRETARY OF TRANSPORTATION, ACCOMPANIED BY JAMES M. BEGGS, UNDER SECRETARY, DEPARTMENT OF TRANSPORTATION; KENNETH M. SMITH, FAA, DEPUTY ADMINISTRATOR; AND BARCLAY W. WEBBER, ACTING ASSISTANT GENERAL COUNSEL FOR LEGISLATION

Secretary VOLPE. Thank you very much, Senator Williams.

Mr. Chairman and members of the committee, I appreciate this opportunity to testify in support of S. 4383. This bill is a very significant piece of the administration's broad attack on the problem of air piracy which President Nixon outlined in his statement of September 11.

The other major element in the President's program—joint action by the international community—was begun last month in Montreal at the special meeting of the Council of the International Civil Aviation Organization. I represented the United States at this meeting which met at our request to consider measures to cope with what has become a major threat to international air transportation.

As a first step in joint action, we urged the Council to accept and establish certain basic principles directed toward effective sanctions.

These principles are:

1. The state in which a hijacked aircraft lands has the obligation to permit the passengers and crew to continue and to return the aircraft and cargo to its owners.
2. The state to which the hijacker has fled has the obligation to extradite or prosecute the hijacker.
3. Concerted multilateral sanctions should be taken against states involving themselves in hijacking for purposes of international black-mail which permit the detention of passengers, crew, or aircraft, or which fail to extradite or prosecute persons responsible for unlawful seizure of aircraft.

We are happy to report that just last week the council adopted a landmark resolution based on our proposal, and directed the Legal Committee of ICAO, which is meeting in London at the present time, to consider an international convention giving effect to the purposes of the resolution.

While we must achieve the cooperation of other nations if we are to put a decisive end to air piracy, actions can and must be taken unilaterally by the United States in the interim. Accordingly, the President, after consultation with the congressional leadership, directed that specially trained, armed Government personnel be placed on U.S. carriers. He also directed the Department to have U.S. carriers extend the use of electronic surveillance equipment and other surveillance techniques to all gateway airports and other appropriate airports in the United States, and, to the extent possible, in other countries. The Federal Government will provide enforcement officers to work with this equipment, to conduct searches when appropriate and to make necessary arrests. The President also directed the Departments of Transportation, Treasury, and Defense, the CIA,

the FBI, and the Office of Science and Technology to accelerate efforts to develop improved security and detection methods. Finally, he directed the Department of State and other appropriate Government agencies to consult with foreign governments and foreign carriers to learn whatever we can from their experience.

In connection with this latter point I would like to mention that I have just wound up a visit to several cities in Europe where I observed firsthand the procedures in use at some of their busiest airports, and conferred with civil aviation and airport officials about exchanging information on further measures that can be taken to counter acts of air piracy.

Since May 1, 1961, there have been 74 successful hijackings of U.S. registered aircraft and 20 unsuccessful attempts. Sixty-seven of the successful hijackings have occurred since January 1, 1968. We have had a total of 20 hijacking cases so far this year. The recent crimes against passengers and aircraft in the Middle East leave no room for doubt that the safety of the aircraft and the personal safety of its passengers and crew are very much in jeopardy. We must establish a more effective deterrent and an expanded armed guard program is the best short-run solution.

As you know, the Department, through the Federal Aviation Administration, has for several years offered guard protection upon the request of an air carrier. In the past the air guards have been vested with law enforcement powers through designation by the Attorney General as deputy U.S. marshals. S. 4383 would confer these powers directly on all guards appointed by the Secretary. This is considered desirable from an administrative standpoint given the greatly expanded program to be undertaken.

To finance this program, we submitted to the Senate Appropriations Committee a fiscal year 1971 budget amendment in the amount of \$28 million. This will cover the costs of the program during the balance of the current fiscal year and will permit us to bring on board and train approximately 2,500 guards. The amendment was presented to the Appropriations Committee with language making the funds available contingent upon passage of the bill we are considering here today.

Turning to the revenue provisions of S. 4383, with which your committee is primarily concerned, I know that you, Mr. Chairman, and your colleagues, are fully aware of the stringent budgetary situation confronting the Federal Government. The President has repeatedly expressed his firm conviction that the executive establishment should be operated on a fiscally responsible basis, and that the costs of new programs should be met with new revenues or by reducing or eliminating programs of lower priority. It is for this reason that he has proposed the added taxes which I am here to discuss with you today.

Because the armed guard service is being provided for the direct benefit of the air carriers and their passengers, the President has proposed that the costs of the program be borne by increasing the level of the aviation user taxes. We believe this is entirely appropriate. Of all transportation systems, air transportation is uniquely vulnerable to the dangers of hijacking. The program proposed provides the users of air transportation a very special protection, which is neither available nor necessary for users of other modes of transportation.

Specifically, we are proposing a one-half percent increase in the 8-percent ticket tax on domestic flights and an increase of \$2 in the \$3 head tax now paid by passengers on international flights. The burden of these tax increases on the air traveler will not be substantial. For example, the average price of a domestic passenger ticket is about \$42. The one-half percent increase in the ticket tax would increase the cost of the average ticket by approximately 21 cents. For a flight to Paris from New York, where the ticket price is approximately \$300, the increase of \$2 in the head tax would translate into a price increase of two-thirds of 1 percent.

We estimate that the accrued yield from these taxes will amount to about \$34 million in fiscal year 1971 and \$57 million in fiscal 1972, or a total of \$91 million over the next 2 years. This is approximately equal to the 2-year costs of the guard program.

The legislation also contemplates that the revenues will be funneled through the trust fund established by the Airport and Airway Revenue Act of 1970, enacted last May. This is not only administratively convenient, but also appropriate since, in a broad sense, the costs of the new guard program are airway costs. As you know, the House passed a bill last week which would allow use of trust fund money for the guard program only through June 30, 1972. It is our firm intention to recommend the reduction or elimination of the added taxes if the need for passenger security programs should diminish or end. While it is difficult to foresee what the future may hold in this regard, we believe that the limitation contained in the House bill would not be unduly restrictive and we have no objection to it.

Mr. Chairman, that concludes my prepared statement. I shall be happy to answer any questions the committee may have.

Senator WILLIAMS. Mr. Secretary, I noticed your testimony is primarily directed toward the Senate bill 4383, and we have before us the House bill H.R. 19444 now. Do we correctly understand that you endorse the House bill equally as strongly as the Senate bill?

