REPORT OF THE

AIRPORTS' ACQUISITION AND DEVELOPMENT STUDY COMMISSION

To

THE GOVERNOR

And

THE GENERAL ASSEMBLY OF VIRGINIA



COMMONWEALTH OF VIRGINIA
Department of Purchases and Supply
Richmond
1973

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REPORT OF THE AIRPORTS' ACQUISITION AND DEVELOPMENT STUDY COMMISSION

To

The Governor and the General Assembly of Virginia

Richmond, Virginia

To: Honorable Linwood Holton, Governor of Virginia

and

THE GENERAL ASSEMBLY OF VIRGINIA

I. INTRODUCTION

This is the second report made by the Commission originally created pursuant to Senate Joint Resolution No. 15 of 1971 and continued by Senate Joint Resolution No. 12 of 1972. Initially the Commission was created in response to the annual budget message to the Congress of the President of the United States. Included in the message was the proposal that the Dulles International and Washington National Airports be sold in order to promote economy in the operation of the federal government. At that time there existed no clearly defined guideline as to the basis on which ownership of these airports would be transferred; however, it was thought that a possibility of Virginia's coming into possession of these two tremendous transportation facilities might be realized.

The text of the study directive under which the Commission is currently operating is as follows:

SENATE JOINT RESOLUTION NO. 12

Continuing the Commission to Study the Desirability and Feasibility of the Acquisition of the Washington National and Dulles International Airports by the Commonwealth.

Whereas, the General Assembly by Resolution in 1971 did create a Commission to study the desirability and feasibility of the acquisition of the Washington National and Dulles International Airports by the Commonwealth; and

Whereas, the federal government has announced its intention to make the United States International Transportation Exposition a biennial event; and

Whereas, it is vital that there exist an effective liaison between this Commonwealth and the federal government to assist in the promotion of such exposition which will bring many travelers and much revenue to this Commonwealth; and

Whereas, the continued encouragement and promotion of the Dulles International Airport is essential to its growth and of benefit to the entire Commonwealth; and

Whereas, such Commission has not been able to formulate ultimate conclusions to be presented to the Governor and this General Assembly; now, therefore, be it

Resolved by the Senate of Virginia, the House of Delegates

concurring, That the above referenced Commission created by Senate Joint Resolution No. 15 of the 1971 Special Session of the General Assembly be continued and titled the Airports' Acquisition and Development Study Commission. The present members shall continue as members of the Commission; provided, that if any member be unwilling or unable to serve, or for any other reason a vacancy occur, his successor shall be appointed by the Privileges and Elections Committee of the Senate from the membership thereof or the Speaker of the House of Delegates from the membership thereof in turn as such vacancies occur; and be it

Resolved, further, That such Commission shall continue its study of the desirability and feasibility of the Commonwealth's acquiring and operating, through an intrastate or interstate authority, the Dulles International Airport and the Washington National Airport, and the related effect of such action of the Friendship Airport in Maryland and its possible acquisition or operation. The Commission shall engage in any activity or project designed to promote the Dulles International Airport and shall continue to represent the interests of the Commonwealth of Virginia in the Dulles International Airport as they may arise before any and all federal or State agencies.

The Commission is authorized to accept and expend grants and contributions of money for any activity authorized by this Resolution to benefit the Dulles International Airport.

The members of the Commission shall receive no compensation for their services, but shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties, for which, and for such professional and secretarial services as may be requisite, there is hereby appropriated from the contingent fund of the General Assembly a sum sufficient, not to exceed seven thousand, five hundred dollars. The Commission shall complete its study and report to the Governor and the General Assembly no later than December one, nineteen hundred seventy-two.

