



INNERMARKER

Newsletter of the Aviation Law Section

State Bar of Michigan

VOLUME 4, NO. 1

WINTER 1997

I. FROM THE CHAIR

By: J. D. Ledbetter

First, on behalf of myself and all members of the counsel of the Aviation Section, we wish you and your families a Happy New Year, 1997. We look forward to this year as a new and exciting year of challenges for the Aviation Section. I personally welcome the challenges and responsibilities of serving as chair.

It seems like only a short time ago when I first spoke to Don Frank regarding his interest in forming an Aviation Section. While I immediately expressed interest in such a Section, I thought it would be extremely difficult to obtain enough interest to actually form a Section. However, in just a short period of time, Don organized some meetings and the next thing we knew, we were a full fledged Section of the State Bar of Michigan. Now I have the opportunity and privilege to serve as the Chairperson of this young Section and to guide it and nurture it through the next year. While I realize that I, and future Chairpersons of this Section, will work under large shadows cast by previous leaders of the Section, I am sure we will all do so eagerly. It will be a pleasure to serve the Section and follow the likes of Donald Frank, Gerald Stevens, Leonard Nagi and Steve Chait, the four previous Section Chairpersons.

In this first month of 1997, I thought it most appropriate to share with you my visions for the future of the Aviation Section, as well as my more immediate goals for this year. First, in terms of the future of the Aviation Section, I, like previous Chairpersons, believe that the primary mission of the Aviation Section is to service the Aviation and Legal Communities, but also to serve as a forum for the exchange of ideas and the sharing of information between our members. Our members have rich diverse experiences and backgrounds, but we also share a great many common interests.

I believe the Section should continue to serve and promote Aviation and the Aviation Community. In the past, this has been manifested in the forums and seminars put on by the Aviation Section. I hope to continue these practices.

I believe we should continue to serve and promote the Legal Community. This has been manifested in the past through our publications, some of our seminars and through our annual State Bar Meeting. I want to continue this practice and revitalize our publications, particularly the *Innermarker*. In that regard, Don Frank has agreed to serve as Editor and I am told we can expect the next edition of the *Innermarker* within the next two months.

I believe we should continue to exchange and share ideas and information in a social setting. In the past, this has been manifested in various ways by the Aviation Section in organizing activities at airports, air shows, aviation museums and the like. I believe these "social activities" are extremely important to the vitality of our Section. During the coming year, we hope to schedule a Section golf outing, at least one air show and probably a visit to the Kalamazoo Air Museum. If any member has suggestions for future social activities, please contact me or any member of the Council with your suggestion.

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OFFICERS/COUNCIL

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Public Awareness

Aviation Liabilities

Aircraft Transactions

Taxation & Labor Law

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Aviation Legislation
& Regulations

Airport Operations
& Land Use

Regulation,
Enforcement &
Administrative Law

Charitable Activities

Military Aviation Law

VIEW FROM THE CHAIR –

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This year's annual meeting of the State Bar will take place between September 17 and September 19, 1997, at Cobo Hall in Detroit, Michigan. Again, I wish you all the best for the upcoming year and I hope together we can guide and nurture our Aviation Section through another year.

* * * * *

II. FROM THE RETIRING CHAIR

By: Steve Chait

As I prepare this article, I have now been promoted to the lofty position of *Chairperson Emeritus* of the Aviation Law Section, which the thesaurus which came built in to my high tech new computer seems to suggest is Latin for "Has-Been." It has been a great honor to have had the opportunity to have served our Section in that most interesting capacity. I highly recommend the job of serving as a Council member or Officer of our Section, and hope that each of you will have an opportunity to serve.

As some of you may know, I also set a precedent of sorts by becoming the first Chairperson of our Section to give up my day job while in office (undoubtedly so that I could devote my full time and efforts to the Section!). In that regard, at the September Annual Meeting, I laid down a challenge to our new incoming Chairperson, J.D. Ledbetter, to also demonstrate his devotion to the Section by following my lead, and even offered to contact his law firm with the news!! (So far he has declined!)

Looking back on the accomplishments of the past 12 months, the Section has had a busy and active year. We conducted a very interesting and enjoyable Fly-In/Drive-In Tour of the Cleveland Rock and Roll Museum and Hall of Fame in March, 1996. Immediately upon leaving the museum, our day was capped when we coincidentally ran into singer Rod Stewart back at Burke Lakefront Airport who had just finished a concert and was on his way to a performance in Detroit.

In April, 1996, we conducted, after a one year hiatus, two free FAA Enforcement Seminars for the Michigan Aviation Community, sponsored in conjunction with the Michigan Bureau of Aeronautics. The seminars were held in Dearborn, at the Ford Motor Company World Headquarters, and at Western Michigan University in Kalamazoo. Once again, we were pleased to have over 350 persons attend, and we were

fortunate for the first time ever to have an FAA attorney, Alan G. Sumberg, of the Great Lakes Regional Office in Chicago, participate as one of our presenters.

