



The Aviation Industry: First 100 Days and Counting

May 1, 2025

D.O.G.E

- Department of Governmental Efficiency:
 - Created by repurposing the U.S. Digital Service, which was created to fix the Obamacare website launch problems
 - Part of the Office of Management and Budget
 - Elon Musk agreed to head department for the first 100 days
 - Voluntarily limited his tenure as head to avoid arguments that he needed to be nominated and approved by the Senate to head the department
 - On April 23, 2025, Musk announced that he would be cutting back his time at DOGE significantly starting in May

D.O.G.E

- DOGE's primary purposes are to:
 - Identify waste, fraud and abuse
 - Improve the federal government's IT infrastructure
 - Identify excess capacity and areas where agencies or facilities can be consolidated
- DOGE ranking of savings by department puts DOT at 19th out of 22
- DOGE website identifies \$160 billion in savings to date, involving:
 - 8,554 contracts terminated
 - 9,699 grant terminated
 - 643 leases terminated

D.O.G.E

- Areas identified by DOGE for additional work:
 - FAA identified 51 of its 138 systems are unsustainable due to outdated functionality or lack of spare parts
 - GAO found that many critical systems that are unsustainable have a date of 2030-2035 for work to replace them to be complete
 - Air traffic Control System
 - NOTAM system
 - 2024 GAO report blamed the system outage on outdated infrastructure
 - FAA announced on April 21, that the new system will be online by September 2025 far ahead of schedule

DOT – Regulations & Workforce

- Department of Transportation – Regulations
 - Ranks 5th among agencies for total volume of regulations (beaten by Treasury, EPA, HHS, and Agriculture):
 - 6.26 million words
 - 15,500 sections of regulations
- Department of Transportation – Workforce
 - Has 55,806 employees, 518 offices and total payroll of \$7.7 Billion
 - Average employee makes 137,000 per year
 - Approximately 4,000 employees took the buyout
 - About 1,000 probationary employees were also affected
 - Second round of Buyouts offered in April (initial reports about 2,000 took offer)

FAA/NTSB Workforce

- FAA:
 - Air traffic controllers and safety personnel excluded from buyout and probationary firings
 - 352 probationary employees out in initial cut, with 132 subsequently hired back
- NTSB:
 - 429 Full-time employees (up from 300, five years ago)
 - Exemption from probationary firings
 - Exemption from buyout program
 - Exemption from hiring freeze

FAA

- Air Traffic Controllers:
 - Potomac river mid-air collision put a spotlight on air traffic controller staffing
 - FAA retreated from its minority and disadvantaged hiring programs
 - Announced a limited-time ATC hiring drive (Goal:1,500 – 2,000 new employees)
 - Announcement cautioned on the “rigorous qualification requirements” for air traffic controllers, including “robust medical standards.”
 - Streamlined the application process, accelerating the time-to-hire and cutting four months off the hiring process.
 - Upon completing process, candidates attend mandatory training at FAA Academy in Oklahoma City
 - As of March 21, 2025, there were 8,320 candidates, with candidates scoring highest on the Air Traffic Skills Assessment (ATSA) given priority for the Academy

