

AVIATION NEWSLETTER

Vernon H. Baltzer, Editor

STATE OF NORTH DAKOTA



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USER CHARGES BILL IN SENATE

Senate Bill 3108: The Senate version of the means needed to fund the Airport/Airways Development Act of 1969 was heard in executive Committee session February 3rd and recommended out with a do-pass. No persons or groups were heard at the executive session.

Tax Increases in S.3108

Senate Bill 3108 would impose the following tax increases:

- (1) Increase airline passenger excise tax from 5 to 8%.
- (2) Levy a \$5.00 per passenger tax on all enplaning passengers destined for international points.
- (3) Increase the present 2¢ per gallon tax on aviation gasoline to 6¢ per gallon on all gasoline used in non-commercial aviation.
- (4) Add a new 6¢ per gallon tax on all jet fuel used in non-commercial aviation.
- (5) Repeal the present 2¢ per gallon tax on aviation gasoline purchased by scheduled airlines.
- (6) Jet fuel purchased by scheduled airlines would be free of any federal tax. (Same as the present on airline jet fuel).
- (7) Levy a 5% tax on all air cargo waybills, except air cargo waybills on freight destined for Alaska or Hawaii, would be taxed at 2%.
- (8) Levy an annual federal airplane registration fee on all airplanes used by scheduled airlines or airplanes used in scheduled commuter airline service at the rate of \$25.00 plus 3¢ per pound of gross certificated take off weight.

Comments on Taxes

General aviation aircraft would have their tax increased on aviation gasoline from 2¢ to 6¢ per gallon. The Administration bill asked for 9¢ per gallon. The House Bill H.R. 14465, which passed the House, set this tax at 7¢ per gallon. Many of the individual states, including North Dakota, opposed excessive increase on federal taxes on aviation gasoline on the grounds that the federal is pre-empting this taxation area to the disadvantage of the states. For example, the federal tax on automotive gasoline is 4¢ per gallon, while North Dakota state tax is 7¢ per gallon. The N.D. Aeronautics Commission recommended that an increase from 2¢ to 4¢ was sufficient. However, Senate Bill 3108 calls for 6¢ per gallon.

It was also recommended to the Senate Commerce Committee that in order to make up a shortage tax revenue, resulting from a cutback from 6 to 4¢ per gallon on aviation gasoline purchased by general aviation, that the "Committee" should levy at least 1 or 2¢ per gallon federal tax on jet motor fuel purchased by the scheduled airlines.

The scheduled airlines opposed any fuel taxes on jet motor fuels used by scheduled airlines. The Senate Commerce Committee decided to apply a registration fee for all scheduled airlines in lieu of a fuel tax on jet motor fuel. The registration fees however, do not produce much revenue, since the scheduled airlines operate only about 2300 aircraft. Thus, a registration fee on scheduled airline aircraft will produce only \$11,000,000 per year, compared with a one cent per gallon tax on airline jet motor fuel, which at 7 billion gallons per year at 1¢ per gallon would produce \$70,000,000 per year. Furthermore, jet motor fuel consumption is increasing at 10 to 15% per year, while the number the scheduled airline aircraft increases very little in a years time.

Senate Bill 3108 Revenue

The Senate Commerce Committee estimated that the tax levies proposed it, S. 3108 will produce the following revenues:

	Total 1970 - 1974	Total 1975 - 1979 (In Millions)
1. Passenger Tax at 8% - - - - -	\$2,593.2	\$ 4,541.6
2. Cargo waybill tax at 5% - - - - -	179.5	428.5
3. Postal Revenues 5% - - - - -	49.8	79.9
4. Fuel Tax @ 6¢ per gal. General Aviation -	189.9	289.2
5. International Passenger Head Tax @ \$5.00 -	231.5	408.5
6. Aircraft Registration Fee - Scheduled Airlines - - - - -	56.9	86.0
	<u>\$3,300.8</u>	<u>\$ 5,833.7</u>

Authorized Expenditures

S.3108 authorizes expenditures of \$300,000,000 per year for the first five years for federal aid to airports and \$250,000,000 per year for the first five years for the expense of providing the federal airways system.