On August 3, 1996, our Section members and their families attended the Selfridge Air National Guard Base Airshow, featuring excellent weather, a wide array of aerobatics performances, highlighted by a performance by the U.S. Navy Jet Demonstration team, the Blue Angels.

In September, 1996, at our Section's Annual Meeting in Grand Rapids, we presented what many of the members who attended have told me was probably our best Aviation Law Program yet. The theme was Aviation Expert Witnesses and we heard presentations from some distinguished and very interesting guest speakers. The panel included Peter H. Burgher, regarding Michigan Airports; George Seidlein, retired NTSB Investigator who was the lead investigator on the Japan Airlines 747 crash in which the aircraft flew for hours after losing its vertical tail surfaces; WJR Radio Meteorologist John McMurray; and *Flying Magazine* editor, author, and pilot expert, Howard Fried.

Finally, on December 7, 1996, we had our best turnout yet of Section members who came out and participated in Operation Good Cheer 1996, in which this year more than 7,000 holiday gifts were flown to needy children in foster homes in 17 Michigan cities by approximately 80 volunteer airplanes.

Looking back on our Section's events in 1996, it occurs that we had good flying weather this year for virtually every activity as planned!

This past year also brought with it a couple of disappointments for the Section. We had tried to arrange, with the able assistance of Section member John Scott Hoff, a flight for our members on military air refueling tanker flights out of Selfridge Air National Guard Base, on KC-135 aircraft. After having confirmed our Section's participation for August, 1996, we were advised that because of the Bosnia military situation, our orientation "Civic Leader Flight" could unfortunately not be accommodated. Hopefully, we will be able to participate in this unique opportunity in the future.

Another disappointment was that we missed an issue in the publication schedule of our Section Newsletter, the *Innermarker*. We realize the importance of the newsletter to our members, both as a vehicle for keeping you up-to-date on Michigan Aviation Law developments, and as one of the ways that we keep you informed on the activities and upcoming Section events. We intend to keep the *Innermarker* coming, and will continue our efforts at developing the highest quality newsletter of any Section of the State Bar of Michigan.

Finally, we had attempted to conduct a joint meeting with the Michigan Association of Airport Executives (MAAE) in September of 1996, at the Sylvan Treetops Resort in Gaylord. Unfortunately, the date which was eventually selected by the MAAE for their annual meeting turned out to be the very same date which was scheduled for the Annual Meeting of the State Bar of Michigan.

Our Aviation Law Section has been very unique in its rapid growth and development over the past 5 years of its existence, and in the varied interests and composition of its membership. I am excited about the accomplishments we have attained, and I am even more excited about where this Section can go and what it can accomplish in the future. It takes a lot of effort to keep the momentum going, and I am impressed at the many new names who we seem to keep attracting as members. Please stay as involved as you can, even if it is just to contact a Council member, and give them your ideas for what you would like to see accomplished. I wish our new Chairperson, J.D. Ledbetter, the best of success in his term as our new "Pilot in Command."

As for me, I have opened a new office at the Oakland County International Airport (formerly Oakland-Pontiac) for the practice of Aviation Law. I invite all Aviation Law Section members, whenever in the neighborhood, to stop on by and say "Hi." I plan to remain an active member of the Section, and together we can help this Section rise to impressive new heights!

* * * * *

III. EDITOR'S NOTES

The Aviation Law Section has passed another major milestone with the publication of this issue of the *Innermarker*. This is the first issue to be published since J.D. Ledbetter stepped down as Editor and Chairperson of the Publications Committee a little over one year ago when he was elected Chairperson Elect of the Aviation Law Section's Council.

I am excited about rejuvenating the *Innermarker* and building on the work J.D. Ledbetter did as Editor. With the help of our members, the *Innermarker* will continue to improve and will be an essential source of legal and practical aviation information for Michigan attorneys.

The Section Council decided on an aircraft transaction theme for upcoming *Innermarker* issues this year. We have some commitments from members to write articles for the remaining issues this year, but submissions are invited and welcome from any

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FROM THE CHAIR –

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members. Although we plan on focusing on aircraft transactions this year, articles on any aviation topic are welcome.

If you want to submit an article or any information that may be of interest to members, please mail it to me, Don Frank, at:

ATTENTION: *INNERMARKER*
PRATT & FRANK, P.C.
4151 OKEMOS ROAD, STE 100
OKEMOS, MI 48864

or fax it to me at (517) 349-2941. Of course, if you want to discuss an idea for an article or just want to call to pass on some information for possible publication, members are welcome to call me at (517) 349-0000.

IV. AVIATION LAW SECTION ACTIVITIES

A. SECTION AIR SHOW

Section members turned out for an air show which was put on for them as well as all the rest of the public on August 3, 1996 at Selfridge Air Force Base. The air show featured the Blue Angels. Our Section had a special area staked out where members and their families were able to enjoy the show together.