Secretary VOLPE. Yes, sir.

Senator WILLIAMS. You are not suggesting any changes in it necessarily?

Secretary VOLPE. No; the termination of the tax increase on June 30, 1972, is acceptable. Removal of the prohibition against a separate statement on the ticket of the air fare and ticket tax is certainly acceptable, and there was one other small change.

Senator WILLIAMS. In the guards. The manner in which the guards were appointed?

Secretary VOLPE. That is right.

Senator WILLIAMS. That is acceptable.

I have three or four questions here that the chairman wanted to ask and I will read them later. First I will pass to the other members to see if they have any questions.

Senator BENNETT. I have no questions.

Senator WILLIAMS. Senator Jordan.

Senator JORDAN. Yes, Mr. Chairman.

Mr. Secretary, you suggested in your statement that the President had a two-prong attack. First directed to the training of guards, which you spent most of your time discussing, and the second had to do with the carriers installing and using surveillance equipment trying to prevent people with unfriendly hardware from getting on the planes.

What cooperation are you getting from the carriers?

Secretary VOLPE. We are getting, I would say, excellent cooperation from most of the carriers. I think all of them now understand that this is not a problem that is peculiar to any one airline. We did have a period there where one particular airline had more than its share of hijackings and it was that airline that first decided to use the electronic devices which are now being used. The others have come along and I have had no reports that any of the airlines have disagreed with this.

We are working on a much improved magnetometer, and we hope within just a few months to have a magnetometer that will be as much as 400 percent more effective than those now being used. However, even with those now in use and where the behavioral profile system devised by FHA has been in use—and this covers a good many airports, particularly our gateway airports—we have not had one single hijacking—that is, where both the behavioral profile system and the magnetometers were in use at the particular gate for the particular flights in question.

Senator JORDAN. So where the surveillance system has been implemented, it is showing direct results?

Secretary VOLPE. That is correct.

Senator JORDAN. How much does it slow down the boarding process?

Secretary VOLPE. As far as the electronic devices are concerned, it depends on which one you use. I saw some different types at Heathrow Airport outside of London, and at Paris, Amsterdam and Frankfurt. Depending on the type of device it hardly slows it down at all except for the occasional person who might have some metal on him. It also depends upon the sensitivity to which you adjust that electronic device. You can set it down so low that it will pick up your fountain pen. On the other hand, you can turn it up so it will pick up only those objects that are apt to be dangerous objects. In these circumstances it hardly slows it down at all except for the one passenger in 50 perhaps or 25 that might be pulled out for closer examination.

The search procedure which was being used at one of the principal airports in Europe for some of their flights does slow it down considerably and we would hope that that could be avoided. However, until such time as we are sure that we have these electronic devices at all of the potential locations for hijackers—and no one can say where those potential locations are—even this step may be necessary.

Senator JORDAN. Is public acceptance for this kind of inspection by the carriers generally favorable?

Secretary VOLPE. The airport officials both here and in Europe have indicated to me that they have had absolutely no squawk from the passengers, because, in essence, what the passengers say is, "I would rather be slowed down a little, have my flight leave a little later and be sure that the person behind me doesn't have a gun than to board a little quicker and be hijacked."

Senator JORDAN. This is good information.

It seems to me the correction of this difficulty lies in prevention rather than in too much stress on armed guards. If we can prevent people from getting on there who are potential troublemakers then the problem takes care of itself.

Secretary VOLPE. We have felt very definitely that our biggest job is to prevent the hijacker from getting on the plane in the first

place. If we do, then we won't need guards. Until such time, however, as we are as certain as one can be under these circumstances that we can prevent the potential hijacker from getting aboard the planes, we feel the guard program is essential. As soon as we perfect our ability to detect through our behavioral profile and the electronic and other devices we are using persons who are apt to be potential hijackers, and we are rather certain of our ability to detect them, then certainly we would recommend that the guard program be stopped.

Senator JORDAN. Is your Department spending any money in research for improved surveillance equipment?

Secretary VOLPE. We are spending some money. The airlines themselves are spending some money and some of the manufacturers of this equipment are spending money. So it is a combination of all three, Senator.

Senator JORDAN. Thank you.

Senator WILLIAMS. Senator Hansen.

Senator HANSEN. Thank you.

First of all, I would like to compliment the distinguished Secretary for a very fine presentation. I agree with the conclusions he has reached. I find that public acceptance of this type of surveillance is in hardy accord with what the Secretary just said. People don't mind at all the slight delay in time given the assurance that comes from the thought they are not going to wind up where they hadn't intended going in the first place.

Let me ask you, if I may, some questions about the tax and how it would be administered.

It is my understanding that the proposal will increase Federal tax on airline tickets by one-half of 1 percent; is that right?

Secretary VOLPE. On domestic flights.

Senator HANSEN. And that on the foreign flights is it from—

Secretary VOLPE. An increase from \$3 to \$5.

Senator HANSEN. Right. We have had some complaints about the fact that at the present time an airline ticket agent is prohibited from stating on the ticket the precise amount of the tax; he can convey this information orally to a customer but it cannot be put on the ticket; and I understand the rationale for this was that it would expedite the ticketing of persons.

Secretary VOLPE. The House-passed version of the bill, Senator, incorporates a provision that permits a separate statement of the ticket tax on the ticket. It doesn't make it mandatory. As it stands now, a separate statement is unlawful. But the House-passed bill incorporates a provision which permits the airlines to state on the ticket the fare, the tax and then the total.

Senator HANSEN. To show all of this information?

Secretary VOLPE. Yes.

Senator HANSEN. If the customer asks for it.

Secretary VOLPE. The airline can do it on its own. Under the terms of this bill the airline is permitted to do it. Under the previous bill they could not state the tax separately on the ticket or in their advertising.

Senator HANSEN. Do you support that provision?

Secretary VOLPE. Yes, I do, sir.

Senator HANSEN. The tax, this extra one-half of 1 percent plus the increase in international airline tax from \$3 to \$5 will be sufficient

to pay for the cost of administering this program plus the cost of having these Federal agents on board the aircraft?

Secretary VOLPE. As nearly as we can estimate, Senator, we believe it will. We have estimated approximately 2,500 guards will be required. and on that basis we believe that approximately \$28 million will be needed for the rest of this fiscal year and about \$52 million for fiscal year 1972. The taxes that we would derive from our bill through fiscal year 1972—which would go into the airport and airway trust fund—would approximate \$90 million. So we believe there is sufficient money involved to pay for the program.

