



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

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**Washington, DC 20515**

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October 4, 2017

**ATC PRIVATIZATION WILL INCREASE  
THE COST OF AIR TRAVEL**  
*Oppose the Privatization of Air Traffic Control  
in H.R. 2997, the 21<sup>st</sup> Century AIRR Act*

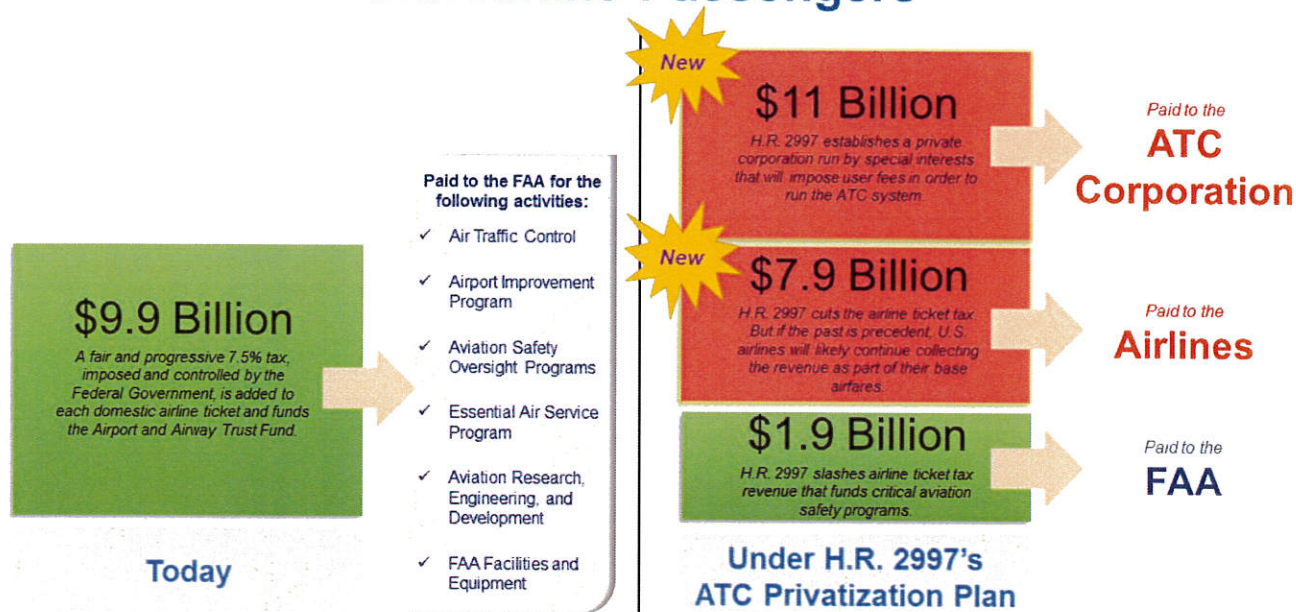
Dear Colleague:

The airlines and their trade association are eager for Congress to bequeath the Federal air traffic control (ATC) system to a private corporation under their effective control. The plan to privatize the ATC system in H.R. 2997, the “21<sup>st</sup> Century AIRR Act”, eviscerates Congress’ role in setting the taxes that fund our aviation system. Instead, the bill gives big airlines the power to effectively tax the flying public.

When you buy a domestic airline ticket today, you pay a 7.5 percent tax— a fair and progressive tax that covers the overwhelming majority of funding for not only the ATC system, but aviation safety oversight and airport construction grants, as well. Cargo shippers and purchasers of aviation fuel pay similar taxes.

H.R. 2997 cuts these taxes by 80 percent, and gives the private corporation carte blanche to set user fees to pay for the ATC system, which costs about \$11 billion per year. You might assume that, if current taxes are reduced by 80 percent, the airlines will reduce their fares accordingly, but that is not what happened when aviation taxes expired a few years ago. When the ticket tax lapsed for two weeks in 2011, most airlines increased their fares by the same amount as the lapsed tax and pocketed about \$400 million in revenue.

## Annual Costs to U.S. Airline Passengers



If H.R. 2997 is enacted, they'll likely do that again: raise fares and bake an undetermined amount of user fees into the higher fares that flyers will have no choice but to pay.

**We urge you to oppose H.R. 2997 when it comes to the House Floor.** Privatization of the ATC system won't solve problems; it will create them. And it will enrich big airlines, already making record profits, at the expense of the flying public. For more information, contact us or the Aviation Subcommittee's Democratic staff at extension 5-9161.

  
**PETER DeFAZIO**  
 Ranking Member

Sincerely,

  
**RICK LARSEN**  
 Ranking Member  
 Subcommittee on Aviation