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Chairman DeFazio, Ranking Member Graves, Chairman Larsen, Ranking Member Graves, and distinguished Subcommittee Members:

The National Air Transportation Association (NATA) has been the voice of aviation businesses for 82 years. In 1940, general aviation in the U.S. was at risk. With the looming threat of war, the U.S. Army sought to ban all flights by privately owned aircraft in the national airspace. That year, 83 charter members representing all types of general aviation businesses unified as a singular voice to successfully tell Congress and the Administration to keep the airspace open to this important industry.

Today, NATA represents nearly 3,700 aviation businesses across a broad cross section of the industry, including fixed base operators, Part 135 air carriers and fractional ownership companies, air medical operators, flight schools, maintenance repair stations, aviation fuel suppliers, and airport sponsors at general aviation airports.

Fixed Base Operators

Fixed base operators (FBOs) are the primary service and fuel providers to general aviation aircraft operators, as well as to many public essential services such as law enforcement, EMS, and fire management. Some FBOs also provide maintenance, flight instruction, and aircraft management, rental, charter, and sales. FBOs at many Part 139 commercial airports perform line maintenance, cabin cleaning, and baggage handling for Part 121 commercial, passenger, and cargo airline customers.

General Aviation Fuel Suppliers

NATA represent all of the nation’s major general aviation fuel suppliers who provide aviation businesses with Jet A and Avgas, refueler trucks, financing for fuel infrastructure, contract fuel, sustainability programs, and other logistical services.

Airports

One of NATA’s fastest-growing membership categories is general aviation airports. Our nation’s 4500 general aviation airports are vital economic engines, serving as arrival and departure points for economic developers and components for local manufacturing; supporting agricultural, law enforcement, and fire-fighting missions; and providing access to critical medical care, especially in remote communities. By contrast, scheduled air carriers fly only to those places where the economics of operation justify service, approximately 500 airports nationally.

Maintenance/Repair Stations

The term "repair station" refers to a maintenance facility that has a certificate issued by the Federal Aviation Administration (FAA) under 14 CFR Part 145 and is engaged in the maintenance, preventive maintenance, inspection, and alteration of aircraft and aircraft products. Another more general term used throughout the industry is MRO, referring to repair stations as maintenance, repair, and overhaul facilities.

Flight Training

Across the country, accredited universities and colleges integrate flight training curriculums under 14 CFR 141 into the academic requirements for a degree in aviation science, educating the next generation of aircraft captains. In addition, many FBOs and independent flight instructors provide flight training under 14 CFR Part 61.

Part 135 On-Demand Air Charter

One of the most important contributions of general aviation is providing on-demand transportation for freight and passengers, especially to airports that have no scheduled commercial air carrier service. Most operators using general aviation aircraft in a for-hire passenger and/or cargo capacity are certificated to operate under 14 CFR Part 135 and conduct numerous types of missions, including medical flights.

Fractional Ownership Companies

For those who do not need the use of an airplane full time, fractional ownership plans offer the benefits of private aviation, including on-demand transportation, high service levels, and an excellent safety record.

As the term fractional implies, participants are brought together to buy into a specific airplane, with each holding a fractional share entitling them to usage of that airplane on a predetermined hourly basis, normally over a 12-month period. The day-to-day operational management of the aircraft involved in a fractional plan is carried out by the plan's operator who is responsible for the acquisition and management of the aircraft on behalf of the shareholders. This operator also provides flight crews and takes charge of maintenance and scheduling.

Aeromedical Services

Approximately 250 organizations in the U.S. are currently engaged in the transport of seriously ill or injured people to hospitals for emergency care. Air medical transport saves lives by bringing more medical capabilities to the patient than are normally provided by ground emergency medical services, along with faster transit times to the appropriate specialty care location—services not typically provided by commercial air carriers.

Since its founding, NATA has represented the interests of these general aviation businesses before Congress and the federal agencies by advocating for sound legislative policies and a consistent regulatory framework that collectively maximizes safety and success. The Association's advocacy is driven by its policy committees, which convene thought-provoking industry leaders to examine contemporary issues and pursue solutions to prioritize safety and economic viability. To that end, the Association's ongoing major policy initiatives include a campaign to end illegal air charter activities; efforts to reform outdated fire protection standards and remove PFAS chemicals from aircraft hangars; the approval of a safe, drop-in unleaded fuel for piston aircraft; and the advancement of innovations to reduce the industry's environmental impact, such as sustainable aviation fuel and advanced air mobility.