Annual Distribution of the 300 Million for Airports

- (1) One-third to be allocated to the various states on an area-population formula. (North Dakota would be allocated about \$1,000,000 per year). It is expected that approximately 10 to 20% of this fund would be allocated to general aviation airports.
- (2) One-third to be allocated directly to airline airports in the U.S., which are rated as "Hubs", "Medium Hubs" and "Small Hubs" on the basis of annual airline passenger enplanements at individual airports, as compared to the total national passenger enplanements on scheduled airlines.

- NOTE: Fargo, N.D. would be the only airline airport entitled to participation in this category. Fargo is the only airport in the state that has enough airline passenger activity to rate it as a "Small Hub". Fargo would be allocated about \$63,000 per year. Bismarck, Grand Forks, Minot, Jamestown, Devils Lake and Williston, N.D. would not receive any funds under this category.
- (3) One-third to be allocated and distributed at the discretion of the Secretary of Transportation for airport projects in the various states.

NOTE: In this instance, any North Dakota sponsor for airport funds would be in competition with all sponsors of airports in the United States as to priority and subject to the discretion of the Secretary of Transportation as to whether it could justify any funds out of the Secretary's discretionary fund.

Conclusion Relating to Distribution of Airport Funds in S.3108

North Dakota would benefit from the first one-third allocation of airport funds. The balance of the funds amount to 2/3 of the total for airports, are so qualified that in most instances, it will be very difficult to obtain federal funds in a small state such as North Dakota. Thus 2/3 of the total airport aid funds are in effect earmarked for large city airports, such as New York, Chicago, Los Angeles, Minneapolis, etc.

Taxes Imposed in S.3108 Very Much Pre-empt the States From Imposing Additional Taxes in the Future.

Because of the wide-scope of aviation taxes imposed by S.3108, there is little room for additional taxes on a state level on aviation activities. Since S.3108 has been reported by the Senate Commerce Committee and its counterpart bill H.R. 14465 has passed the House of Representatives, it must be realized that the proposed taxes in S.3108 and H.R. 14465 will very likely prevail pretty much as written in these bills.

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FLASH! SENATE BILL 3108 AMENDED FEB. 5, 1970 TO INCREASE AVIATION TAXES
Senate Bill 3108 was amended again by the Senate Finance Committee on Feb. 5th to increase the tax rates on General Aviation as follows:

1. Increase non-commercial aircraft aviation and jet fuel tax from 6¢ to 7¢ per gallon (Commerce Committee set the tax at 6¢/gal).
2. Reinstated \$25.00 annual registration fee for general aviation aircraft plus 2¢ a pound on max gross weight for piston and 3½¢ per pound on aircraft weight on turbine powered aircraft, with provision that four-place aircraft or less, are relieved of the weight tax and would pay the \$25.00 registration tax.

3. Lowered the passenger ticket tax on scheduled airlines from 8% to 7½%, but apply this tax on the airline's gross passenger receipts with a provision in the law that the CAB shall make an adjustment in the air fares to compensate the airline for the 7½% tax on its passenger receipts.
 4. Lowered the head tax on boarding of passengers for international destinations from \$5.00 to \$3.00.
- Senate Bill 3108 is expected to be voted upon in the Senate on February 17th.

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GENERAL AVIATION GROWTH IN N.D. IN LAST DECADE WITH FORECASTS TO 1980

In a year end report, the State Aeronautics Commission released aviation figures which show that general aviation aircraft owned by businessmen, farmers, fixed base operators and professional men in North Dakota, increased 39 percent in the decade of the sixties from 872 to 1,213 aircraft on the year ending in December, 1969.

The Aeronautics Commission forecasts that by 1980, there will be between 1,800 and 2,000 general aviation aircraft in the State, an increase of 65%.

At the close of 1969, there are 54 airport authorities in North Dakota in 36 counties of which 51 are municipal, two county wide and one interstate. There were no airport authorities at the beginning of the decade.