Senator HANSEN. It is my understanding that presently the tax is rounded off to the next highest dollar; is that right?

Secretary VOLPE. Yes, sir. The CAB took this action some 3 or 4 months ago, and the airlines were allowed to round off the figures to not the nearest dollar, but to the next highest dollar.

Senator HANSEN. Then what you are saying then is that if the cost of the ticket plus the tax, say, came to \$35.20, the actual charge made by the airlines presently would be \$36; is that right?

Secretary VOLPE. I am not sure of that because the CAB I think—I don't remember the language, Senator—but I have a hunch the CAB may have to take some new action after this legislation is enacted if the total figure is to be rounded off—unless the action they took before provided for that in the event any new tax were adopted.

Senator HANSEN. Mr. Chairman, if I may, I would like to suggest that the Secretary be permitted to check that out and make such subsequent statement as may clarify my question.

Senator WILLIAMS. It will be included at this point.

Secretary VOLPE. We will have it to you this afternoon.

(The Department subsequently supplied the following information:)

We understand from representatives of the CAB that if S. 4383 were enacted and the tax on domestic tickets were increased from 8% to 8.5%, the actual charge now made for a ticket (i.e., the tariff fare plus the ticket tax) would increase by the amount obtained by multiplying the current tariff fare by .5%. To illustrate the impact of the proposed tax increase on the amount paid by the ticket buyer, and to show how the actual charge for a ticket has been computed over the past few months, the following example of a Chicago to New York one-way jet-coach flight is provided:

<i>Prior to July 1, 1970—(5 percent tax in effect)</i>	
Fare.....	\$51. 00
5 percent tax.....	2. 55
Actual charge.....	53. 55
<i>Effective July 1, 1970—(8 percent tax in effect, "rounding-up system" in use)</i>	
Pre-July 1 fare.....	\$51. 00
8 percent tax.....	4. 08
Total.....	55. 08
Actual charge when "rounded-up".....	56. 00
<i>After enactment of S. 4383</i>	
Pre-S. 4383 fare.....	¹ \$51. 85
8.5 percent tax.....	4. 41
Actual charge.....	56. 26

¹ The \$51.85 is computed by dividing \$56 by 108 percent.

Senator HANSEN. It seems to me based on the assumption under which I am laboring, instead of the tax being applied at roughly 8 percent, under the circumstances that I have just recited it could be that the tax would go substantially higher if the cost of the ticket were not too much, and the tax accordingly fell just a little bit over a dollar and the cost were to go to the next highest dollar.

Secretary VOLPE. In other words, what you are saying is that if the ticket cost \$41.90 right now, the ticket price would be \$42. You add half of 1 percent to make it \$42.41. If they have the authority to raise the total to the next dollar the increase would not be 21 cents but a \$1 increase.

Senator HANSEN. You are right. Well, would you favor writing into the law the guidance that would be used by airlines in that it would be their responsibility to go to the nearest dollar, whether it meant up or down? I should think over a period of time this would average out and result in a more equitable application as far as taxes are concerned.

Secretary VOLPE. This is, of course, a responsibility of the Civil Aeronautics Board. I would rather not get into their affairs.

Senator HANSEN. This is by regulation; is that what you are saying?

Secretary VOLPE. Yes; this would be an action of the Civil Aeronautics Board and I would prefer to leave that in their hands. Personally I would concur with your comment but we have no jurisdiction over them.

Senator HANSEN. I think I have no further questions, Mr. Chairman.

Senator WILLIAMS. Mr. Secretary, the chairman of the committee, Senator Long, could not be here this morning and he left a series of questions. I will ask the first one in his name and then the rest of them I will submit to you and you can submit the answers for the record. We understand that you are in somewhat of a hurry this morning.

The first question to be asked is: Would it help solve the problem of hijacking if we were to provide that when a plane lands with the hijacker on it, it would be a criminal penalty for anyone to refuel it or to otherwise aid in its takeoff?

Secretary VOLPE. That would be a law enforcement problem, sir. I would say offhand that, generally persons who are involved in these hijackings, or at least some of them, have either been people who were mentally disturbed or emotionally disturbed. In some cases at least, I question whether a law of that type would do anything to prevent them from throwing that grenade and destroying the plane and its passengers. Our hope is, as I indicated to Senator Hansen, that that hijacker just will never get aboard if we utilize all of the precautions and all of the additional techniques that we have been developing, by the way, Mr. Chairman, not just in the last month or two, but since February of last year, within a month after I came into office.

As you know, in 1968 we had a rather substantial number of hijackings and I asked our Federal Aviation Administration to establish a task force that has constantly been at work on this problem, and that is why we have had these magnanometers. And there was a rather sharp decline in the number of hijackings the early part of this year. This summer, of course, particularly with the incidents in the Mideast, that has been reversed, but I don't know that a law of

this type would necessarily deter the hijacker from still forcing under threat of a knife or a gun in the back of the stewardess or captain that he get refueled.

Senator WILLIAMS. The rest of the questions I will have the staff submit to you at this point and you can later submit the answers to the record.

Secretary VOLPE. I will be very happy to, sir.

Senator WILLIAMS. No further questions and you will be excused.

Secretary VOLPE. Thank you very much.

(The Chairman's questions with departmental replies follow:)

Question. Mr. Secretary, when a plane is hijacked in the air, can't the pilot seek to immobilize it by jettisoning its fuel so that it would be unable to fly any long distance?

Answer. Jettisoning fuel could further compromise the safety of the passengers, crewmembers, and aircraft. This is because of the uncertain destination and other operational considerations that could arise. While in some instances fuel could be dumped to reduce range, some turbojet aircraft (such as some McDonnell-Douglas DC-9 models) do not have the capability to jettison fuel.

Reportedly, in the recent rash of Near-East hijackings, the hijackers were familiar with the aircraft cockpits and controls. Most probably, they would have recognized any attempt by the crew to jettison fuel and prevented that act.

The Eastern Airlines DC-9 that was hijacked in the vicinity of Boston obviously had insufficient fuel for an Atlantic crossing. Nonetheless the hijacker ordered the crew to fly to the East. Several other hijackings have taken place where the aircraft had insufficient fuel to reach a desired destination, but the crew was forced to land and refuel.

