

At the same time, additional investments are needed at Washington National Airport to replace or improve the 28-year-old facilities if the airport is to continue at the present level of aircraft operations which, even under controlled conditions, will increase annual passenger levels from 10 million in fiscal year 1968 to 15 million in fiscal year 1975.

Activity D (FAA): Aviation War Risk Insurance

1. What is the nature of and authority for this program?

The program provides insurance against war risk for American aircraft or qualified foreign-flag aircraft operating under Department of Defense or Department of State contracts. Provision is also made for insurance of any aircraft in the event of war between any of the following powers: United States, Great Britain or any of the Commonwealth, France, and Russia. This program is authorized by title XIII of the Federal Aviation Act and is effective until September 7, 1970.

2. Who is the person primarily in charge of this program at the operating level?

Nathaniel H. Goodrich, General Counsel, FAA.

3. How much money and capital equipment is available under this program for fiscal 1968?

Approximately \$55,000. No capital equipment. No appropriation is made for payment of claims since these are reimbursed by either the Department of Defense or the Department of State. Other claims, in the event of war among the named great powers, would be reimbursed by premium charges to be imposed when needed.

4. Would you describe the output generated by this program?

Nonpremium insurance policies issued to carriers operating under Defense and State Department contracts. Premium-type insurance is issued to become effective in the event of war between the major powers.

5. Can you quantify this output in any way?

Yes; 180 aircraft were insured during fiscal year 1967. As of April 30, 1968, the following coverages were in effect:

[Dollar amounts in millions]

Basis for coverage	Number of aircraft covered	Total contingent liability
Department of Defense contracts.....	493	\$34,790
State Department contracts.....	43	3,781
Premium insurance.....	54	2,227

In addition, two claims were adjudicated in fiscal year 1968.

6. Would you describe the principal operations that are involved in producing this output?

The administrative operation consists of processing applications for coverage, issuing policies, evaluating claims, and maintaining associated records. Also involved is the related legal advisory service.

7. How many employees are involved in the program, and in what general type of employment categories do they fall?

One full-time permanent career employee.

8. What is the grade structure and how many supergrades—quota and non-quota—are involved?

One GS-7. No supergrades.

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

None.

10. Do you expect the expenditures and the benefits of the program to grow appreciably in the future?

No.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

At the working level and by the first line supervisor.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?