



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

Bill Shuster
Chairman

Washington, DC 20515

Peter A. DeFazio
Ranking Member

Mathew M. Sturges, Staff Director

July 17, 2017

Katherine W. Dedrick, Democratic Staff Director

**CLEAR AND STRONG BIPARTISAN
OPPOSITION TO H.R. 2997**

*Air Traffic Control Privatization Threatens
National Security, U.S. Manufacturing, Rural America,
American Taxpayers, and Aviation Safety*

Dear Colleague:

On June 27, the Committee on Transportation and Infrastructure held a markup to consider H.R. 2997, the “21st Century AIRR Act”, to reauthorize the Federal Aviation Administration (FAA), which includes a highly controversial plan to privatize the Nation’s air traffic control (ATC) system.

Last year, a similar proposal was the poison pill that prevented enactment of an otherwise bipartisan and comprehensive long-term FAA reauthorization. This year’s plan again **threatens** enactment of a reauthorization bill that would advance aviation safety, help our manufacturers thrive, and ensure that the United States remains the global leader in civil aviation.

During Committee consideration, there was strong bipartisan opposition to H.R. 2997. And outside of the Washington Beltway, a **robust and growing list of aviation stakeholders oppose ATC privatization**, including more than 100 business and general aviation groups, organizations representing the interests of agricultural and rural communities, U.S. businesses of all sizes, and more than 100 U.S. mayors representing all 50 States.

We have serious concerns with ATC privatization because it:

- **Threatens National Security.** The FAA and the Department of Defense (DOD) collaborate 24/7 to protect our aerial borders and homeland security. The agencies’ personnel work together seamlessly and share information openly because the FAA is a government agency. Privatizing the ATC system would sever this close relationship and create unnecessary complexity and uncertainty for U.S. military leaders. In fact, the DOD Policy Board on Federal Aviation told reporters this year that privatization of the ATC

system “raises serious concerns,” noting that “DOD relies on FAA ‘command and control’ capabilities in the execution of the National Defense mission.” **H.R. 2997 puts national security at risk.**

- **Threatens Aviation Safety.** The U.S. airspace is the busiest and most complex in the world, yet it is the safest. ATC privatization splits the FAA in two, 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. The Aviation Trust Fund would no longer fund critical aviation safety programs, and they would be reliant exclusively on the General Fund of the Treasury. **H.R. 2997 puts aviation safety at risk.**
- **Increases Costs for Airline Passengers.** H.R. 2997 takes away Congress’ authority to set fees and taxes and gives a private corporation run by special interests the power to decide how much Americans will pay to use the aviation system **with no Congressional oversight**. A private corporation will replace current ticket taxes with set user fees to cover the costs of operating the ATC system (up to \$11.1 billion per year). And when you replace excise taxes with flat user fees, discounted economy passengers pay more and full-fare first-class passengers pay less as a proportion of their total airfares. **H.R. 2997 puts airline passengers at risk.**
- **Shortchanges Taxpayers.** In addition, the bill hands over more than **\$50 billion** in U.S. taxpayer-purchased property and assets to the private ATC corporation **free of charge**. On July 11, the nonpartisan Congressional Budget Office determined that the ATC privatization bill would increase the net deficit by **\$20.7 billion** over the next 10 years **and billions more** in subsequent decades. Adding insult to injury, American taxpayers would be left with the responsibility of bailing out the private corporation if it were to default and could not pay to operate the ATC system. **H.R. 2997 puts American taxpayers at risk.**
- **Threatens American Manufacturing.** Privatization of the ATC system will break the FAA apart, leaving safety-critical aircraft certification programs no longer funded by the Aviation Trust Fund and subject to the vicissitudes of Congress, including funding uncertainty, budget sequestration, and government shutdowns. Delays in the FAA’s decisions on certification of new aircraft and equipment cost money and put the United States’ global leadership at risk in the aviation market. **H.R. 2997 puts American manufacturers at risk.**
- **Threatens General Aviation and Air Service to Small, Midsize, and Rural Communities.** The private ATC corporation stacked with special interests will prioritize investments in congested urban centers as opposed to rural America and small and midsize cities. **Critical aviation infrastructure in rural areas could be shuttered, and many small and midsize communities could lose air service.** Modernization programs that improve access and reduce flight delays and airplane noise could be delayed if not canceled. More than **115** general aviation groups oppose the ATC privatization plan, calling it “fundamentally flawed”. **H.R. 2997 puts general aviation and rural America at risk.**

There is clear and strong bipartisan opposition—both inside and outside of Congress—to ATC privatization. We urge you to join with us and oppose H.R. 2997 and any effort to privatize our Nation's critical ATC system.

If you have any questions, please contact us, or have your staff contact the Democratic staff of the Subcommittee on Aviation (ext. 5-9161).



PETER DeFAZIO
Ranking Member

Sincerely,



RICK LARSEN
Ranking Member
Subcommittee on Aviation