Question. Mr. Secretary as another possibility for immobilizing a hijacked plane, can't we provide remote controls for the plane so that at the first hint of a hijacking the plane can be put on remote control and the pilot thereafter would be unable to maneuver it?

Answer. No. The ability to provide complete remote control of an airplane in flight through landing is not now within the state of the art technologically.

If complete remote control were technologically possible, we would have the same problem we do when we seal the flight crew in the cockpit with no means for anyone else to enter the crew compartment from the cabin. The hijacker would still be able to threaten to do harm to the passengers or crew if the plane were not released from remote control. In a majority of hijackings, threats to passengers or crewmembers were used to force the diversion of the airplane to the hijacker's desired destination.

Question. Mr. Secretary, why can't we pressure third party countries to aid us in retaliating against countries which harbor skyjackers? For instance, why can't we end commercial relations with a country which continues to trade and otherwise maintain relations with a country which harbors skyjackers?

Answer. This is a question which falls within the jurisdiction of the Department of State and we would defer to their views on this matter. However, we believe the following statement of recent events will provide an indication of the progress now being made in the international arena with respect to the application of sanctions for hijacking.

In his statement of September 11, 1970, on the hijacking problem, the President called upon the international community to take joint action to suspend airline services with those countries which involve themselves in hijacking for purposes of international blackmail. Subsequently, the Secretary of State requested a special session of the Council of the International Civil Aviation Organization to consider a resolution establishing the basis for application of sanctions in such cases of hijacking. As pointed out in the Secretary's prepared testimony, the Council did act upon the request of the United States and adopted on October 1, 1970, the attached Resolution upon which the Legal Committee of ICAO is presently focusing its attention.

The Department of State pointed out in recent hearings on hijacking before the House Foreign Affairs Committee that the United States is pressing for joint action by States rather than taking unilateral action to impose sanctions for two important reasons. First, hijacking for international blackmail purposes is a

threat to the entire international aviation community and all countries should be called upon to participate in meeting this threat. Secondly, joint action would be most effective, and most clearly would represent universal condemnation of these acts of blackmail.

FIRST RESOLUTION ADOPTED BY THE COUNCIL ON OCTOBER 1, 1970 (LXXI-6)

The Council,

Finding that a heightened threat to the safety and security of international civil air transport exists as a result of acts of unlawful seizure of aircraft involving the detention of passengers, crew and aircraft contrary to the principles of Article 11 of the Tokyo Convention, for international blackmail purposes, and the destruction of such aircraft;

Recognizing that Contracting States to the Convention on International Civil Aviation have obligated themselves to ensure the safe and orderly growth of international civil aviation throughout the world;

Calls upon Contracting States, in order to ensure the safety and security of international civil air transport, upon request of a Contracting State to consult together immediately with a view to deciding what joint action should be undertaken, in accordance with international law, without excluding measures such as the suspension of international civil air transport services to and from any State which after the unlawful seizure of an aircraft, detains passengers, crew or aircraft contrary to the principles of Article 11 of the Tokyo Convention, for international blackmail purposes, or any State which, contrary to the principles of Articles 7 and 8 of the Draft Convention on Unlawful Seizure of Aircraft, fails to extradite or prosecute persons committing acts of unlawful seizure for international blackmail purposes;

Directs the Legal Committee to consider during its Eighteenth Session, if necessary by extension of the session, an international convention or other international instruments:

- (i) To give effect to the purposes set out in the preceding paragraph;
- (ii) To provide for joint action by States to take such measures as may be appropriate in other cases of unlawful seizure; and
- (iii) To provide for amendment of bilateral air transport agreements of contracting parties to remove all doubt concerning the authority to join in taking such action against any State.

Senator WILLIAMS. The next witness is Mr. Leo Seybold, vice president, Air Transport Association.

You may proceed.

STATEMENT OF LEO SEYBOLD, VICE PRESIDENT, AIR TRANSPORT ASSOCIATION OF AMERICA; ACCOMPANIED BY WALTER JENSEN, ASSISTANT VICE PRESIDENT OF OPERATIONS AND ENGINEERING, ATAA

Mr. SEYBOLD. Thank you, Senator Williams.

I have with me Mr. Walter Jensen, vice president of Air Navigation and Traffic Control of the association.

My name is Leo Seybold. I am vice president of the Air Transport Association of America, the trade and service organization representing virtually all the U.S. certificated route air carriers.

The committee is considering an increase in the recently increased domestic passenger ticket tax from 8 percent to 8½ percent and an increase in the new international passenger tax from \$3 to \$5. The announced purpose of the additional taxes is to pay for armed U.S. Government personnel to be placed aboard U.S. airline aircraft as a result of a warlike emergency in which the airlines were made pawns of international policy.

The airlines see no justification for the imposition of these new taxes. Not only are the proposed taxes wrong in principle, but they

are premature in timing and discriminatory in their application. The taxes are wrong in principle because protection of citizens is the primary function of Government and the responsibility of all the people, not just of the small group of citizens who may need protection at the moment because they have been temporarily singled out for attack. The taxes are premature in timing because substantive issues of aviation safety, liability, and international law are raised by the guard program and have not been examined by the Congress. The taxes are discriminatory in their application because they would be levied on many persons who could not benefit from the purpose for which they are proposed to be imposed.

Until recently, hijacking, though troublesome, did not take on a crisis atmosphere. No U.S. airline passenger has lost his life as a result of hijacking. Only after the Palestinian guerrillas seized U.S. commercial aircraft and U.S. citizens as a dramatic method of attacking the foreign policy of the United States did an atmosphere of emergency develop. To meet those attacks the President mobilized the 6th Fleet and Air Force and other U.S. military personnel and equipment, intensified diplomatic activity, ordered a speedup in detection and surveillance methods, placed armed U.S. Government personnel on certain U.S. air carrier flights, submitted legislation authorizing such personnel, and called for special taxes on air passengers to pay for part of this protective activity.

The situation has changed materially from the tense situation in which the emergency hijacking program was announced. In the Near East a cease-fire has been agreed to and in this hemisphere, Cuba is reported to have agreed to return all hijackers if the United States will do the same. Congress should now take an earnest look at the hijacking problem to determine the most appropriate solution to it on a long range basis.