The Association is not only focused on advocacy, but also on elevating the safety and professionalism of the industry. NATA's Safety 1st program is the industry standard for training general aviation support personnel with over 10,000 users at 761 locations. Safety 1st empowers organizations and training administrators with flexible tools to customize learning pathways that meet the requirements of their unique operating environments and the specific learning needs of their team members. The Safety 1st Training Center's unique approach to learning blends online content and assessment with locally provided on-the-job training and practical skills assessment. Since 2008, Safety 1st has trained over 40,000 individuals on topics such as misfuelling avoidance, aircraft movement and ramp safety, regulated hazmat handling, and flight coordinator training.

NATA also is represented on numerous working groups with U.S. Customs and Border Patrol and the Transportation Security Administration on issues pertaining to general aviation security.

My testimony today will focus on the current state of general aviation as we emerge from the COVID-19 pandemic, recognizing challenges facing our industry as well as opportunities to ensure we maintain a healthy, thriving aviation ecosystem—one that meets today's needs and is prepared to embrace tomorrow's innovation.

Throughout the COVID-19 pandemic, general aviation proved its national value by continuing to deliver vital essential services when commercial aviation shut down. Part 135 air carriers and general aviation airports provided critical medical transport, supported essential law enforcement and firefighting services, transported testing and vaccine supplies, facilitated business travel to maintain economic growth, and kept remote communities safely connected.

After a devastating dip in private air travel during the first months of the pandemic, Part 135 business jet operators matched 2019 activity by early summer of 2020 and eventually surpassed the previous year's pace—a trend that continued throughout 2021 as the pandemic persisted. Private flying activity continues to exceed expectations in the post-pandemic economy, with a 20 percent increase in North American business jet travel in the first quarter of this year. There are signs of a slight slowdown in growth, however: recently released numbers for June show just 7 percent growth.[1]

Illegal Charter Activity

This increased flight activity presents great opportunity for general aviation and aviation businesses. But its combination with a significant number of new entrants into the 135 market, an economic downturn, and substantial workforce challenges across the industry has led to a dangerous uptick in illegal charter activity. Since 2018, NATA has led the charge against illegal charter operations, which pose a safety risk to the flying public and distort the market for legitimate Part 135 air carriers. NATA's Illegal Charter Task Force has an active partnership with FAA to raise public awareness, educate operators on regulatory compliance, and develop

[1] "Weekly Bulletin on Global Business Aviation Activity," WINGX ADVANCE, July 7, 2022, https://wingx-advance.com/wingx-bizav-weekly-bulletin/.

reporting tools for suspected illegal activity. NATA is also proud of its work to facilitate industry and agency discussions, assist in developing stakeholder resources, and empower enforcement by advocating for increased actionable data.

In 2021, illegal charter activity reported to the "Avoid Illegal Charter" hotline and website increased by 54 percent compared to the previous year, confirmation of the pervasive nature of this threat despite our efforts to raise awareness. NATA also has concerns about inconsistent investigation and enforcement by Flight Standards District Offices, as well as the backlog of appeals to the National Transportation Safety Board (NTSB). The lack of data on outcomes of reported suspicion of illegal charter activity make it difficult to gauge the scope of these issues; therefore, we believe the release of annual data breaking down reports by source and aggregating outcomes would assist both the FAA and industry in combatting this problem. In addition, FAA needs increased resources to consistently investigate and expand enforcement, while NTSB needs resources to adjudicate the backlog of appeals once charges have been made.

Certification Backlog

Just as FAA lacks sufficient workforce to consistently investigate reports of illegal charter activity, the Agency's workforce also struggles to process air carrier, aircraft, and airmen certifications in a timely manner. Currently, FAA's certification queue numbers over 500 applications—in recent years, that number has risen above 1000. As a result, it can take up to two years for a prospective operator to obtain a 135 certificate, deterring legitimate new entrants to the industry and increasing the risk of regulatory noncompliance.

Today, you'll hear of challenges created by deficiencies in the aviation industry workforce—concerns that NATA shares wholeheartedly as our member businesses struggle to hire and retain pilots, maintenance technicians, fuelers, ground handlers, and other skilled workers. While the tempo of business aviation activity continues to trend upward, the lack of skilled labor and meager supplies of aircraft parts, coupled with the FAA's struggles to process a backlog of certification applications, is causing severe operational challenges.