National Transportation Safety Board



429

Headcount

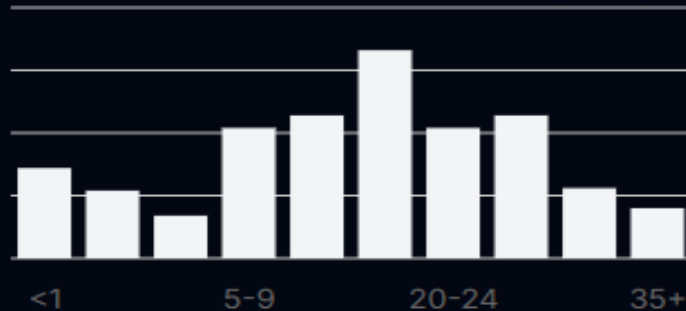
67

Subordinate Offices

\$59.9M

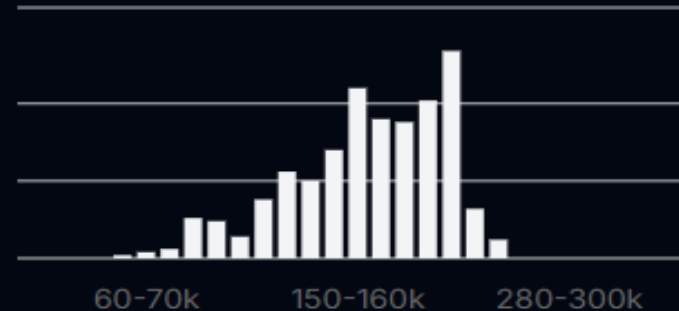
Total Wages

Years of Tenure



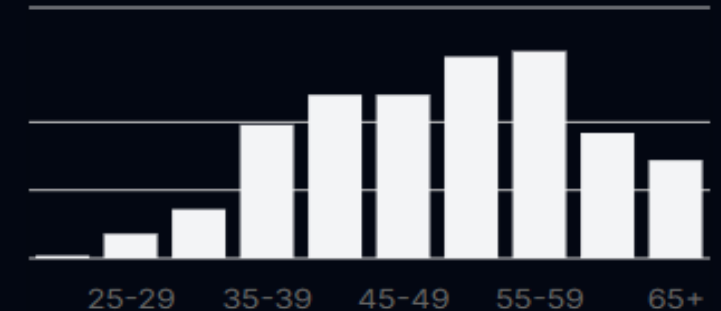
The average employee has worked here 14 years.

Salary



The average employee makes \$139,740/yr.

Age



The average employee is 50 years old.

FAA – Administrator?

- Administrator Michael Whitaker resigned on January 20, 2025, and Chris Rocheleau took over as acting Administrator on January 30, 2025
 - Over the last 5 years, there have been 4 acting administrators and only 2 confirmed administrators
- Brian Bedford, President and Chief Executive Officer of Republic Airways to serve as FAA Administrator
 - Schumer said he and families for victims in the Colgan crash have “grave concerns” over the “incredibly dangerous” nomination due to Bedford’s criticism of the 1,500-hour rule

FAA - Regulations

- BVLOS Rulemaking:
 - ARC finished work March 10, 2022
 - Strong dissent from manned aircraft groups
 - FAA Reauthorization Act (May 2024) required the NPRM to be released within 4 months of the passage of the Act, with the final rule 16 months later
 - FAA has stated several times that the NPRM would be announced before the end of 2024
 - Announcement was delayed after election as part of regulatory freeze
 - Sean Duffy announced in March that the NPRM would be announced in “relatively short order”

FAA – Rulemaking Initiatives

- Modernization of Pilot Training School Certification:
 - Announcement noted that the last major revision was in 1997, and technology such as GPS, electronic flight bags, and simulators were not in widespread use
- Wheelchair Rule:
 - Effective January 16, 2025, has a 1-year delay for implementation
 - Regulations define “safe and dignified” and “prompt emplaning”
 - Creates a rebuttable presumption that damage to checked wheelchairs or other assistive devices was the result of airline mishandling
 - Creates requirements for airlines to notify disabled passengers of their right
 - Sets standards for delay in transporting wheelchairs or assistive devices, reimbursement requirements and repair and replacement obligations
 - Airlines filed suit challenging the regulation, claims DOT exceeded its regulatory boundaries and underestimated the cost and burden on the airlines

FAA – Rulemaking Initiatives

- Data privacy:
 - Private aircraft owners may request to keep certain ownership information (like their name and address) private and not publicly available on FAA websites
 - FAA published a request for comment in the Federal Register to seek input on whether removing the information would affect the ability of stakeholders to perform necessary functions (maintenance, safety checks, and regulatory compliance)
 - FAA is evaluating whether to default to withholding the personally identifiable information of private aircraft owners and operators from the public aircraft registry and providing a means for owners and operators to download their data when needed
 - Comments close May 5, 2025