In hijacking situations, airline efforts have always been directed to the safety of the operation and the preservation of the lives on board. The ultimate answer to the hijacking problem must lie on the ground, not in the air. For some time we have been directing the major part of our efforts toward preventing the hijacker from boarding the plane. Airline experience with surveillance and detection systems is growing and as the systems and equipment improve, we gain in knowledge and sophistication to deal with the hijacker and keep him off the plane in the first place. We will continue to pursue vigorously the scientific, psychological, intelligence, and diplomatic programs which are underway and which accentuate the preventative approach. We emphasize the preventative approach because we believe the use of armed guards should be considered as a temporary measure.

While continuing to emphasize improvements in the preventative approach, the airlines also recognized the emergency and, hopefully, temporary situation which seemed to justify the use of armed Government personnel aboard airline aircraft. In the past the airlines had objected to the carriage of arms into the cabin, but the carriers are accepting the armed guard service. The program has been proceeding on an emergency basis without the authority requested in S. 4383. We believe it appropriate, before any taxes are enacted, that the authority of the Secretary of Transportation in this regard be clarified as requested in his letter to the President of the Senate and as proposed in S. 4383 which he submitted.

In addition to the clarification of authority, there should be a clarification of the liability of the Government for the actions of these guards. Several days ago, the Defense Department announced that 800 military personnel will be trained to serve as sky marshals aboard commercial aircraft. Under a contract between the two Departments, the Transportation Department will train the guards and reimburse Defense for expenses. On the other hand, there is no agreement between the Department of Transportation and the airlines on the terms and condition of carriage, the responsibility and authority of such guards and their relationship to the crew or the Government's liability for acts of commission and omission by such guards.

As you know, the proposed taxes will raise about \$57 million which reportedly will pay for about 2,500 guards. We do not know how this figure was arrived at nor who decided on it. If such figure were appropriate for the short-term emergency situation, it obviously would be excessive for more normal times. To the extent that the program requires less than a 2,500-man force, the proposed taxes would exceed its cost.

TAXES ARE DISCRIMINATORY

The existing \$3 international tax is paid by every passenger whose air travel is not subject entirely to the domestic ticket tax. Passengers boarding foreign carriers in the United States are, of course, subject to this tax to pay for facilities they use. Does the Administration's proposal contemplate that U.S. armed guards will be allowed to be placed on foreign flag aircraft? If not, and it must be assumed that they will not, then should passengers on foreign air carriers be subject to the \$5 tax? Such passengers would clearly be paying for a specific service which was not being provided them. If the United States can charge passengers on foreign-flag aircraft for services not furnished, could not foreign countries cavalierly charge U.S. airlines for services they do not provide? If it should be decided that the tax should not be applied to foreign flag passengers, there will be created a tax discrimination against U.S.-flag carriers, since passengers on U.S. aircraft will be expected to pay the tax. We have received numerous telegrams from foreign flag carriers expressing strong opposition to the discrimination inherent in imposition of this tax on their passengers and urging that such programs should be paid from general funds.

The administration obviously does not contemplate attempting to require foreign aircraft entering or departing the United States to have armed guards aboard since the bill does not attempt to grant such authority. We believe that at least two foreign countries have their own guards aboard their own aircraft serving the United States. We can hardly with fairness demand that the passengers of such aircraft pay \$2 extra for the privilege of having U.S. guards on such aircraft.

The domestic ticket tax which is proposed to be raised one-half of 1 percent for all passengers also will be discriminatory. It is a fact that most domestic hijackers have boarded aircraft at major metropolitan airports. The likelihood of a hijacking attempt at many of our smaller airports seems remote. Air taxi, helicopter, and most local service airline passengers have little need for or prospect of armed guard protection.

In addition, Congress should be concerned about the precedent in the diversionary use of the 3-month-old Airport and Airway Trust Fund to pay for police protection. It was established for airport development and planning and for Federal airway construction, planning, maintenance and operation and related administrative expenses.

The legislative history of the Airport and Airway Development Act of 1970 and the Airport and Airway Revenue Act of 1970 makes it clear that the intent of Congress and of this committee was to establish a means by which the deficiencies in facilities in the national air transportation system could be met without diversion. Despite the fact that the airline industry was headed for its worse financial year in over two decades, it seemed necessary to levy all sorts of new or added taxes on air transportation to provide funds for these facilities.

It is now proposed that new taxes be levied and this facilities fund be tapped to pay for military and civilian personnel to provide police protection and combat international piracy. Will the highway trust fund shortly be asked to pay for State and local police patrolling the highways? If the trust fund can be used for a purpose so unrelated to facilities construction and operation, could not other, and yet less related demands be made on the trust fund in future months? If the trust fund is not kept for its intended purpose, before long the practical effect will be to have no trust fund at all.

We strongly urge the committee to reject this proposal to increase taxes on airline passengers to pay for the employment of Federal armed guards on U.S. airlines.

The call for armed guards was issued in an atmosphere of international crisis caused by disagreement with our foreign policy and the singling out of the airlines as the point of attack. That atmosphere has changed and the situation now calls for Congress to give deeper consideration to the precise nature of the hijack problem and the proper long-range solution thereof. The situation deserves more consideration than the hasty enactment of more taxes on airline passengers.

Guards were put on the airlines under emergency conditions and presumably under emergency powers. Congress has not acted or even considered the requested amendment to the Federal Aviation Act to authorize such power on a more permanent basis as contained in section 1 of S. 4383.

The proposed taxes would be discriminatory since foreign-flag passengers would pay for but would not have protection by such guards.

Attacks on the United States should be defended and paid for by all its people, not by the hapless few who are singled out by guerrillas as convenient targets to be used as pawns in an international political game.

Let me add one further thought. We do agree with the Secretary's statement that the armed guard program is a short run solution to the problem. Certainly the carrying of armed guards on U.S. airlines, civil aircraft, should not be considered a permanent feature of air transportation. Thank you very much.

Senator WILLIAMS. Thank you. Any questions?

Senator CURTIS. No questions.

Senator WILLIAMS. Senator Jordan?

Senator JORDAN. No questions.

Senator WILLIAMS. Senator Hansen.

Senator HANSEN. I don't think I have any questions.

Senator WILLIAMS. Thank you very much.

Our next witness will be Thomas M. Keesling, vice president, American Society of Travel Agents.