In the seventies, the Aeronautics Commission predicts a movement towards regional airport authorities, which are combinations of cities and counties jointly supporting one or more public airports on a regional basis.

The report shows that scheduled airline passengers, both enplaning and deplaning at airline airports, increased 220% in the decade from 1960 to 1970 and in numbers from 174,000 to 556,000 passengers in the year ending December, 1969.

The Aeronautics Commission predicted that in the decade of the seventies from 1970 to 1980, that the figure of 556,000 would increase to about 1,600,000 passengers annually by 1980, if the rate of growth of the past decade is maintained into the next ten years.

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AIRPORTS AND OPERATORS

BOWMAN: Work is progressing on this airport in the securing of clear zone easements, purchase of additional land for future terminal facilities and plans are being formulated for future hard surfacing of a 50' X 4000' runway with ramp area and connecting taxiways, according to Mr. Bill Fisher, Chairman of the Bowman Airport Authority.

HAZELTON: Mr. Bob Mattheis, Chairman of the Hazelton Airport Authority has informed us that Hazelton has secured a ten-year lease with option to renew on additional acreage to construct a 2400' X 75' N-S turf landing strip. The landing strip will be on the east end of the short E-W that they now have adjacent to the east side of Hazelton. Trees have been removed from both the south end of the N-S and the east end of the E-W. Grass will be seeded as soon as possible this spring and it is hoped that limited use of the strip can be had this coming summer. At a recent meeting of the City Council, the Airport Authority members, along with Vernon H. Baltzer of the N.D. Aeronautics Commission, explained some of the future plans for the airport and asked the Council's approval of a 2 mill property levy.

NAPOLEON: Saturday, January 31st, Gordon O. Hoberg, Anton Welder and M.C. Parkos, member of the Napoleon Airport Authority and Vernon Baltzer of the N.D. Aeronautics Commission met with Owen J. Thompson and Maurice J. Thompson, owners of a tract of land, to complete signing of a lease for an airport site. The Authority expects to grade in a 100' X 2400' E-W turf landing strip as soon as conditions allow. Future plans call for a NW-SE to be built that will be 3000' in length.

HEBRON: Sites are being evaluated near the brick city for a future airport, according to Larry F. Barth, Chairman of the Hebron Airport Authority. It is felt that a site that will allow at least a 2800' X 100' turf landing strip with clear approaches near the city and on a good road, should be secured.

PARSHALL: This Airport Authority opened bids on the 17th of Nov. 1969 for the construction of a 3200' X 60' hardsurfaced runway, also a 170' X 200' apron with a 400' X 30' connecting taxiway. Low bid on the FAA approved project was the firm of Lindteigen Construction Co., Inc. of Turtle Lake, N.D. with a bid of \$62,642.40. This was the second time that bids were opened on this project. The first being rejected as too high at \$92,000. Specifications were rewritten somewhat, which accounted for the decrease. Addison Hedberg, Chairman, informed the Aeronautics Commission that Parshall is planning on being a fly-in recreational & fishing type of airport besides a good general aviation airport.

LEEDS: Two additional Airport Authorities have been formed since those reported in the last issue of the Newsletter and Leeds is one of the newly created. Appointed were G.D. Larson, 5 yrs; Dale Streyle, 4 yrs.; Harold Petsinger, 3 yrs; John Holmes, 2 yrs; and C.K. Larson 1 year term.

ENDERLIN: This City is the newest created Airport Authority, being created the 2nd of February, 1970. Harold G. Vavra of the N.D. Aeronautics Commission met with the City Council to explain and describe the functions of an authority. Appointed to the Authority and their terms were the following: Al R. Mead, 5 yrs; Ray Brown, 4 yrs; F. E. Wills, 3 yrs; Wayne Wilson, 2 yrs; Dave Lund, 1 year.

