

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

Bill Shuster Chairman Washington, **DC** 20515

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## DON'T HAND OUR SKIES OVER TO PRIVATE SPECIAL INTERESTS

Oppose the Privatization of Air Traffic Control in H.R. 2997, the 21st Century AIRR Act

Dear Colleague:

The House will soon consider H.R. 2997, the "21st Century AIRR Act", which includes a 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 Federal Aviation Administration (FAA) reauthorization act. Unfortunately, we are facing a very similar situation this year.

The FAA's current authorization expires on September 30, and later this month Congress will need to pass yet another extension—the fourth extension since the expiration of the last long-term FAA authorization. An extension is again necessary because of the risky plan in H.R. 2997 to privatize the ATC system.

Both House Republicans and Democrats oppose the ATC privatization plan included in H.R. 2997. And outside of the Washington Beltway, a robust and growing list of aviation stakeholders oppose ATC privatization, including more than 140 business and general aviation groups, more than 30 labor unions, organizations representing the interests of agricultural and rural communities, U.S. businesses of all sizes, and State and local governments (including more than 100 U.S. mayors representing all 50 States).

Below are just a few of the serious concerns we have with ATC privatization:

■ Jeopardizes Aviation Safety. The U.S. airspace is the busiest and most complex in the world, yet it is the safest. When considering <u>any</u> changes to our ATC system, maintaining this unparalleled safety record must be our top priority. 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 Airport and Airway Trust Fund would no longer fund critical aviation safety programs, which would have to rely exclusively on the General Fund of the Treasury.

- May Violate the U.S. Constitution. In July, the Congressional Research Service determined that H.R. 2997 may be unconstitutional, possibly violating several percepts of constitutional law, including the nondelegation doctrine, the Due Process Clause of the Fifth Amendment, and the Appointments Clause. If enacted, the significant constitutional questions surrounding the plan to privatize the ATC system will likely be litigated in U.S. courts for years to come, creating confusion and uncertainty for the entire aviation system.
- Jeopardizes 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 has provided us with a 14-page, single-spaced list of concerns and issues with regard to ATC privatization.
- Increases the Federal Deficit by Nearly \$100 Billion. The nonpartisan Congressional Budget Office has determined that the ATC privatization plan in H.R. 2997 will increase the deficit by nearly \$100 billion over the next 10 years.
- Shortchanges Taxpayers. American taxpayers have invested more than \$50 billion in ATC assets in the last 20 years. H.R. 2997 hands over these taxpayer-purchased ATC facilities and equipment to the private corporation free of charge. 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.
- Risks Air Service to Small and Midsize Communities. A bottom-line-driven ATC corporation would cut costs wherever possible. A private ATC corporation— especially one controlled by the airlines and their allies— will prioritize investments in congested urban centers as opposed to rural America. Critical aviation infrastructure in non-urban areas could be shuttered, and small communities could lose air service. As Richard Anderson, the former chairman and chief executive officer of Delta Air Lines, asked in a letter to the Committee on this issue, "[W]ho will look out for the public interest after privatization?"
- Will Delay, Rather than Accelerate, Airspace Modernization. The Government Accountability Office (GAO) reported this month that, despite privatization proponents' false claims, the FAA's airspace modernization initiative called NextGen is well within cost estimates first put forward in 2007. Moreover, the GAO found that the uncertainty surrounding privatization is a challenge for continued NextGen implementation. NextGen has already delivered \$2.7 billion in benefits to the aviation industry and the flying public and will generate more than \$160 billion in benefits by 2030.
- Eliminates Public Input on Aircraft Noise and Other Environmental Issues. H.R. 2997 severely limits public participation in routing decisions that create aircraft noise 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 corporation runs the system.

While opportunities exist to improve how the FAA operates, the answer is targeted solutions, not a risky ATC privatization scheme. We strongly urge you to join with us and oppose H.R. 2997.

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

Sincerely,

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RICK LARSEN

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