As a safety sensitive workforce, FAA's aviation safety inspector numbers are controlled by Congress and the Agency must report year end workforce numbers to Congress annually. At first blush, the current report of 1,825 aviation safety inspectors appears to be insufficient for the Agency to adequately perform its safety duties. NATA believes it is important that FAA emphasizes prioritizing its certification, accident investigation, and safety oversight resources. NATA strongly recommends the FAA also partner with industry to conduct a thorough assessment of the current certification process and average length of time from application to certification. Analysis of such data will allow the Agency to more effectively allocate resources and streamline the certification process without compromising safety.

The increase in general aviation traffic across the nation has also attracted increased attention from industry critics. As news articles amplifying concerns about PFAS contamination, lead emissions, and noise appear with increasing regularity, both industry and government must be proactive about identifying and implementing common sense policies that reduce general

aviation's environmental impact without sacrificing safety, essential services, or economic viability.

PFAS Chemicals

With the Environmental Protection Agency (EPA) in the process of designating PFAS chemicals as hazardous substances, there is much discussion about how to end the use of such "forever chemicals" at airports and how to protect Part 139 airports from litigation—but the conversation needs to include general aviation airports and their tenants, as well. Until recently, the *National Fire Protection Association (NFPA) 409: Standard on Aircraft Hangars*—which is the primary standard for hangar fire protection and is referenced by the international building code (IBC), the international fire code (IFC), and state and local statutes, ordinances, and regulations—required most modern general aviation hangars to have automatic foam fire suppression systems installed.

Yet a 2019 study performed by NATA and the University of Maryland's Department of Fire Protection Engineering Studies found costly risks to the environment, human health, and operational budgets associated with accidental foam discharges. Combining the frequency of incidents and the damage per incident over the 16-year study period, the cost of accidental foam discharges annually is on average $6.4 million, while the cost for foam discharges in response to fire is $1.7 million.[2] NATA successfully advocated for revisions to the 2022 edition to exempt Group II hangars from the foam requirement and has created resources to help aviation businesses avoid foam, but the process and cost of PFAS remediation in existing hangars is prohibitive for many small businesses, with estimates frequently topping a million dollars.

There is no easy solution to the problem of PFAS on airport properties, but it is in the interest of all parties—airports, associated businesses, and the public—to streamline the process of removing unnecessary foam fire suppression systems in aircraft storage hangars and to work toward FAA approval of a fluorine free alternative in cases where foam is necessary. AIP funds or a separate grant program should be administered by FAA to help remediate PFAS-containing foam from the property of federally obligated airports, allowing airport sponsors to partner with private tenants to accomplish this. In addition, any federal exemption for litigation should be expanded to include not only Part 139 certified airports, but also airport sponsors, hangar owners, landlords and lessees at public use airports who were required to install and maintain foam fire suppression systems by local authorities.

Emissions

Equally threatening to the future of general aviation is the environmental impact of 100 Low Lead (100LL) fuel. NATA and other leading general aviation organizations are partnering with FAA on the EAGLE initiative to find an unleaded fuel solution for the entire piston aircraft fleet by 2030. Adequate resources must be directed toward this effort. We must also ensure the

[2] Mike Milke, "Review of Foam Fire Suppression System Discharges in Aircraft Hangars," (National Air Transportation Association), accessed July 9, 2022, https://www.nata.aero/assets/Site_18/files/NFPA%20409/UMD%20Report%2011-12.pdf.

availability of leaded Avgas until an alternative is widely available, for both safety reasons and to maintain the piston aircraft used to train the next generation of pilots.

NATA is committed first and foremost to safety, so we are in the process of developing training to avoid misfuelling, as well as publishing a white paper on safe fueling with alternative fuels. As the primary advocate for the FBOs that sell aviation fuel and provide fueling services, NATA also seeks funding to help businesses procure the temporary infrastructure necessary to offer both 100LL and an alternative unleaded fuel (which serves only a portion of the piston aircraft fleet and represent approximately a quarter of Avgas fuel sales) until a single, fleet-wide, drop-in unleaded replacement fuel is identified. Most businesses will not see a return on the $500,000 investment required to secure an alternative fuel tank and refueler truck; therefore, we believe public/private partnership is warranted. Our combined efforts on these fronts will help minimize general aviation's environmental impact, prove to the public our commitment to sustainability, and enable us to maintain the existing general aviation fleet.