Pursuant to the terms of the above resolution the original membership of the Commission remained unchanged. Martin L. Schnider, President, Northern Virginia Savings and Loan Association, Arlington, and Marvin M. Stanley, Associate Dean, School of Business Administration, College of William and Mary, Williamsburg were members appointed by the Governor. The Speaker of the House of Delegates appointed Joseph R. Ambrose, Professor of Government, Christopher Newport College, Gloucester Point; Allen H. Harrison, Jr., Attorney at Law, Arlington; Allen F. Kiepper, City Manager, Richmond; Delegate Stanley A. Owens, Manassas; and Delegate James M. Thomson, Alexandria. Those appointed by the President of the Senate were Senator Leroy S. Bendheim, Alexandria; Senator Adelard L. Brault, Fairfax; Irby N. Hollans, Jr., Executive Director, Optical Wholesalers Association; and B. W. Spiller, President, WCVE-TV, Richmond. Due to Mr. Kiepper's removal to Atlanta, Georgia, Delegate Dorothy McDiarmid was appointed by the Speaker of the House of Delegates to fill the vacancy on the Commission.

The Commission elected Senator Brault to serve as Chairman and Mr. Owens to serve as Vice Chairman. The Virginia Advisory Legislative Council and the Division of Statutory Research and Drafting made staff and facilities available to carry out this study; Laurens Sartoris and Constance D. Sprouse being assigned to assist the members of the study group.

During the first year of the study, the Commission, in awareness of the complexity of the problems before it, sought and received the assistance of the expert staff of the Division of State Planning and Community Affairs. The financial experts submitted a detailed report to the Commission from which it was deduced that it might be financially feasible for the Commonwealth to acquire and successfully operate the National Capital Airports. Despite the encouraging findings of the financial report the unsettled state of affairs in Washington left many questions unanswered. The Commission was especially hampered in its study by the unwillingness of the Federal Aviation Administration or any other federal agency to divulge its plans for the disposition of the airports. Not until August of 1972 was the bill embodying the administration's proposal for the disposition of the airports introduced by representative Gerald Ford. Consequently, the Commission has before it a statement of administration policy and implementation procedures to which it can respond.

The press of business in Washington was such that when Congress adjourned prior to the national elections no action had been taken on the Ford bill. Now that Congress has convened it will be possible for the Commission to address itself directly to the particulars of the legislative proposal. Thoughout 1972 the Commission was forced to play a waiting game not to be ended before January of 1973.

II. RECOMMENDATION

The Commission should be again continued in existence by appropriate action to the General Assembly in order that it may react on behalf of the Commonwealth to events which will affect the disposition of the National Capital Airports.

III. REASONS FOR RECOMMENDATION

It is with H.R. 16221, the Ford Bill which provides for the sale of the National Capital Airports, that the Commission is now most concerned. This proposed legislation if enacted would provide for the sale of Washington National and Dulles International Airports under conditions which might be disadvantageous to the Commonwealth. This administration bill provides that the Administrator of General Services is authorized and directed to sell and convey to the highest responsible bidder or bidders the Washington National Airport and Dulles International Airport. The purchase price for these facilities is not to be less than the fair value of the airports as the Administrator may determine. While the Administrator is given broad power as to conditions which may be included in any contract of sale he is bound to solicit and consider the recommendations of the Secretary of Transportation. Bids for the sale of the airports are to be solicited by the Administrator and received not later than 180 days after the effective date of the legislation. The bill provides for retrocession to the Commonwealth of exclusive jurisdiction in the Washington National Airport and concurrent jurisdiction in the Dulles International Airport, which retrocession is to take effect on the date of transfer to a purchaser or upon acceptance by the Commonwealth whichever comes later. Protection of the existing rights of the employees of the airports is required. Finally, the consent of Congress is given the Commonwealth, Maryland and the District of Columbia to enter into an agreement for the establishment of an organization to regulate the operation by any purchaser of the airports.

We feel that there are many unanswered questions inherent in the draft of this legislation. Two of the most obvious being that any person, firm entity, etc. might come into control of the airports and the vague consent which is given to form some compact with the contiguous jurisdictions of the District of Columbia and Maryland. These are matters which need to be reconciled. We would recommend that the airports be transferred to an agency or governmental department of the Commonwealth designated by the General Assembly for this purpose. Further we would recommend that the consideration to be paid for the airports be book value of the facilities at the time of the transfer or less; possibly at no cost to the Commonwealth. It is our hope that when the time is right we will be given the opportunity adequately to prepare legislation incorporating these recommendations and be continued as a Commission in order to support that which we will prepare. Our function should also include the preparation of any necessary amendments to the 1940 compact by which Virginia ceded jurisdiction in the Washington National Airport.

