

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Ranking Member Peter DeFazio

www.democrats.transportation.gov

FACT SHEET PRESIDENT TRUMP'S PLAN TO PRIVATIZE THE AIR TRAFFIC CONTROL SYSTEM

Prepared by Committee on Transportation and Infrastructure Democratic Staff
June 7, 2017

On June 5, President Trump announced his plan to privatize our Nation's air traffic control (ATC) system. The Trump plan creates an enormous cloud of uncertainty over the future and safety of the U.S. aviation system—the largest, most complex, and safest system in the world. Specifically, the Trump plan:

- **Jeopardizes Aviation Safety.** The Trump plan splits the Federal Aviation Administration (FAA) in two to create a new ATC Corporation, jeopardizing aviation safety and leaving critical FAA safety oversight and more than 7,400 FAA inspectors and other safety-critical employees subject to year-to-year funding uncertainty. In particular, the Trump plan leaves the FAA's safety-critical certification processes subject to the risks of sequestration and shutdowns.
- **Disrupts Current and Critical FAA Programs.** ATC privatization will extensively disrupt all FAA programs, including airspace modernization programs known collectively as the Next Generation Air Transportation System (NextGen), a program on schedule to generate a combined \$161 billion in benefits to the government and airspace users by 2030.
- Allows a Private Corporation to Tax the Flying Public. The Trump plan allows the private ATC Corporation to charge system users to fund its ATC services. The plan completely removes Congressional oversight from the Corporation's assessment of user fees and states that the fees will not be subject to judicial review, leaving system users with little to no recourse to challenge unfair charges.
- Hurts Consumers, Mid-Size and Smaller Communities, and General Aviation. A bottom-line-driven ATC Corporation will cut costs wherever possible. The Trump plan will create a corporation—controlled by the largest commercial airlines and their allies—that will prioritize investments in a few congested urban centers as opposed to the rest of the United States. Critical aviation infrastructure in rural areas could be shuttered, and mid-size and smaller communities could lose air service.
- Eliminates Public Input on Aircraft Noise and Other Environmental Issues. The Trump plan severely limits current public participation requirements regarding aircraft noise when adjusting airspace routes over homes across the United States. Moreover, elected representatives in Congress will no longer have oversight over aircraft noise and other environmental issues that may arise when the private ATC Corporation runs the system.

- Gives Away Taxpayer-Funded Assets for Free. The Trump plan requires the FAA to transfer to the new Corporation all ATC assets—worth billions of dollars—free of charge. In fact, under the Trump plan, the Federal Government will be required to pay the private ATC Corporation for any environmental liabilities associated with such transferred assets.
- Increases the Federal Budget Deficit by \$46 Billion. According to the Trump administration's own estimates, the ATC privatization plan will increase the Federal budget deficit by \$46 billion.