

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

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ICYMI: Government Watchdog Finds FAA's Implementation of NextGen is On Budget, Refutes Key Arguments for Air Traffic Control Privatization

Dear Colleague:

The special interests that want to privatize our Nation's air traffic control (ATC) system have repeatedly claimed that the Federal Aviation Administration's (FAA) implementation of NextGen—an unparalleled program to modernize the U.S. airspace system—is over budget and off track, and that privatization will speed up NextGen.

However, the nonpartisan U.S. Government Accountability Office (GAO) released a report today that refutes those claims. In its report, the GAO found that the FAA's work to modernize the Nation's aviation infrastructure and ATC system is, in fact, on budget, on track, and that the risk of privatization is a challenge, rather than a benefit, for the program.

Specifically, the GAO found:

- NextGen is On Budget. The GAO found that, although NextGen initiatives and programs have changed over time, the FAA's 2016 cost estimates for the government and industry (\$20.6 billion and \$15.1 billion, respectively) are both within the range of 2007 cost estimates.
- NextGen is On Track. The GAO found that surface traffic operations at 39 of the 40 busiest airports in the United States have been improved by NextGen. And the FAA has adopted an enterprise risk management approach—a "forward-looking management approach . . . to assess risks and opportunities"— to reduce risks among NextGen programs while implementing the high-tech concepts that will transform the National Airspace System by 2025.

• Uncertainty Over ATC Privatization is a Risk. The GAO found that the risk of privatization of the ATC system presents a major challenge to NextGen implementation.

Privatizing the ATC system will <u>turn NextGen into NeverGen</u>, slowing down these and other programs and jeopardizing the \$160.6 billion in benefits that the FAA plans to deliver to airlines, passengers, and other aviation system users by 2030.

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

Sincerely,

Ranking Member

RICK LARSEN

Ranking Member

Subcommittee on Aviation