Sustainable Aviation Fuel

Equally vital to our industry's sustainability goals is the proliferation and adoption of sustainable aviation fuel (SAF), which offers a lifecycle greenhouse gas (GHG) emissions reduction of up to 80 percent compared to conventional, petroleum-based jet fuel. NATA is a founding member of the Business Aviation Coalition for Sustainable Aviation Fuel, where I serve as chairman of the steering committee. Together, NATA and our fellow Coalition members have successfully educated stakeholders and created a demand within our industry for SAF; now we are pursuing legislative and regulatory policies to help scale up SAF production to meet that demand. All sectors of aviation have coalesced behind legislation to create a blender's tax credit for SAF, which would help level the playing field with more established biofuels. Equally important is the removal of regulatory roadblocks that prevent the inclusion of proven SAF technologies and feedstocks in the EPA's renewable fuel standard (RFS). We must ensure that outdated government policies and guidelines do not hinder technologically viable, commercially scalable SAF pathways and prevent the use of readily available raw feedstock that utilizes existing infrastructure, or we risk losing those technologies to other countries and forfeiting our nation's leadership in this emerging industry.

For example, under EPA's current interpretation of the statute underlying the RFS, producers effectively cannot utilize feedstock derived from wildfire prevention management activity on federal lands. The aviation community and SAF producers have been urging EPA to work in partnership with the U.S. Forest Service to correct the current regulatory disconnects, expanding a readily available SAF feedstock for inclusion in the RFS while contributing to wildfire risk reduction and sustainable forest management. This is just one example of the need to align federal policy to support SAF—a clean, domestic energy source with proven efficacy to reduce our industry's emissions while utilizing existing infrastructure.

Advanced Air Mobility

Not all aviation innovations will be implemented with existing infrastructure, however. Rapidly evolving technological advances in the development of electric aircraft promises that the next

generation of flight will be viable more rapidly than expected. AAM has the potential to reduce noise and emissions, to speed up cargo and medical transport in rural areas, to facilitate urban mobility without added congestion. But is our aviation infrastructure prepared to support advanced air mobility? NATA believes both urban and rural general aviation airports offer logical space for newly designed vertiports to host eVTOL aircraft, and that our FBO members are poised to provide services to this emerging market with the proper preparation.

With the Advanced Air Mobility Coordination and Leadership Act and the Advanced Aviation Infrastructure Modernization Act, this Subcommittee has taken small but critical steps toward preparing our national air space for eVTOL innovation. We believe more aggressive steps are necessary to help aviation businesses plan for AAM implementation, as well. NATA's members will be supporting, maintaining, fueling, and operating this next generation of aircraft, but many are seeking guidance on the infrastructure necessary to do so safely and successfully. We look forward to partnering with industry, Congress, and the FAA to move this technology forward and help stakeholders prepare for its adoption.

General Aviation Airports

At the center of almost every issue raised today is our nation's system of general aviation airports, which supply an essential lifeline to rural America. NATA's member businesses operate at nearly 4,500 airports located in thousands of communities, many of which are not served by commercial aviation. The aviation activity in these cities and towns creates good paying jobs, economic activity, and connectedness. General aviation airports and associated businesses also support EMS, agriculture flights, police work, Border Patrol, executive transport, cargo transport, flight schools, vocational schools, research, powerline patrol, pipeline patrol, conservation efforts, firefighting, construction, seismic work, sightseeing, organ transport, non-emergency medical transport, and the list goes on. It is critical that the next FAA Reauthorization recognize the value of maintaining and modernizing the infrastructure that supports these essential services. Therefore, NATA asks Congress to expand the Contract Tower Program and adjust AIP entitlements to equip general aviation airports to grow in line with industry demand.

Air Traffic Control System

The United States maintains the safest and most successful air system in the world, and NATA looks forward to working with this Subcommittee to ensure that excellence continues with the next FAA Reauthorization. To the end, we oppose any efforts by special interest groups to gain control of the air traffic control system so that it remains available to all users.

NATA is optimistic that general aviation will continue to grow and flourish across the country as industry and government partner together. Thank you for convening today's hearing and for your thoughtful consideration of the issues raised.