FAA – Rulemaking Initiatives

- Air Tour Rulemaking Committee – Will hold its first meeting on May 20, 2025, and provide recommendations on:
 - Potential changes to operations regulations or requirements
 - Establishing a standard for flight data monitoring
 - Requiring operators to install flight data recording devices
 - Establishing terrain warning and awareness methods
 - Establishing ways to avoid other aircraft in high-traffic areas

Congressional Focus

- House Transportation Subcommittee:
 - Air Traffic Control staffing and oversight
 - “America Builds” – Airport infrastructure improvements
 - \$174 billion in infrastructure investments over the next five years
 - Overhaul of “red tape” involving Airport Improvement Program and airport oversight
- Senate Committee on Commerce, Science, and Transportation:
 - Boeing oversight and quality improvements
 - ATC modernization
 - Approving commerce related agency heads (DOT, FTC, OST, etc.)
 - Additional authority and funds for NASA

Involvement of the Courts

- Example of Arguments – United States Agency for Global Media (aka Voice of America), an “independent agency established by Congress”
 - 2024 Budget of \$857,000,000
 - Executive Order 14238 - “Continuing the Reduction of the Federal Bureaucracy,”
 - announced by President Trump on March 14, 2025. Shut-down of almost all of VOA operations and broadcasts, ending grants to affiliates
 - Suit brought by AFGE and AFSCME members that were terminated and grant recipients
 - April 23, 2025, D.C. Federal District Court Judge Lamberth granted a preliminary injunction

Involvement of the Courts

- Held decision is covered by APA and was arbitrary and capricious
- Also, that the small staff left can't perform its statutory duty of "reaching a significant audience" with "news that is consistently reliable and authoritative, accurate, objective, and comprehensive"
- Held the cutting of the network grants was inappropriate because the money had been appropriated by Congress for that purpose (Separation of Powers claim)
- Held the Order likely violated the Take Care Clause: "Under the Constitution, the President must 'take care that the laws be faithfully executed,' U.S. Const. art. II, § 3, across the entire Executive Branch—including 'independent' agencies"

Involvement of the Courts

- Court granted Preliminary Injunction:
 - Take all necessary steps to return employees and contractors to their status prior to March 14, 2025
 - Restore all FY2025 grants to the network contractors
 - Provide monthly status reports to the Court regarding compliance with the order
 - Restore VOA programming
 - Denied the injunction as to several plaintiffs such as Radio Free Europe as some of the money had already been restored

Tariffs on Aviation Products

- Aviation products have been largely tariff-free since the WTO in 1979, with countries “competing” with each other by offering large subsidies to national aerospace companies
- Aviation components for foreign made aircraft affected depending on country of origin
- Aviation is a large target for Counter-tariffs given the US trade surplus in this area
- Tariffs on raw materials (aluminum/steel) may affect production costs
- No uniformity so far, with aviation tariffs either paused or excluded for many countries (For example - Canada/Mexico to the extent it is currently duty free under USMCA)

Tariffs on Aviation Products

- Tariffs are paid on delivery of the product to the country, giving an incentive for customers to delay accepting delivery
- MROs facing uncertainty on parts costs and availability
- Tariffs will affect the import of used aircraft from overseas
- Most unmanned aircraft come from overseas, especially China, potentially leading to substantial price hikes

Tariffs on Aviation Products

- The General Aviation Manufacturers Association (GAMA) noted that almost half the total revenue from general aviation manufacturers comes from exports, about \$5.2 billion in 2023
 - “Tariffs would affect the intricate and very complex global supply chain that can take years to establish given that it relies on suppliers with unique capabilities that are highly regulated and therefore cannot be easily replaced.”
- July 9, 2025, is the end of the 90 day pause on U.S. Reciprocal tariffs and EU retaliatory tariffs

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Save the Date for the 2026 Aviation Symposium

February 3-5, 2026



Contact Us



Mark E. McKinnon

Partner

202.794.1214

mmckinnon@foxrothschild.com



Mark A. Dombroff

Partner

202.696.1473

mdombroff@foxrothschild.com



Morgan W. Campbell

Partner

202.696.1472

mcampbell@foxrothschild.com