Selfridge Air Show – Chairperson J. D. Ledbetter and Chairperson Emeritus Steve Chait at show front and center. J. D.'s daughter Andrea Ledbetter at center of photo in striped shirt.



Selfridge Air Show – Section member Jeff Matis and family enjoying the show.

B. OPERATION GOOD CHEER

Chairperson Emeritus Steven M. Chait has reported that our Section had its best turn-out yet for Operation



Adrian foster care worker Leslie Pelham accepts gifts at Adrian. From left to right: Section member Mark S. Grant, Section Treasurer Mark K. Schwartz, Mike Chait, son of Chairperson Emeritus Steve Chait. Mike served as cargo crew chief and co-pilot in his family Beech Debonair on this mission.



Loading presents at Pontiac for the flight to Adrian. Left to right: Mike Chait, son of Chairperson Emeritus Steve Chait (cargo loading and co-pilot); FAA Pontiac Tower Air Traffic Control Supervisor John Gregory; Chairperson Emeritus Steve Chait; unknown helper; Section member Mark Grant.

Good Cheer on December 7, 1996. Operation Good Cheer is a terrific holiday experience. Individuals with aircraft pick up holiday gifts and fly them to needy children in foster homes in different Michigan cities. If you missed participating in 1996, keep this activity in mind for December, 1997.

C. ANNUAL MEETING

By: Donald C. Frank

The Section's Annual Meeting was held in September, 1996 in conjunction with the State Bar of Michigan's Annual Meeting in Grand Rapids, Michigan. During the business meeting, the Section elected the following members to fill vacancies on the Section Council:

Barry R. Smith of Kalamazoo, Michigan was elected Chairperson Elect. Mr. Smith was a founding member of the Section and has been involved in a number of projects including arranging the Section's meeting at the Kalamazoo Air Museum and serving as a moderator and a speaker at Section seminars. Before being elected Chairperson Elect, Mr. Smith served as the Section's Secretary. Mr. Smith is an active pilot (flying the Ford Tri-motor, among other aircraft) and an aircraft owner.

Susan L. Hofer of Bloomfield Hills, Michigan was elected the Section's Secretary. Ms. Hofer has been a member and active participant in the Section since 1992. Before being elected Secretary, Ms. Hofer served as Chairperson of the Annual Meetings, Programs, and Public Awareness Committee, and has arranged many of the Section's membership activities. In addition, Ms. Hofer served as Treasurer of the Section since September, 1995. Ms. Hofer is an active pilot, flight instructor, and aircraft owner.

Mark K. Schwartz of Waterford, Michigan was elected the Section's Treasurer. Mr. Schwartz became a member of the Section during its first year as a recognized Section and has served on various committees. Mr. Schwartz also participated in the planning and preparation of several of the FAA enforcement seminars as well as the Section's aviation liability seminar. He is an active pilot and flight instructor (CFII and MEI) and has a sea plane rating.

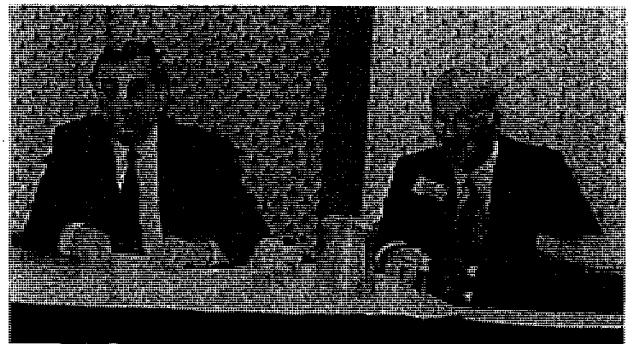
M. Dale McKay of Lansing, Michigan was elected as a Section Council Board Member. Mr. McKay has been an interested and active member of the Section for at least four years. Mr. McKay's practice includes plaintiff's personal injury and negligence defense actions, including aviation litigation, and representation of pilots, aircraft owners, and mechanics in enforcement cases. Mr. McKay is an active member of the Aviation Section in the Lansing area and is a

commercial pilot and flight instructor. Mr. McKay recently celebrated his 30th anniversary of practicing law. In addition, he is the long-standing President of the Olds Forge Fliers, Inc., a 75-member flying club which has operated in the Lansing area for over fifty years.