AIRPORTS & OPERATORS - continued

ROLLA: Leonard Krech, manager of the Rolla Municipal Airport informed the Aeronautics Commission that construction is now complete on a new 60' X 75' hangar with an attached 20' X 24' office. The Airport Authority financed the construction of the building by selling revenue bonds. Building cost approximately \$30,000 which also includes the cost of a new well and a sewage system. The hangar has space for 8 aircraft and transient aircraft can be hangared.

ELLENDALE: According to John Anderson, who is a prime motivator at Ellendale, that the City has completed the hardsurfacing of a 50' X 2700' N-S runway with a 150' X 200' ramp and a short connecting taxiway. The runway is of a stabilized base with a one course armor coat application.

OAKES: Mayor F. M. Gottschalk of Oakes said that his city has completed the hardsurfacing of a E-W runway of 60' X 3240'. The airport also has a turf landing strip N-S of 2610' X 100'. The E-W is kept clear of snow and if any questions arise, contact him at 742-2193.

LAMOURE: Chairman J. Vincent Nelson of the LaMoire Airport Authority reports that grading has been completed on the new NNW-SSE 3600' X 50' and lights will be installed in the spring. Plans are also being made to hardsurface the NNW-SSE in 1970. NEW TOWN: Wire and lighting fixtures have been purchased to light the NW-SE of the New Town Municipal Airport. Helmer Kinden, the fixed base operator there, is building a shop and hangar plus a combination office, pilots lounge and general administration building.

ST THOMAS: A N-S landing strip has been graded in and seeded this past fall and wire and lighting fixtures have been purchased and will be installed as soon as conditions are suitable. The landing strip is immediately adjacent to the NE edge of St. Thomas.

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1970 STATE AIRCRAFT REGISTRATIONS DUE

At present 634 general aviation aircraft have been registered for 1970 with the State Aeronautics Commission. All aircraft that are based in North Dakota and currently being flown, must be registered. Application forms have been mailed to all aircraft owners and to all fixed base aviation operators.

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STATE PLANNING DIVISION TO CLEAR ALL REQUESTS FOR FEDERAL GRANTS IN AID

The Federal Bureau of the Budget has decreed in a Circular A-95 effective Oct. 1, 1969 that all requests for Federal-aid must be submitted to the State Planning Div., Bismarck, N.D. The request for aid must be submitted 30 days before it is submitted to the proper federal agency. This edict includes all requests for Federal Aid to Airports.

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NORTH DAKOTA AVIATION OPERATORS CONVENTION, MINOT, FEBRUARY 13th & 14th

The N.D. Aviation Operators Association will hold their annual convention at Minot, February 13-14, 1970 at the Ramada Inn. The program will include discussions on air & water pollution chemical drift, safety and federal user charges. Al Pietsch and Ken Bischke of Minot are Convention Co-chairmen.

The entire convention with the exception of a business meeting Saturday morning the 14th, is open to all interested in aviation and a special invitation is extended to Flying Farmers and Ranchers, as well as all 99'ers, etc.

Lt. Governor Richard Larson will be the noon luncheon speaker on the 13th of Feb. During the banquet, a Mechanic Award of the Year will be presented to Richard Prchal, owner/operator of Dickinson Flying Service of Dickinson, N.D. by Governor William L. Guy and Clifford Skoog, Minneapolis Area Flight Standards Branch Chief.

World famous Aviatrice Jerrie Mock, will be the banquet speaker. Jerrie known widely as the flying housewife became the first woman to fly solo around the world. In her appearance in Minot, she will tell the N.D. Pilots and their wives about the amusing and frustrating experiences of her flying overseas and in particular, on her global record flight.

The convention gets underway with a poolside party on the evening of the 12th. All pilots and their wives are invited to attend the convention.

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PILOT - CONTROLLER FORUM PLANNED BY FAA FOR BISMARCK AREA PILOTS AND OTHERS

Mr. Hank Labore, Chief C/S/T of Bismarck said that a pilot-controller forum is planned for the last week in March, 1970. The program will consist of two-ten or fifteen minute presentations on traffic control and safety, a movie on traffic control, and a panel of experts to provide (we hope) the answers to all the questions you may have. All the plans are not firm as yet, watch for more information in near future.