STATEMENT OF THOMAS M. KEESLING, VICE PRESIDENT, AMERICAN SOCIETY OF TRAVEL AGENTS, ACCOMPANIED BY PAUL S. QUINN, GENERAL COUNSEL, AMERICAN SOCIETY OF TRAVEL AGENTS

Mr. KEESLING. Good morning, Mr. Chairman, members of the committee: I am Thomas M. Keesling, president of Travel Associates, Inc., a travel agency with offices at 701 West Hampden Avenue, Englewood, Colo., and vice president of the American Society of Travel Agents, Inc. (ASTA) located at 360 Lexington Avenue in New York City.

I would like to call your attention, please, to page 3 of my statement. We are delighted to hear of Secretary Volpe's statement about the progress of the ICAO meetings in Montreal concerning the adoption of an antihijack resolution. This changes the substance of my comments concerning the meeting in Montreal.

And in view of the limited time of the committee I will briefly summarize it.

I appear before your committee today as travel agent as well as spokesman for ASTA, the world's largest trade association in the field of travel and tourism, with more than 3,200 travel agent members located throughout the United States.

I am accompanied by Paul S. Quinn, a partner in the Washington law firm of Wilkinson, Cragun & Barker, ASTA's general counsel.

The business before the committee this morning is H.R. 19444, a bill to authorize the Secretary of Transportation to provide armed guards to accompany aircraft operated by U.S. airlines and to authorize an increase in the amount of domestic user taxes and international head taxes to pay for these armed guards out of the airport and airway trust fund.

The bill would also amend the Airport and Airway Revenue Act of 1970 to eliminate the prohibition against showing the amount of the tax separate from the cost of the air transportation tickets and in advertising. ASTA strongly supports this amendment and hopes that the committee will act quickly to remove this prohibition.

I appear here this morning to make the following points with respect to the antihijacking proposals:

ASTA reluctantly endorses the use of armed guards on U.S. aircraft as a device to discourage hijacking, but believes that the committee should scrutinize carefully the procedures which should be followed in connection with the selection and use of such guards.

There is no justification for imposing upon air passengers the full burden of paying for the cost of armed guards to be used on aircraft. Therefore, there is no need to increase the user tax for domestic air transportation or the head tax for international transportation at this time.

Mr. Chairman, no one in the United States today or, in fact, throughout the world, needs to be reminded that the heinous crime of aircraft hijacking as a device to attain political ends, must be stopped.

It is clear that none of us in government or in private industry has done enough to prevent airline hijackings. An effective and concerted effort by government and industry is long overdue. When a small band of political fanatics can hijack four aircraft almost simultaneously, with a value of more than \$50,000,000, and hold hostage and terrorize almost 300 passengers for up to 3 weeks, then something is seriously wrong.

One of the specific proposals contained in the President's anti-hijacking program calls for the placing of armed guards on certain U.S. aircraft. This step could serve as an effective deterrent to hijacking of aircraft. We therefore endorse it, but we do so reluctantly. It is indeed sad that in these times of sophisticated modes of travel among countries throughout the world and advanced principles of international law designed to protect an individual's right to travel unmolested, that it is necessary to resort to a form of frontier justice in order to guarantee the safety of airline passengers.

We notice the Civil Aeronautics Board is not scheduled to testify this morning.

A statement was made by the Chairman of the Civil Aeronautics Board on September 17, 1970, Mr. Browne said: "When dealing with acts of piracy, whether on the high seas or in the sky, the cost of protection should be borne by the entire public and not the traveler alone." This view was restated by Mr. Browne when he appeared before the Ways and Means Committee on September 21, 1970.

A crucial policy question is raised regarding the method of financing armed guards on aircraft. On this issue, ASTA joins with the Civil Aeronautics Board, the airline industry and others who believe that if it is necessary to place armed guards on aircraft to protect the lives and property of U.S. citizens flying on U.S.-flag carriers, that any financial burdens incurred as a result of this action should be spread among all of our taxpayers and paid for out of the general revenues of the United States and not out of the special trust fund established by the Congress for different purposes.

ASTA's opposition to the payment of armed guards out of the airport and airway trust fund, which would necessitate an increase in domestic and international air taxes, is based upon the following considerations:

Since the founding of our country, American citizens have had the privilege of traveling unmolested in our sea lanes and elsewhere on U.S.-flag ships through protection offered by our Navy and Coast Guard. This same degree of protection should be accorded U.S. citizens traveling on American-flag aircraft.

The rash of hijackings which prompted this legislative proposal was purely political in nature and, as a consequence, innocent persons traveling on U.S. aircraft were made pawns in a deadly game of international political intrigue, and they and their fellow air travelers should not be compelled to pay a ransom for this international blackmail through the assessment of additional airline taxes.

While the use of armed guards may offer an interim degree of security, it is only one part, and not the most important part, of an overall program to deal with aircraft hijackings.

It is still unclear who is to serve as armed guards, how much in actual fact it will cost to train and maintain the guards and how many guards will be needed.

The Civil Aeronautics Board has authorized the airlines to carry guards free and good arguments have been advanced for using trained military personnel on active duty for this program. Therefore, it is conceivable that the added cost for this program would be virtually nil.

Hopefully, the use of armed guards will be on a short-term, interim basis, and responsible Governments can be persuaded to participate in the multifaceted program advanced by the administration, which is now under consideration in Montreal.

U.S. air travelers and airlines are already paying tremendous amounts of money into the airport and airway trust fund—and into the General Treasury of the United States. It is not at all fair to impose additional burdens on air travelers and airlines to pay for what is clearly a responsibility of the Federal Government itself to protect its citizens flying on U.S. aircraft.

When the Congress designed and established the airport and airway trust fund and enacted increased taxes effective July 1, 1970, it was done for specific clearly delineated purposes which did not include the use of the trust fund to pay for a general obligation of the Government. To misuse the trust fund as is being advocated at the present time, even for a temporary basis, would set a very dangerous and undesirable precedent for the future.

Mr. Chairman, this year more than 4.5 million U.S. citizens will travel by air to overseas destinations and overall, U.S. scheduled carriers will carry more than 160 million passengers. Air passengers and airlines contribute their fair share through income and corporate taxes to the general treasury of the United States.

