



**Committee on Transportation and Infrastructure
U.S. House of Representatives**

Washington, DC 20515

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**ICYMI: Air Traffic Control Privatization:
A Risky Corporate Giveaway That
Will Harm Consumers**

Dear Colleague:

We write to draw your attention to the following op-ed that ran in The Hill yesterday expressing opposition to a controversial plan to privatize the Nation's air traffic control (ATC) system and give effective control of our public airspace to the major airlines and their allies.

For more information on ATC privatization, please contact Alex Burkett, Democratic Staff Director of the Subcommittee on Aviation, at alex.burkett@mail.house.gov or ext. 5-9161.

Sincerely,

PETER DeFAZIO
Ranking Member
Committee on Transportation and Infrastructure

RICK LARSEN
Ranking Member
Subcommittee on Aviation

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Air traffic control privatization: A risky corporate giveaway that will harm consumers

BY DONALD COHEN, SALLY GREENBERG, PAUL HUDSON AND LINDA SHERRY, OPINION CONTRIBUTORS
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Current U.S. law states that "a citizen of the United States has a public right of transit through the navigable airspace." The central message is that our airspace should be viewed as valuable public resource to be maintained for the safety and benefit of the many, not the few. Yet, in the last few weeks, United Airlines' deplorable assault on a paying passenger can make us all wonder if passengers have any legal rights at all, and certainly has reminded us all of the need for more congressional oversight of the airlines.

Unfortunately, the big airlines are now pushing a risky air traffic control (ATC) privatization scheme that would do just the opposite. Under this proposal, the FAA would hand over control (for free) to an unelected, unaccountable non-profit corporation, likely to be dominated by the airlines themselves. This unwise corporate giveaway would give nearly unchecked power, market domination and private control over a core public asset to big commercial interests at great expense to consumers, local communities and national security.

Americans are familiar with the unpleasant realities of air travel in recent years coinciding with a period of rapid airline consolidation where just four airlines now control nearly 70 percent of the domestic market.

Unsurprisingly, this oligopoly has resulted in record profits for the industry. Unfortunately, those billions in profits have come at consumers' expense. Whether it is cramming more passengers into ever smaller spaces, losing baggage, cutting routes to small cities and rural communities, and endless fees (\$6.8 billion in 2015); the airlines' practices and customer satisfaction surveys demonstrate that passengers often come last. In 2015 alone, the Department of Transportation logged over 20,000 passenger complaints. Now, passengers have to be concerned about being physically assaulted or literally dragged off of their flight. And the biggest shocker? Over 40,000 people are "bumped" out of their legally purchased seats every year.

And now, the industry wants even more power. Under its ATC "modernization" plan, a private board would be gifted oversight of air traffic control and all its operations. This

would give the airlines nearly limitless power to raise taxes and fees on consumers without any congressional oversight or public accountability which has been a hallmark of our aviation system since its inception. In addition to likelihood of new fees and taxes, access to airports and gates for general aviation and low cost competitors would be driven by the airlines' priorities over the common interests of the public who have invested tens of billions into the system.

Maintaining FAA oversight of our air traffic control system is likewise critical for national security. The Department of Defense Policy Board stated that ending the FAA role in managing the ATC system "raises serious concerns" regarding shared infrastructure with the military given that "DOD relies on FAA's command and control capabilities in the execution of the National Defense mission." According to the non-partisan GAO, privatizing air traffic control would also create problems with how the FAA and DOD cooperate on security. Another report raised serious questions about how easily safety roles and responsibilities could be split between a privatized entity and the FAA.

Airlines and their allies offer a variety of largely discredited justifications for their power grab. They often claim that privatization will improve delays even though independent analysis of government data reveal that the airlines themselves were responsible for over 300,000 flight delays in 2015 including major computer glitches, mechanical issues and late crews, surpassing all other types of delays. Given this dubious track record, we simply cannot trust an unaccountable ATC board dominated by airline interests with such an important public responsibility.

Proponents also cite much smaller privatized systems in Canada and the U.K. as worthy of emulation, however they consistently fail to mention that the UK system required a large bailout to remain viable and the Canadian operator had to adjust fees to address funding imbalances. Others tout potential cost savings and faster implementation of new technologies while ignoring the fact that such a disruptive change could delay the improvements that are already working. And the CBO estimated that turning over control of our public airspace to a private corporation could cost nearly \$90 billion and increase our deficit by \$20 billion. We've witnessed similar government-launched corporate monopolies like AMTRAK require repeated taxpayer bailouts while also struggling to install critical safety and technological upgrades.

Recent remarks by airline CEOs during a Feb. 9 White House meeting are instructive. While touting the perceived benefits of privatization, Southwest Airlines CEO Gary Kelly essentially admitted that obtaining organizational control was the key motivation: "well, we're not in control. And I think that's one of the things that we see as the path to having success, is we need to address the fundamental organization of the air traffic organization." Kelly then continued to highlight the airlines' desires, stating that "we want the government out of managing the air traffic control system." These remarks speak volumes about the airlines' true intentions as does the fact that consumer and passenger rights advocates have been largely excluded from the legislative process and any meaningful representation on the proposed oversight board.

Our air traffic control system is a crucial public asset that should remain an inherently governmental function subject to ongoing congressional oversight to ensure that its needs and activities are properly aligned to our common goals of open access, security and political accountability.

Donald Cohen is Founder & Executive Director of In The Public Interest. Sally Greenberg is Executive Director of the National Consumers League. Paul Hudson is president of Flyer's Rights. Linda Sherry is director of National Priorities at Consumer Action.

The views expressed by this author are their own and are not the views of The Hill.