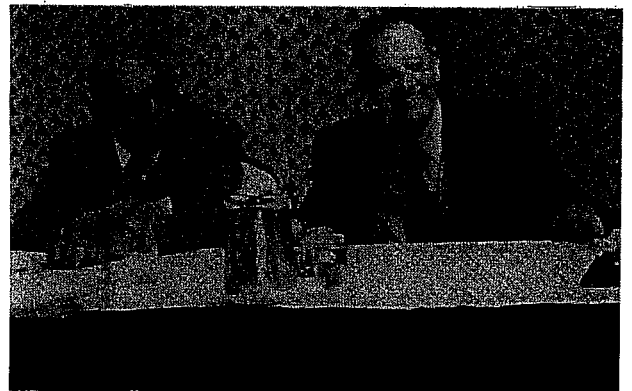
Leonard E. Nagi of Detroit, Michigan was also elected as a Board Member of the Section Council. Mr. Nagi is a founding member of the Section and has previously served the Section as its Chairperson and Chair Emeritus. As Chairperson, Mr. Nagi pioneered the Section's involvement in professional education through its airport issues symposium at Eastern Michigan University in 1995. He has also been a speaker in the Section's FAA enforcement seminars. Mr. Nagi's practice is principally the defense of aviation relation law suits.

These newly elected Section members joined Chairperson J.D. Ledbetter, Chairperson Emeritus Steven M. Chait, and Council Members Myron F. Poe and Peter R. Tolley who were not up for reelection.

Following the Section's business meeting, the members enjoyed a terrific presentation by four well-qualified aviation experts. The presenting panel included Peter H. Berger, regarding Michigan airports, George Seidlein, retired NTSB Senior Accident Investigator, WJR Radio Meteorologist John McMurray, and *Flying Magazine* editor, author and pilot expert, Howard Fried.



Above, left to right: John McMurray and Pete Burger; below, left to right: Howard Fried and George Seidlein at the Annual Meeting in Grand Rapids.



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SECTION ACTIVITIES –

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D. AVIATION LAW SECTION RECEPTION SPONSORS

By: Steve Chait

At the conclusion of our Section's Annual Meeting, held at the Annual Meeting of the State Bar of Michigan in Grand Rapids on September 20, 1996, the members were treated to a cocktail and hors d'oeuvre reception, provided compliments of our very generous sponsors.

We have been extremely fortunate to have the continued annual support of our much appreciated sponsors, most of whom have been contributing to our (expensive) receptions for the past five consecutive years.

Our generous sponsors of the September 20, 1996 reception were the following:

Steve Johns

LL Johns & Associates, Inc.
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1-847-249-5350

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Janet Conner

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Inglewood, Colorado 89112
303-799-9090

We again wish to thank our sponsors, and we would ask that all of our members give our sponsors serious consideration when in the market for aviation products and services.

E. ROCK AND ROLL

By: Donald C. Frank

In March, 1996 our then Section Chairperson boldly led our members and their families and guests in a fly-in/drive-in tour of the Cleveland Rock and Roll Museum and Hall of Fame. Our Chairperson Emeritus,

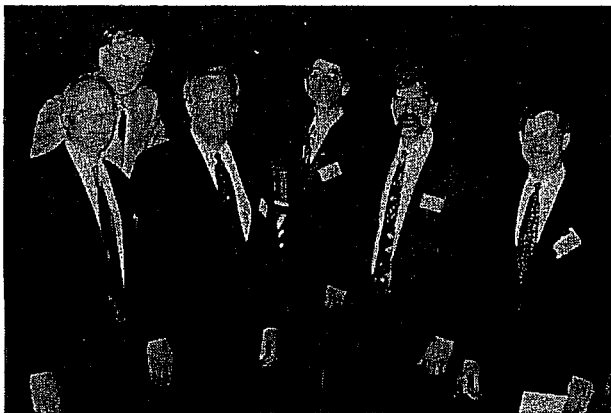
Steven M. Chait, reports that one of the highlights of the tour for members who flew in was a chance encounter with singer Rod Stewart at the Burke Lakefront Airport. Inspired by that trip, the great Chait has pledged to do his best to keep the Section rocking and rolling during his term as Chair Emeritus.



Rock and Roll Hall of Fame – Chairperson J. D. Ledbetter and wife Linda in restaurant.

F. FAA ENFORCEMENT SEMINARS

Our Section again sponsored two very popular seminars for pilots and mechanics during 1996. The seminars were presented in both Kalamazoo and Dearborn and featured a panel of Section attorneys experienced in FAA enforcement matters. For the first time, the panel also included an FAA attorney from the FAA Office of Assistant Chief Counsel in Des Plaines, Illinois. All together, over three hundred pilots, mechanics, and attorneys are estimated to have attended those two seminars.



Left to right: Barry R. Smith, Alan G. Sumberg, Gary S. Gondek, Steven M. Chait, Richard J. Durden, Donald C. Frank – Speakers at 1996 FAA Enforcement Seminars in Dearborn and Kalamazoo

V. DEVELOPMENTS IN AVIATION LAW

A. A MATTER OF PRIORITY

By: Peter R. Tolley

On December 20, 1989, in preparation for the purchase of a Helio Courier aircraft, the buyer (Montgomery) had an aircraft title search conducted which disclosed the aircraft was owned by Payne Construction Company. On December 22, Montgomery purchased the aircraft from Tremain (the Seller). At the time of purchase, seller Tremain delivered a blank Bill of Sale executed by Payne Construction Company. This was the standard OMB Aircraft Bill of Sale used by the Federal Aviation Administration.¹