It will be held in the Army Air Guard Hangar, starting at 7:30 p.m. and coffee and donuts will be served.

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ACCIDENTS:

Pilot: Wilfred Sauer, Carpio, N.D.

Time & Place: Oct. 13, 1969, 8:00 a.m., Sauer Bros. Private Airport, Carpio, N.D.

Pilot Time: Commercial, ASEL, 4001 TT, Age 36

Aircraft Type: Cessna 172

Aircraft Damage: Damaged Stabilizer

Injuries: None

Pilot Statement: Milo Rebne flew down to pick me up at Sauer Bros. Field at About 8:00 a.m. I boarded the aircraft and we took off from that point on the runway where I was waiting for him, approximately ¼ mile from South end of runway. We were heading south on the runway as the wind was from the SE, but not knowing that the grass and clover had not been mowed for some time. Our acceleration was not as good as I anticipated, so I asked for the controls and followed through with a soft field take off. The plane did not leave the ground until we were about 200 feet from the end of the runway where there was a fence. We cleared the wires, however, there was a small gate post sticking up above the rest, which we hit with the left stabilizer, denting the leading edge. We did not realize at the time that we hit the post as the flight characteristics were normal. Upon landing at Columbus, we discovered what had happened and later that day, Mr. Rebne and I flew the plane to Mohall, where they inspected it and indicated that it wouldn't probably cost over \$250. to be repaired or replaced, and did not recommend a lot of flying until it was repaired.

Pilot Recommendations: Checked runway for grass & weeds before take off.

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Pilot: Kenneth A. Lawson, Lignite, N.D.

Time & Place: Nov. 1, 1969, 1940, Columbus, N.D.

Pilot Time: Student, ASEL, 36:50 TT, Age 34

Aircraft Type: Cessna 172

Injuries: None

Aircraft Damage: Nose gear strut broken, right wing wrinkled, prop bent, lower cowlng bent.

Pilot Statement: Left Columbus Airport at 1900 CST, Flew to Crosby Airport, made one touch and go, went around pattern, made full stop land, taxied back to end of strip, made a normal take off, left pattern and was flying back to Columbus Airport to shoot a couple of landings before dark. Was approximately 4 miles SW of Airport when plane gave a couple of sudden jerks, plane started in dive. I was flying at 800' above terrain. Unable to keep nose of plane up. Head for runway 90° at Columbus Airport. Speed too high to make a safe landing, gave plane full power to control rate of descend, made an emergency landing in plowed field laying 450 and 15 miles from Airport. Due to rough terrain, nose gear broke off and plane nosed over slightly causing some damage to right wing and prop and lower cowlng.

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Pilot: Harold Ellingson, Edgeley, N.D.

Time & Place: Nov. 6, 1969, 9:30 p.m., Edgeley Municipal Airport

Pilot Time: Private, ASEL, 1360 TT, Age 48

Aircraft Type: Cessna

Injuries: None

Aircraft Damage: Damaged prop, nose gear and cowlng.

Pilot Statement: Departed Eureka, S.D. approximately 9 p.m., clear sky, stars showing and headed for Edgeley, N.D. at 5500 MSL arriving at Edgeley, called FSS, at Jamestown and was told Jamestown had fog. I said Edgeley looks like fog on the City but airport lights 1 mile west looks open, so decided to land. On ¼ mile, find the lights disappeared so went up again and could seem to locate airport after circling a couple times and 2 miles NW of Airport, I could see the airport lights real clear again, so lined up 1½ mile west to come in on 70 runway. Descended to within few rods of runway and lights disappeared, so turned on landing lights and I was in fog. I turned off lights and instantly hit the very edge of runway. I imagine I was descending too steep because my nose gear collapsed and the plane skidded approximately 100 ft. on the runway in ground fog.

