

Latest News

Industry News: Ford And General Motors To Close Flight Departments And Dispose Of Aircraft

In the wake of criticism for using their corporate aircraft to attend Congressional meetings to ask for bail-out funds, both Ford Motor Company and General Motors (GM) last week announced plans to shut down their respective flight departments and sell their aircraft.

Ford said it would sell all five of its corporate jets. GM said it plans to sell off the leases on four of its aircraft and close its flight department at Detroit Metro Airport (DTW) effective January 1, 2009. It was reported that GM aviation department staff were informed of the shut-down on the morning of December 2, and escorted out of the facility at noon by company security. Ford department staff reportedly received a similar notice that same day. When discussing the decision to shut down its aviation operation, a GM spokesman told ABC News, "It saves us a lot of money to get out of this business."

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Reminder – New Slot Rules In Effect This Week

Revised FAA slot requirements for Newark, La Guardia and JFK airports take effect tomorrow, December 9.

On October 10, 2008, the FAA released two final rules imposing slot restrictions at Newark and JKF airports and reducing the number of available general aviation slots at La Guardia.

Operators are encouraged to review the new regulations and ensure that a slot reservation (when required) is in place for flights to these airports.

Slot reservations are available at http://www.fly.faa.gov/ecvrs/.

Download the JFK and Newark rule here.

Download the La Guardia rule here.

President-Elect Obama Announces National Security Team And Other Cabinet Officials

President-elect Barack Obama announced his National Security Team last week, leading with Senator Hillary Rodham Clinton (D-NY) as his choice for secretary of state. Robert Gates retains his position as secretary of defense as the incoming administration tries to determine how long the U.S. will remain in Iraq. Washington lawyer Eric Holder was selected as attorney general and Arizona Governor Janet Napolitano as secretary of the Department of Homeland Security. Obama also announced two senior foreign policy positions outside the Cabinet: campaign foreign policy adviser Susan Rice as United Nations ambassador, and retired Marine General James L. Jones as national security adviser. Obama's team will advise the incoming president on foreign and national security issues including the wars in Iraq and Afghanistan as well as terrorism around the world.

Secretary of State

Senator Clinton currently serves on the Senate Armed Services Committee, however Obama cited her vast experience abroad and knowledge of foreign affairs as the reason she would be the right leader for the post. Senator Clinton's appointment wasn't solidified until former President Bill Clinton agreed to disclose the names of every contributor to his foundation since its inception in 1997 and all contributors going forward. In the future, Clinton will have to refuse donations from foreign governments to the Clinton Global Initiative, his annual charitable conference.

Secretary of Homeland Security

Governor Janet Napolitano was elected governor of Arizona in 2002 and easily won reelection in 2006. As governor, Napolitano pledged that her state would not cooperate with a major domestic security initiative, the Real ID drivers' license program. The program, which she would direct if confirmed as secretary, imposes stringent requirements on states for confirming the identity and legal residency of people who want drivers' licenses. Ms. Napolitano said the law would impose huge costs on the states without reimbursement from Washington. In 1993, President Clinton appointed her U.S. attorney for Arizona.

U.N. Ambassador

Susan Rice has been a top advisor to President-elect Obama and was a member of the <u>National Security Council</u> staff under President Clinton, first as director for international organizations and peacekeeping then as a special assistant to the president and senior director for African affairs. From 1997 to 2001, she was assistant secretary of state for African affairs.

U.S. Attorney General

Eric Holder is a former judge of the <u>Superior Court of the District of Columbia</u>, and <u>deputy attorney general of the United States</u>. Holder served as a senior legal advisor to

<u>President-elect Barack Obama</u>. On December 1, 2008, Obama announced that Holder would be his nominee for <u>attorney general</u> in the <u>incoming administration</u>. If confirmed, he will be the <u>first African-American</u> attorney general of the United States.

National Security Advisor

A 40-year veteran of the Marines, James L. Jones retired a four-star general. He has served as the Bush administration's special envoy for Middle East security and chaired the Independent Commission on the Security Forces of Iraq, a blue-ribbon panel appointed by Congress that assessed the readiness of Iraqi troops.

Another appointment important to aiding Obama and the global economy, Governor Bill Richardson (D-NM) was named as the candidate for the secretary of commerce. Richardson previously served 14 years in Congress beginning in 1982, was appointed ambassador to the United Nations by President Clinton in 1997, and a year later became secretary of energy. Richardson said in a statement that the Commerce Department's mission exactly mirrors Obama's goals for his economic recovery plan -- job creation, particularly green jobs, sustainable economic growth and investment in new technologies -- and both he and Obama insisted that Commerce will play a vital role in getting the economy going again.

Anther important Cabinet position announced was Peter Orszag as the director of the Office of Management and Budget (OMB). Orszag is currently the Congressional Budget Office director and a former veteran economic adviser in the Clinton White House. As director of OMB, Orszag will help Obama deliver on his domestic policy agenda despite the gloom of a \$700 billion federal financial rescue, a recession and the prospects of a \$1 trillion deficit next year. An announcement is expected soon, but could come with other personnel decisions Obama is making to lead the Treasury Department and National Economic Council in his White House. In addition, Paul Volcker, former Federal Reserve chairman, was named to head the President's Economic Recovery Advisory Board, a new White House panel to help create jobs and bring stability to the ailing financial system.