Montgomery then resold the aircraft to his customer and sent the Bill of Sale, signed by Payne Construction Company, with Montgomery's buyer's name and address as the purchaser, to the FAA offices in Oklahoma City with the application for issuance of a new Registration Certificate. Shortly after mailing the Bill of Sale and Application for Registration to the FAA, Montgomery's customer received a letter from the Federal Aviation Administration in which it indicated that it was not going to process the Application because the Federal Aviation Administration had received an earlier Bill of Sale signed by Payne Construction (dated August 9, 1989), transferring title to a different purchaser. When Montgomery was unable to obtain a Bill of Sale from the purported purchaser in the earlier filed Bill of Sale, suit was commenced against the adverse claimants in the United States District Court for the District of South Carolina.

Investigation disclosed that Montgomery's seller (Tremain) had purchased the aircraft from Payne Construction in August of 1989 and resold the aircraft to a California resident. The purchaser acted through an intermediary who the purchaser had hired to fly the aircraft. When Tremain sold the aircraft to the California purchaser (through his pilot representative) he delivered the August 9, 1989 Payne Bill of Sale to the purchaser's pilot. Subsequent to this purchase, in November of 1989, the pilot, having become disenchanted with his employer (the Purchaser), sold the aircraft back to Tremain. When Tremain asked for the Bill of Sale, the pilot stated that he had lost it. In fact, he had turned it over to the Purchaser who in turn gave the Bill of Sale to a long time family friend who had loaned the Purchaser money over the years. This purchaser (Gaudern) then forwarded the Bill of Sale to a broker in Nevada who filled in its name as the purchaser and forwarded the August 9 Bill of Sale to the FAA a few days prior to the Montgomery Bill of Sale arriving at

the FAA. When Tremain resold the aircraft to Montgomery he contacted Payne Construction and said he had lost the earlier Bill of Sale and requested a replacement from Payne Construction. Payne accommodated Tremain and forwarded another signed blank Bill of Sale to Tremain, which is the Bill of Sale that was delivered to Montgomery.

The defendants in the Federal case were Nevada Air Enterprises, Ltd. (the broker who received the blank Bill of Sale from Gaudern), Ron Gaudern, the family friend to whom the earlier purchaser had given the blank Bill of Sale, Dean Tremain, Montgomery's seller and the Federal Aviation Administration.

The only defendant to appear and defend was Nevada Air Enterprises and Ron Gaudern. The matter was submitted to the United States District Court Magistrate on stipulated facts and joint motions for summary judgment. The conflicting Bills of Sale were the first, being the Gaudern/Nevada Air Bill of Sale filed with the FAA on February 28, 1990, and the second (Montgomery Bill of Sale) being filed with the FAA on March 2, 1990, presented a number of legal questions. **The first** question was whether the matter should be determined under state or federal law. **The second** question was whether the conflict between purchasers should be resolved under the Uniform Commercial Code. The Court noted the case of **Philco, Inc. v Shacket**, 462 U.S. 406 (1983), and **In the matter of Gary Aircraft Corp. v General Dynamic Corp.**, 681 F.2d 365 (5th Cir. 1982) **cert. den.** 462 U.S. 1131 (1983), which held that the validity of instruments is governed by the law of the state in which the instrument is delivered, as set forth in the clear language contained in 49 USC §1406. The Court further went on to note that the **Philco** court recognized that the first to record does not necessarily establish ownership; but rather, ownership and priorities are to be determined and governed by state law.

The Court ruled that the matter of priorities is determined by state law not federal law. 49 USC 1403 **et seq.** provides for the creation of a system for maintaining records of the conveyance of civil aircraft in the United States. This is done through the Federal Aviation Administration in Oklahoma City. However, 49 USC 1406 clearly provides that the validity of recorded instruments provided for in §1403 "shall be governed by the laws of the state, District of Columbia, or possession of the United States in which such instrument is delivered." The Court determined that Kansas law applied since that was the location in which the competing Bills of Sale were delivered by the seller to the purported buyers. The Court held that the Uniform Commercial Code as adopted in Kansas applied for determining the validity of the purchase interest of the

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respective parties. The Court ruled that §2-403 of the Uniform Commercial Code as adopted in Kansas determined priorities in the purchasers. Referring to §2-403 (2) and (3) of the Kansas Uniform Commercial Code, the Court found that the California purchaser (August, 1990) had "entrusted" the aircraft to his pilot, who in turn resold the airplane to Tremain and that the purported owner's pilot had "entrusted" the aircraft with Tremain, thereby meeting the three-prong test required for the entrustment theory: (1) entrustment of goods to; (2) a merchant who deals in goods of that kind followed by a sale by such merchant to; (3) a buyer in the ordinary course of business.