In addition to the draft of the resolution to continue this Commission we have also appended to this report a resolution, whose passage we urge by the General Assembly, requesting our Virginia Delegation to the Congress of the United States to act in accordance with the recommendations of this Commission and support the alternative legislation which will be submitted to them.

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ADELARD L. BRAULT, Chairman
STANLEY A. OWENS, SR.
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Respectfully submitted.

SENATE JOINT RESOLUTION NO. —

Memorializing the Virginia delegation to the Congress of the United States to initiate and support certain legislation regarding the disposition of the National Capital Airports.

Whereas, several schemes have been advanced whereby the National Capital Airports, Washington National and Dulles International, would be transferred from the federal government to another party; and

Whereas, the administration has submitted H.R. 16221 outlining its proposals for the disposition of such airports; and

Whereas, there are features of this legislation which are potentially hazardous to the well being of the Commonwealth and the airports involved; and

Whereas, this General Assembly and the people of this Commonwealth have a continuing interest in the control of the National Capital Airports to the extent that a special Commission has been created and continued in existence in order to keep apprised of and make recommendations concerning the disposition of the airports; and

Whereas, such Commission has and will continue to advance proposals for the disposition of the airports which are in the best interests of our people; now, therefore, be it

Resolved by the Senate, the House of Delegates concurring, That the Virginia delegation to the Congress of the United States is hereby memorialized to act in accordance with the proposals of the Commission to Study the Desirability and Feasibility of the Acquisition of the Washington National and Dulles International Airports to the end that the most satisfactory solutions regarding the problems of transfer may be found and implemented.

Resolved, further, That the Clerk of the Senate is directed hereby to send suitably prepared copies of this Resolution to the members of the Virginia delegation to the Congress of the United States in order that they may be apprised as to the determination of this General Assembly.

SENATE JOINT RESOLUTION NO.—

Continuing the Commission to Study the Desirability and Feasibility of the Acquisition of the Washington National and Dulles International Airports.

Whereas, the General Assembly by resolution in nineteen hundred seventy-one did create the Commission to Study the Desirability and Feasibility of the Acquisition of the Washington National and Dulles International Airports by the Commonwealth; and

Whereas, such Commission was continued in existence pursuant to the terms of Senate Joint Resolution No. 12 of 1972 to pursue further its study of the desirability and feasibility of the acquisition of such airports; and

Whereas, the state of affairs in Washington is such that it has been impossible for the Commission to formulate ultimate conclusions to be presented to the Governor and this General Assembly; and

Whereas, there are indications that the federal administration's plans

to dispose of the National Capital Airports will be advanced during the up-coming session of the Congress; and

Whereas, it is vital that the best interests of the Commonwealth be protected through the efforts of persons familiar with the problems at hand and able to communicate with appropriate governmental agencies and persons in the nation's capital; now, therefore, be it

Resolved by the Senate of Virginia, the House of Delegates concurring, That the Commission created by Senate Joint Resolution No. 15 of nineteen hundred seventy-one and continued by Senate Joint Resolution No. 12 of nineteen hundred seventy-two be continued as the Commission to Study the Desirability and Feasibility of the Acquisition of the Washington National and Dulles International Airports. The present members shall continue as members of the Commission; provided, that if any member be unwilling or unable to serve, or for any other reason a vacancy occur, his successor shall be appointed by the Privileges and Elections Committee of the Senate from the membership of the Senate or the Speaker of the House of Delegates from the membership thereof in turn as such vacancies may occur; and be it

Resolved, further, That such Commission shall continue its study of the desirability and feasibility of the Commonwealth's acquiring and operating the Dulles International Airport and the Washington National Airport and represent the best interests of the Commonwealth in the nation's capital before any person, agency or congressional committee considering or having influence over matters relating to the disposition of such airports; and be it

Resolved, finally, That the members of the Commission shall receive no compensation for their services, but shall be reimbursed for their actual and necessary expenses incurred in the performance of their duties, for which, and for such professional and secretarial services as may be requisite, there is hereby appropriated from the contingent fund of the General Assembly a sum sufficient, not to exceed five thousand dollars. The Commission shall complete its study and report to the Governor and the General Assembly not later than December one, nineteen hundred seventy-three.