In addition, the U.S. citizens will pay this year \$526 million in domestic air taxes and more than \$28 million in international taxes into the airport and airway trust fund. Certainly, U.S. citizens who choose to travel by air, particularly those using U.S.-flag carriers, should be entitled to the full protection of our Government—which next year has budgeted \$73.9 billion for national defense—from outrageous acts of air piracy and from being victimized by this new form of international blackmail. Air travelers should be entitled to this protection without having to pay an onerous fee, no matter how slight, through the assessment of a special charge in the guise of increased user taxes or international head taxes.

The Constitution of the United States grants to the Congress the power to define and punish piracy. In 1790, Congress provided for capital punishment of any person who commits the crime of piracy of the high seas. In upholding the constitutionality of that law, the U.S. Supreme Court in 1820 said:

The common law, too, recognizes and punishes piracy as an offense not against its own municipal code, but as an offense against the law of nations, as an offense against the universal law of society, a pirate being deemed as enemy of the human race.

The Congress must continue to recognize its obligations to define and punish this new form of piracy. Furthermore, the tradition should be maintained that American citizens have a right to look to their

Government for safety and protection in these troubled times to assure that they can continue to enjoy their inherent right to travel freely among nations of the world.

I therefore urge this committee, on behalf of the 3,200 travel agents whom I represent and the millions of Americans who travel by air, but who are not represented here today, to support and encourage our Government in its efforts for a comprehensive, meaningful and long-range solution to the airline hijacking problem, but not to succumb to the demands of imposing the full financial burden for antihijacking programs on the shoulders of air travelers.

Thank you, Mr. Chairman.

Senator WILLIAMS. Thank you very much. Any questions, Senator Jordan?

Senator JORDAN. No.

Senator WILLIAMS. Senator Hansen?

Senator HANSEN. No.

Senator WILLIAMS. The meeting stands adjourned until 10 o'clock tomorrow.

(Whereupon, at 11 a.m., the committee was adjourned until 10 a.m., Wednesday, October 7, 1970.)

APPENDIX

(Communications Received by the Committee Expressing an Interest in
H.R. 19444)

U.S. SENATE,
COMMITTEE ON LABOR AND PUBLIC WELFARE,
Washington, D.C., October 6, 1970.

Hon. RUSSELL Long,
Chairman on Finance,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I certainly congratulate your Committee for the expeditious manner in which it has scheduled hearings on H.R. 19444, which will provide for the President's proposal to place armed guards on flights of United States commercial air carriers. Your immediate scheduling of hearings is justified by the urgency of the situation and the need for firm action against hijacking and piracy in order to protect the travelling public and our aircraft. Certainly the recent hijackings in the Middle East leave no room for doubt that strong steps are needed.

The legislation passed by the House on September 30th authorizes the training and hiring of 2,500 guards which is approximately the number of furloughed pilots in the country at present. I am urging that the Committee either amend the House bill or add appropriate language in the Senate report to call for the use of furloughed pilots for these guard positions wherever possible and feasible. These pilots are generally in excellent physical condition. Many of them are former military officers. They are all qualified flight crew; they are familiar with the layout of the aircraft and know the vulnerability of certain parts of it; they know the dangers up in the air; and if needed, they would be able to take over the operation of the aircraft. Furthermore, most of these gentlemen have proven they can keep their cool when the pressure gets the greatest.

I make this recommendation because I believe the pilots are uniquely qualified by training and temperament to serve as guards on our aircraft. The public I am certain will fly easier knowing that this difficult assignment was being carried out by individuals with years of experience in flying. California, I am proud to say, is the home of a large number of the nation's pilots. I know many of them and I admire their skills and courage.

Using unemployed pilots as guards presents us with a good opportunity to meet the needs of the country and the travelling public for highly trained sensitive guards as well as the employment needs of the men involved. I therefore urge the Committee to use the furloughed pilots in these guard positions.

Sincerely,

GEORGE MURPHY.

NATIONAL BUSINESS AIRCRAFT ASSOCIATION, INC.,
Washington, D.C., October 9, 1970.

Re H.R. 19444; S. 4383.

Hon. RUSSELL B. LONG,
Chairman, Senate Finance Committee,
Old Senate Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN LONG: We believe it was the intent of Congress, and clearly the understanding and belief of the users in their support of the Airport and Airways Revenue Act of 1970, that the user taxes deposited in the trust fund would be used exclusively for the crucially needed development of the nation's air space system.

Our members, operators and users of business aircraft, are paying substantial registration and fuel taxes into the trust fund for the purpose stated above. We believe they will strongly object to the use of these taxes to pay for armed guards aboard commercial aircraft. Our concern is based upon the statement of Chairman Mills of the House Ways and Means Committee appearing in the September 30th Congressional Record, page H9454, in answer to a question from Mr. Kazen:

"Mr. KAZEN. Suppose the one half cent or 1 percent is not enough?"

"Mr. MILLS. Then they can use some of the revenues derived from the basic 8 percent or the other taxes going into the fund. They are not by this bill limited to the revenues from the one half of 1 percent. They do not have to use this revenue for this specific purpose. The new revenue goes into the fund, and the Committees on Appropriations have to pass upon how much revenue in the fund will be used to pay the expenses of guards." (Emphasis added.)

If the Administration decides that the Federal Government must provide armed guards and asks the Congress for funds with which to pay these expenses, we earnestly request the Congress to limit the fund source and payments to other than the Trust Fund established in the Airways Act. Specifically, the head tax and transportation tax proposed by the House should be clearly identified and separated as such. In addition, the commercial carriers involved are operated as U.S. mail carriers and thus any protection could be deemed of general public benefit and thereby eligible for monies from the General Fund.

We do not believe that the registration and fuel taxes paid by private aircraft operators for development of the national air space system should be used to pay for armed guards aboard commercial aircraft.

We request that this letter be included in the record of the hearing on this subject if possible.

Thank you.

Respectfully,

ROBERT B. WARD,
Executive Vice President.

AMERICAN AUTOMOBILE ASSOCIATION,
Washington, D.C., October 6, 1970.

Re Administration's Anti-Hijacking Proposal, H.R. 19444.

Hon. RUSSELL B. LONG,
Chairman, Committee on Finance,
U.S. Senate, Washington, D.C.

DEAR SENATOR LONG: The American Automobile Association supports counter-measures to combat the ever increasing number of hijacked airplanes in the interest of the traveling public.