The Court also noted that Montgomery was a purchaser in good faith and in the ordinary course of business. Montgomery paid Tremain for the aircraft (Gaudern and Nevada Air had not paid anything) and Montgomery conducted a title search prior to completing the sale. On the other hand, Gaudern was given the blank Bill of Sale and paid no consideration, conducted no title search and was not "a purchaser in the ordinary course of business."

The Court therefore, granted Montgomery's motion for summary judgment and denied the defendants' motion. The Court enjoined the Federal Aviation Administration to record the Montgomery Bill of Sale and to issue a Certificate of Registration to Montgomery's purchaser and not that of Nevada Air.

Summary

The Federal Statutes which create a central clearing house for the registration and transfer of civilian aircraft in the United States is not a race statute, i.e. first to file is not necessarily determined to be the owner. The substantive law for determining priorities is governed by state law not federal law, and most probably when the purchase is from a merchant, it will be under §2-403 of the Uniform Commercial Code as adopted in the state in which the instrument is delivered.

Finally, while the use of blank or incomplete Bills of Sale is common in the aviation industry, problems may arise if there is more than one blank Bill of Sale floating around. If aircraft purchases are not closed in escrow by a reputable aircraft title company in Oklahoma City, the seller and the purchaser should assure that the appropriate Bill of Sale form and Application for Registration are promptly mailed to the FAA at the completion of the transaction.

1. *It should be noted that the use of signed, blank FAA Bill of Sale forms is customary in the aircraft industry.*

B. NEW FARs ADDED

By: Donald C. Frank

As many of our members have noticed, the FAA has added two new sections to the Federal Aviation Regulations during the last year. Those sections are 14 CFR 119 and 14 CFR 142.

14 CFR 119 became effective January 19, 1996. With various exceptions, part 119 applies to persons operating or intending to operate as an air carrier or commercial operator in air commerce or, when common carriage is not involved, to operations of U.S. registered civil aircraft with a seat configuration of twenty or more passengers or a maximum payload of 6,000 pounds or more. Many provisions that were formerly found in part 121 or 135 have now been moved to part 119. For example, the required contents of operations specifications are now set forth in 119.49.

14 CFR 142 pertains to flight school certification to provide contract training to part 121 and 135 commercial operators.

C. DIRECTOR'S DESK

By: William E. Gehman

Director, Michigan Aeronautics Commission

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Michigan Aviation, August 1996 issue.*

The Michigan Aeronautics Code is the law providing for regulation of aeronautics in the state. The code traces its roots back to 1929, predating most federal regulations. One of its provisions is the authority granted to the Michigan Aeronautics Commission to establish rules necessary to administer and enforce the code. In many cases, these rules had become obsolete and burdensome to both the public and the agency charged with their enforcement. Therefore, beginning nearly three years ago we set out to rewrite much of the aeronautics code.

One of our prime goals as we began the rewrite, was simplification. This involved eliminating many obsolete or redundant sections of the code and rules. We also made a strong effort to insure that the code reflects actual operating practices. On July 3, 1996, Governor Engler signed House Bill No. 5257, implementing many changes. Following is a summary of the changes.

A major part of the code revision involves new and revised definitions. Many old definitions had become obsolete due to changes in technology, airspace, and industry standards. Additionally, the code revision

addresses many other areas affecting aviation in Michigan.

Commission Authority

The Michigan Aeronautics Commission is tasked with the general supervision of aeronautics in the state. It is also recognized as the exclusive authority to approve the operation of airports, landing fields, and other aeronautical facilities to insure a uniformity of regulation. As part of its further responsibility to encourage and foster aviation, the Commission may establish programs of state financial assistance in the form of grants, leases, loans, or purchases.

Aircraft Registration, Aircraft Dealers and Airport Managers

The registration period now coincides with the calendar year, with all aircraft registrations expiring each December 31. The fee remains the same: one cent per pound based on maximum gross weight. If the initial registration is after July 1, the fee is only 50 percent of a full-year registration. Finally, the state registration certificate must be carried on board the aircraft.

As with aircraft registration, both the annual aircraft dealer license and airport manager licenses expire on December 31 each year. Airport managers may designate an individual to fulfill his or her duties during an absence.

Aircraft Operations

This area represents one of the more significant changes (and simplifications) to Michigan aviation law. Prior to the code change, traffic pattern requirements, including altitudes, were sometimes in conflict with federal regulations and standard operating practices. The only requirement now is that aircraft conform to standard traffic patterns specified in the Federal Aviation Regulations.

Operation of aircraft on public highways is also addressed. Except in an emergency, no person may land an aircraft on a public highway. An exception is made for lighter-than-air and emergency evacuation aircraft whose pilots have prearranged traffic control with local authorities.

Airports

The old airport licensing classifications of A, B, C, and D have been eliminated in favor of a greatly simplified system. Airports are now classified as one of the following: basic utility, general utility, air carrier, sea plane base, heliport, and hospital heliport.