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Georgia Senator Wins Runoff, Leaving Democrats Without Filibuster Majority

Incumbent Senator Saxby Chambliss (R-GA) won re-election last Tuesday in a runoff, stripping Democrats' hopes of capturing a 60-vote <u>filibuster-proof majority</u> in the Senate. Chambliss defeated Democratic challenger Jim Martin with 53% of the vote in Georgia. Chambliss had finished ahead of Martin, 49.8 percent to 46.8 percent in the November 4th general election, but without an absolute majority of the vote Georgia law required a runoff election. Chambliss is currently the ranking member of the Senate Committee on Agriculture, Nutrition and Forestry.

Democrats will control at least 58 seats in the Senate that convenes in January, while Republicans will hold at least 41 seats. The outcome of the Minnesota Senate contest is still unknown as a recount is being conducted to decide the fate of incumbent Senator Norm Coleman (R) and his opponent Al Franken (D).

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FAA InFO Highlights SMS Concerns

Last week, the FAA published an Information for Operators (InFO) document explaining that while international standards require an aggressive approach to the implementation of Safety Management Systems (SMS) the United States is still unable to even offer official recognition of programs to air carriers.

<u>InFO 08053</u> explains that the International Civil Aviation Organization (ICAO) has established a requirement for member states to impose SMS requirements on operators. The current deadline to complete this step is January 1, 2009, although a delay may still occur. While some states have acted to adopt SMS requirements, the U.S. has not yet established a regulatory requirement for the program.

The FAA has published guidance material in the form of AC 120-92, *Introduction to Safety Management Systems for Operators*, which provides air carriers with information necessary to establish an SMS program.

Because there is no existing SMS mandate, the FAA is now working to file a difference with ICAO. The lack of an SMS regulation and, more importantly, the inability for the FAA to issue a formal approval or acceptance of an air carrier's program could prove quite problematic for air carriers, including Part 135 operators conducting international operations in the future.

Any nation that has an SMS requirement may choose to accept or reject the FAA difference. Acceptance of the difference would allow U.S. carriers to continue to conduct flights to that nation. However, a rejection of the difference could prohibit operations.

NATA strongly cautions operators not to take the FAA's lack of existing regulation or formal SMS approval process as an indication that these items are not still imminent. The FAA has initiated a process to evaluate rulemaking options, and NATA is working closely with the agency to develop an approval or acceptance mechanism for those air carriers that have already started an SMS program. Regardless of FAA regulatory requirements, international operators will likely need to begin the SMS implementation sooner rather than later.

To avoid future operational restrictions because an SMS is not implemented, NATA encourages all operators to become familiar with the SMS concept and begin action to

implement a program. Typically, it takes three to four years to establish a fully implemented SMS program.

More information on SMS programs for air charter operators is available on the <u>NATA</u> <u>Safety 1st Air SMS Webpage</u>.

Click here to download FAA InFO 08053.

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Members Encouraged To Utilize NATA Issues Directory

Recently, the association unveiled its new Web site. One of the many new functions of this site is a resource library that provides members with background information on dozens of issues affecting member companies. This new feature is free-of-charge and available to all members who have a user name and password.

Look for the number of issues to expand in the coming weeks.

To review the NATA Issues Library, please click here.

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Stay In The Loop

Always receive the latest industry news and information by keeping your personal and company contact information up-to-date on the new <u>www.nata.aero</u>. Your contact information may be accessed by selecting the Update My Profile button located at the top of the site once you have signed in. Primary company contacts may access the company contact information link in their profile to keep all contacts current. Ensure uninterrupted NATA member benefits for you and your company.

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Association Looking For New Manager, Regulatory Affairs

NATA is currently looking to fill the Manager, Regulatory Affairs position within its Government and Industry Affairs Department.

Interested parties may view the job description for the Manager, Regulatory Affairs

position by clicking here.

For more information, please contact Eric Byer.

NATA Weekly Survey

Today, NATA launches a new weekly survey as part of an effort to obtain more information from our members in order to serve their daily needs better. These surveys will range from specific policy topics to programs to products and services that the association provides or should provide. The association strongly encourages members to take a few short moments to review and complete this online survey in each week's edition of NATA News.

Week #2:

1. Do you believe that the Transportation Security Administration's new Large Aircraft Security Program will place a burden on your business?

- 1. Yes Significant
- 2. Yes But we will handle
- 3. Not sure
- 4. No

<u>Click here</u> to participate in survey.

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Aviation's Effect On The Environment - Did You Know?

NATA's quick facts on the aviation industry's effect on the environment are designed to ensure that members take every step necessary to minimize the effect aviation has on the environment while recognizing all those good initiatives the industry has taken to reduce global warming.

Fact #36:

Recently, the Aircraft Owners and Pilots Association (AOPA) filed comments in response to a U.S. Environmental Protection Agency notice concerning greenhouse gas emissions, pointing out that piston-powered aircraft account for approximately one-tenth of one percent of total emissions. Click here to read AOPA's comments.