While we have no official policy position regarding the placing of guards on planes to combat the hijacking problem, we feel that the proposal as contained in House passed H.R. 19444 merits support. We also recognize the need to develop revenue to implement such a program and we believe that those who will benefit from the protective measure of this proposal will not object to paying for it.

The American Automobile Association has 236 affiliated clubs throughout the United States and Canada. These independent affiliated AAA clubs together operate a total of 853 offices. Of these offices, 374 are approved by one or more transportation conferences as authorized agency sales outlets.

The services of all AAA Clubs in selling airline tickets are available to the general public as required by law. This service is separate and distinct from regular AAA membership services such as Emergency Road Service, Domestic Travel Routing, Hotel Reservations and Bail Bond Service, etc.

The American Automobile Association and its affiliated Clubs are one of the largest agents for writing both Domestic and Overseas airline tickets. The AAA has overseas offices in London, Paris and Rome to service overseas travelers. From this, it is apparent we have a vital interest in protecting the safety of not only AAA members but the general public which purchases airline tickets through our AAA offices.

Section 7275 of the Internal Revenue Code prohibits a travel agent from showing on an airline ticket the amount of the 8% Federal Tax. It also prohibits showing the amount of the tax in advertising.

From the numerous complaints we have received, plane travelers resent not knowing how much tax is included in their air fare. In addition, this new requirement has caused our Travel Departments many complications in additional paper work, as evidenced from more than 300 letters in our files protesting this prohibition.

We support the amendments in House passed H.R. 19444 to Section 7275 of the Internal Revenue Code of 1954 as amended. This section was added to the Internal Revenue Code by the Airport and Airway Revenue Act of 1970 (PL 91-258, May 21, 1970).

We request that this letter be made a part of the official hearing record.

Sincerely yours,

JOHN DE LORENZI,
Managing Director, Public and Government Relations.

[Telegram]

SAN DIEGO, CALIF., October 6, 1970.

Hon. RUSSELL B. LONG,
Senate Office Building,
Washington, D.C.:

All of us in the airline industry are naturally concerned over the increased number of hijackings and the resulting hardships on both passengers and carriers. It is our feeling however, that H.R. 19225 and the placement of armed guards on commercial flights will have little or no effect in curtailing such hijackings. Primarily, the passenger will be assessed additional charges in the way of increased transportation taxes with no assurance of complete protection. Furthermore, H.R. 19225 is not explicit as to its organization and goals. Will guards be placed on only international flights? Will domestic as well as intrastate and regional airlines be covered? If guards are not placed on certain routes or flights, will passengers on these particular routes and flights still be required to share in the burden of these costs? Also, it is our contention that it would be impossible to properly canvas the multitude of flights and routes covered by this Nation's carriers; in our operation 25 aircraft maintain a schedule of nearly 1,200 flights per week on an around-the-clock operation. The number of guards needed to meet this schedule alone would be prohibitive. Finally, it is our contention that the industry should and can police and control this situation. Your consideration of the above points will be appreciated.

Respectfully,

J. FLOYD ANDREWS,
President, Pacific Southwest Airlines.

AIRCRAFT OWNERS AND PILOTS ASSOCIATION,
Washington, D.C., October 6, 1970.

Senator RUSSELL B. LONG,
Chairman, Senate Finance Committee,
New Senate Office Building, Washington, D.C.

DEAR CHAIRMAN LONG: H.R. 19444 and S. 4392 have been referred to your committee for consideration. The first provides for additional taxes on passengers, expenditure of aviation trust funds for anti-hijacking aircraft guards and for permitting the showing of passenger taxes on tickets and in advertising; the second would provide for exemption of the first 2,500 pounds from the aircraft use tax on gross weight of piston powered aircraft.

We strongly urge that the provisions of S. 4392 be incorporated in the reported version of H.R. 19444.

Of the new taxes imposed by Public Law 91-258, none has precipitated a more outraged reaction by users than the construction of the use tax on piston powered aircraft which requires a tax of \$25 for aircraft weighing 2500 pounds and a tax of \$75.02 for aircraft weighing 2501 pounds.

It is also apparent from some of the advices to constituents issued by Senators, who were parties to the conference on the bill leading to the law, that it was their initial understanding that the first 2500 pounds was to be exempt as provided in S. 4392. Hence the action by Senator Cannon in introducing it to make the correction.

Your favorable consideration will be appreciated and reported to AOPA's 158,000 members.

Cordially,

ROBERT E. MONROE,
Congressional Liaison.

U.S. SENATE,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C., October 8, 1970.

Hon. RUSSELL LONG,
Chairman Finance Committee,
U.S. Senate, Washington, D.C.

DEAR RUSS: The President has sent to the Hill his program for protecting the persons and property aboard a United States carrier aircraft from hijackers. The bill has been introduced by Senator Cotton for himself and Senator Magnuson as S. 4383 and referred jointly to the Finance and Commerce Committees. I assume you will be taking up the increase in taxes provided to pay for the program.

I would like to point out that no aircraft flying between the South 48 and Alaska has ever been hijacked or is likely to be hijacked. It is thus unlikely that Alaskans will receive much, if any, benefit from this program. Because of this situation, I wonder if it would be possible to exempt Alaska from the increase in the international head tax. This could be done simply by inserting on page 4, line 6 of the bill, after "1970," the words "other than transportation between points in Alaska and elsewhere in the United States." I would appreciate your giving this amendment consideration when the committee discusses this bill.

With best wishes,
Cordially,

TED STEVENS,
U.S. Senator.

Enclosure.

U.S. SENATE,
COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C., July 24, 1970.

Hon. RUSSELL LONG,
Chairman, Senate Finance Committee,
U.S. Senate, Washington, D.C.

DEAR RUSS: As you know, in the recent Airport and Airways Development Act, the \$3 international tax was applied to flights between the contiguous 48 states and Alaska and Hawaii. An examination of the effect of this tax on various air fare tickets from Seattle to cities in Alaska indicates that the \$3 figure is fair, and even favorable in some instances, on coach and first-class flights. However, in the case of student standby or other less-than-full-fare tickets, the \$3 tax results in a higher figure than the 8% tax.

I would appreciate the committee considering some way of adjusting the tax so that less-than-full-fare tickets would pay a smaller percentage of the \$3 tax, i.e., a half-fare ticket would pay only \$1.50 international tax.

Please let me know what can be done to resolve this inconsistency.

With best wishes,
Cordially,

TED STEVENS,
U.S. Senator.

○