The former Class D airports are now classified as basic utility airports. Class A, B, and C airports are

now grouped together into a single category: general utility airports. The only exceptions are airports certified by the Federal Aviation Administration under FAR Part 139, which will now be licensed as air carrier airports. Sea plane bases, heliports, and hospital heliports are classified separately and have special requirements due to the unique nature of operations. Detailed requirements for each are available from the Bureau of Aeronautics.

Flight Schools

Another area which underwent significant change (and simplification) was that portion of the code covering flight schools. Previously, all aviation schools were subject to licensing by the Commission. This included ground schools and maintenance schools as well as flight schools. The new law only requires licensing for flight schools. Here is a summary of the more significant changes. Again, please contact us for a copy of the full text of the new law.

Each student must be advised in writing at the time of enrollment of the type and amount of insurance coverage provided for each aircraft used by the flight school.

A flight school must have a flight instructor available to dispatch and supervise each student pilot solo flight.

A flight school shall maintain training records adequate to show each student's progress relative to the course of instruction in which the student is enrolled.

Each flight school must designate a practice area.

Any flight school which accepts prepayment equal to or greater than \$1,000 shall file with the Commission a corporate surety bond payable to the State of Michigan in the amount of \$5,000 conditioned on the faithful performance of all contracts and agreements made by the school with its students.

Temporary Landing Fields

Applications for a temporary landing field permit must be made at least 14 days before the requested date of issuance. The application must be accompanied by a \$50.00 fee. The proposed area will be inspected to insure it meets the requirements of a licensed public use aeronautical facility. Temporary field permits are valid for a period not to exceed 120 days.

Flying Clubs

Specific language regarding the scope and limits of aircraft operation by flying clubs has been added to the code. A flying club must be a non-profit organiza-

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tion which provides members with aircraft solely for personal use. The ownership of the aircraft must be vested in the name of the club or in equal shares by its members. The property rights of club members shall be equal and any part of club net earnings shall be distributed in equal shares to all members. The club shall not derive greater revenue from the use of its aircraft than the amount necessary for their actual operation, maintenance, replacement, and upgrade. Finally, flying club aircraft may not be used by members for rental or by anyone for charter or lease.

Copies Available

We are in the process of reprinting the entire Michigan Aeronautics Code along with Commission Rules and Regulations. This publication will supersede the previous edition, printed in 1992. In the meantime, copies of House Bill 5257, which includes the full text of changes to aeronautics code, are available from the Bureau of Aeronautics by calling 517-335-9283.

L39 ALBATROSS

Detroit, Willow Run Airport, 29 Sept 1995 – Mr. Robert A. Lutz, President of the Chrysler Corporation (left) – a former Marine pilot – just finished a flight in which attorney William W. Webb co-piloted his soviet built jet trainer, an L39 Albatross. Mr. Webb, who has flown other jet aircraft, noted by comparison that the L39 was designed with simplified mechanical systems. For example, the L39's controls are operated by linkage only with no hydraulics, yet the controls only required light pressures during aerobatic maneuvers. Mr. Webb indicated that the aircraft has a very positive stability similar to a Cessna Citation. The L39 is also capable of soft field landings and self-starting without external power assist. Also present are Mr. Webb's wife, Dr. Mary McNichols, and son, Alex.



ELREY B. JEPPESEN DIES

The New York Times has reported that aviation pioneer Elrey B. Jeppesen died at his home in November, 1996 at the age of 89. According to the New York Times, Mr. Jeppesen made his first solo flight in 1923 at the age of 16 and bought his first airplane with \$500.00 that he had borrowed from customers on his paper route. Mr. Jeppesen dropped out of high school to go barn storming with a flying circus and had his first pilot license signed by Orville Wright after the government started issuing licenses in 1928.

Mr. Jeppesen reportedly started his chart company by making palm sized notes in a ten cent loose leaf note book of landmarks and airport approaches that he saw while flying the mail. One unique navigational observation that he made was that outhouses always faced south.

Mr. Jeppesen began selling copies of his notebook for \$10.00 and had a thriving sideline by 1933. His company was sold to the Times Mirror Company in 1961 at which time it was grossing \$5,000,000.00 per year and had 550 employees. The business is now known as Jeppesen Sanderson.

NOONAN RIDES AGAIN

Members sometimes ask whatever happened to our Section's first and only elected Chairperson Emeritus, Edward T. Noonan. Well, last fall Ed completed a ninety-eight day bicycle trip covering 6,011 miles from Fairbanks, Alaska to Keywest, Florida. The bicycle trip was a pledge event to raise money to build a new Williamston branch of the Ingham County Library where his wife is the Librarian. Mr. Noonan is also on the Williamston City Council.

Ed now has a 34.9 megabyte, 1366 file web site with commentary and pictures from his bicycle trip. The site can be accessed at <http://www.voyager.net/tailwinds>. Ed reports that over 11,000 different people have already accessed his web site.

Ed Noonan's next bicycle trip is planned for May, 1997 when he hopes to ride from San Diego, California to Nova Scotia.