Recommendations: Had I known when I left S.D. that it was foggy in Edgeley, I would not have left. Had I pulled back on the wheel when I turned on the landing lights and saw I was in fog and went back to Ashley or some other airport. It's always if, if, if on these deals. The hindsight is always better then the foresight.

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Pilot: Donald W. McLean, Grand Forks, N.D.

Time & Place: Dec. 23, 1969, 2:15 p.m., Grand Forks International Airport

Pilot Time: Private, ASEL, 135 TT, Age 21

Aircraft Type: Piper PA-18

Injuries: None

Aircraft Damage: Wing damage, prop damage and minor damage to hangar.

Pilot Statement: I preflighted the aircraft and found no malfunctions. I instructed my non-pilot passenger to sit in the rear seat. At this time I explained the use of brakes, throttle and magnetos. I then began turning the prop manually from the front of the plane. As the plane started, I hesitated and then began to accelerate. I shouted to the passenger, Gary Frederickson, to apply full brakes. By this time the plane veered right, the right wing struck the hangar and swung the nose around causing further damage.

ACCIDENTS - continued

Pilot Recommendations: The pilot should have been in the plane.

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Pilot: Rubin Carroll Day, Moffitt, N.D.

Time & Place: January 10, 1970, Farm pasture

Pilot Time: Private, SEL, Instrument, 306 TT, age 34

Aircraft Type: Piper PA-18

Injuries: None

Aircraft Damage: Minor

Pilot Statement: Attempted to take off in pasture and right after take off, a loss in power. Had to make a left turn to avoid running into trees and corral in corner of pasture and hit gate post with left ski and came to rest across road on far side of ditch with plane still all intact. Damage to prop, landing gear and some structural damage along head liner.

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FOR SALE: 1957 Cessna 182, 70 SMOH, 2100 TT; 1966 Cessna 150 Commuter, 500 SMOH; 1969 Cherokee Arrow 200, 60 TT; 1967 Cherokee 140; 1947 Swift 180SMOH; 1956 Piper PA-18-150 Super Cub, 700 SMOH; 1964 Pawnee 235, 740 TT; 1965 Twin Comanche, 1190 TT, Fresh Annual; 1955 F-35 Bonanza, 80 SMOH, new paint; 1965 Comanche 260, 50 SMOH, MK12-ADF; 1964 Cherokee 235; 2-75 gal Sorenson units for Super Cub; 1-60 gal Sorenson unit for PA-11-J3; 1-90 gal Sorenson unit for Champion. Contact Mid-State Aviation, Inc., Box 1014, Bismarck, N.D., Tel: 223-6862 or 255-4907

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NORTH DAKOTA AERONAUTICS COMMISSION
BISMARCK MUNICIPAL AIRPORT
BOX U
BISMARCK, NORTH DAKOTA 58501



FIRST CLASS

Margaret Rose
Historical Society
Liberty Memorial Bldg.
Bismarck, N.D. 58501

FOR SALE: 1966 Cessna 150, 250 SMOH, full panel, Nav-Com. 300. Contact Gene Engel, Agrichemical Aviation, Box 585, Bismarck, N.D. Tel: 223-2332

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JAMESTOWN, N.D.: Comet Aviation of Jamestown has informed the Aeronautics Commission that the firm has hired a full time A & P with Inspector Authorization and are now equipped to handle any maintenance, 100 hour and annual inspections. The AI is Mr. Verne Wolf who has been working on the West Coast and was originally from Kulm, N.D. The firm is also FAA approved on their flight school and offer Air Taxi services.

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FAA ITINERARY

One or more Operations Inspectors will be at the following airport on the date (s) specified for the purpose of conducting written examinations leading to PRIVATE or COMMERCIAL PILOT CERTIFICATION. Other types of written examinations will not be available to applicants at scheduled itinerary airports unless the applicant has made prior arrangements with the General Aviation District Office Personnel. These written examinations will normally be given at the District Office location.

<u>STATE OF NORTH DAKOTA</u>		<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>
Bismarck, N.D.	Bismarck Municipal	11	11	15	13	10
Minot	Minot International	18	18	22	20	17