FREQUENTLY CALLED TELEPHONE NUMBERS



Compiled by Donald C. Frank

FAA Aeronautical Center

Mike Monroney Aeronautical Center	(405) 954-3011
Aircraft Registration Branch	(405) 954-3116
Airmen Certification Branch	(405) 954-3261
Aeromedical Certification Branch	(405) 954-4821 / FAX (405) 954-4300
Civil Aviation Security Division	(405) 954-3212

FAA Great Lakes Region, AGL-7

Main Numbers	(847) 294-7108 / FAX (847) 294-7498
Assistant Chief Counsel (Alan G. Sumberg)	(847) 294-7085
Deputy Assistant Chief Counsel (Perry A. Kupietz)	(847) 294-7313
Senior General Attorney (Glen L. Brown)	(847) 294-7085

General Attorneys

Lynne Adams-Whitaker	(847) 294-7085
Virginia C. Costello	(847) 294-7313
Jeanette B. Daubaras	(847) 294-7313
Daniel A. Karls	(847) 294-7085
Michael F. McKinley	(847) 294-7109
Charles R. Prock	(847) 294-7109
Chris G. Zurales	(847) 294-7313

FAA Flight Standards District Offices for the Great Lakes Region

Belleville (Detroit), Michigan	(313) 487-7222
Cleveland, Ohio	(216) 265-1345
Grand Rapids, Michigan	(616) 954-6657
South Bend, Indiana	(219) 236-8480

Michigan Bureau of Aeronautics

<i>Bureau of Aeronautics</i>	(517) 335-9283
William Gehman, Deputy Director	(517) 335-9943
Richard Jackson, Asst. Deputy Director	(517) 335-9839
<i>Airport Development Division</i>	
Oliver House, Administrator	(517) 335-9958
<i>Safety & Services Division</i>	
James T. Greshel, Administrator	(517) 335-9246
<i>Executive Division</i>	
Pauline Misjak, Administrator	(517) 335-9283
<i>Aviation Services Section</i>	
Rick Carlson, Chief Pilot	(517) 335-9986
<i>Licensing and Services; Charts and Directory</i>	
Randy Collier	(517) 335-8521
<i>Airport Loan Program</i>	
John Dallal	(517) 335-8639
<i>Aircraft Registration</i>	
Norma Dietz	(517) 335-9719
<i>Air Service and Airport Preservation</i>	
Gerald Edwards	(517) 335-8556
<i>Airport Compliance Specialist</i>	
Richard Hammond	(517) 335-9783
<i>MAC Newsletter, Safety and Education</i>	
Tom Krashen	(517) 335-9977
<i>Airport Planning, Zoning, and Land Use</i>	
Wendell Proudfoot	(517) 335-9024
<i>Navigation Aids</i>	
Stephen Schultz	(517) 335-9627

HIGH SCHOOL AVIATION SCHOLARSHIP

Section member Donald C. Frank has developed an aviation scholarship for high school students. The scholarships include approximately four hours of flight time, including a cross-country flight and control tower and flight service station tour. The program is designed to give high school students a broad understanding of aviation.

Mr. Frank's law firm, Pratt & Frank, P.C., has now sponsored the scholarship jointly with a fixed based operation (AeroGenesis Aviation, Inc., Mason-Jewett Airport) twice for high school students in the greater Lansing area. The scholarship has been very well received by both high school administrators and the students. Mr. Frank and AeroGenesis Aviation, Inc. intend to offer the scholarship again to one student from each of six high schools in the Lansing area again this spring. The total retail cost for six students to complete the scholarship curriculum is about \$2,400.00 with all costs having been shared equally by Pratt & Frank, P.C. and AeroGenesis Aviation, Inc.

According to Mr. Frank, the scholarship seems to have been effective in increasing area high school students' awareness and interest in aviation and has the added benefit of creating significant positive local publicity for the law firm and FBO.

If any members are interested in more information, contact Don Frank at (517) 349-0000.

NEW PILOT EXAMINER'S HANDBOOK

The FAA has announced the availability of a new Pilot Examiner's Handbook. The new Handbook is identified as Order #8710.3C and is dated September 20, 1996.

DIRECTORY UPDATE

The Section will publish an updated directory of its members with the next issue of the *Innermarker*. Members may have up to five lines, 28 characters per line, included in their listing to describe their experience, aviation expertise, other affiliations, or type of practice.

Members who want to add or change descriptions for their listing must mail a copy of the description to be included to Donald C. Frank, Pratt & Frank, P.C., 4151 Okemos Road, Ste. 100, Okemos, MI 48864, or fax the material to Donald C. Frank at (517) 349-2941.

Additions or changes must be received by February 28, 1997 to be included in the directory. If no changes or additions are received, the descriptions, if any, contained in the last edition of the directory will be reprinted. The address and telephone information for all members will be the latest information available from the State Bar of Michigan.



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