

STATEMENT OF
THE HONORABLE PETER A. DEFAZIO
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE MARKUP OF
H.R. 2997, THE “21ST CENTURY AIRR ACT”
JUNE 27, 2017

Mr. Chairman, for the second time in as many years, we are considering a bill to privatize the entire air traffic control system of the Federal Aviation Administration (FAA). If we were having this discussion 15, 10, even seven years ago, I might have said, “Sure. The FAA isn’t doing a good job at procurement. Let’s roll the dice and see if a new corporation can do things better.” But it’s not seven years ago. Things have changed, and the FAA has been delivering one NextGen success after another—despite budget sequestration and shutdowns caused by this dysfunctional Congress.

Let’s consider some of the things that the FAA has delivered.

The FAA has delivered on the vital en route automation modernization (ERAM)—the foundational platform required to enable other modernization programs. Although FAA struggled at first, it finally succeeded after then-Administrator Babbitt recognized that you can’t completely replace controllers’ workstations without their input and expertise. ERAM, the heart of NextGen for controllers in en-route centers, has transformed how controllers control high-altitude traffic and compares favorably with the best technology in the world.

The FAA is delivering with more direct, straight-line, GPS-based flight paths from origin to destination—not the “zig-zag” routes that planes used to fly, bouncing between radio beacons. **[Slide 1]** In fact, the FAA has already delivered NextGen benefits totaling **\$2.7 billion** to date, and the agency projects to deliver more than **\$160 billion** in total benefits by 2030.

The FAA is delivering on DataComm, so that pilots and controllers can communicate via text message instead of radio. **[Slide 2]**

At the end of last year, DataComm was in use in 55 control towers, and more than 466,000 flights received air traffic control clearances via text, reducing taxi time and delays. DataComm was two years early and well under budget. And in 2021, the FAA will start deploying DataComm in the en-route environment, reducing delays and helping pilots avoid bad weather.

The FAA is delivering on automatic dependent surveillance-broadcast (ADS-B) by building out a network of 634 ADS-B towers that will replace radar in 2020, and is ahead of every country in the world except Australia. Here's a map of ADS-B coverage so far. **[Slide 3]** That's right—ADS-B coverage blankets the country, even including Puerto Rico and Guam. It stands ready for full utilization starting in 2020.

And yes, despite what you hear from some people, the FAA is delivering on electronic flight strips. **[Slide 4]**

Electronic flight strips are already in use in en-route centers, and the FAA will deploy them in 2020 as part of a high-tech, gate-to-gate system for putting airplanes in the proper sequence to reduce delays.

Earlier this month, President Trump exclaimed that privatization will give us “the best equipment anywhere in the world. There'll never be anything like what we're doing.” Well, that's already happening in our current system; no other country will have an electronic flight strip system as advanced as ours in 2020. No other country

will have an ADS-B network as advanced as ours in 2020. No other country will have as many GPS-based, precise flight routes as we will have in 2020.

Mr. Chairman, if you privatize the air traffic control system, your ATC Corporation won't create the world's finest system; it will inherit the world's finest system. And it very well may slow down these technology investments.

That's not to say our aviation system has yet realized its full potential.

The network of 634 ADS-B towers that I mentioned a moment ago stand ready to receive signals from thousands of airplanes so that controllers can ultimately reduce spacing between them and improve capacity. But for now, those towers are just beaming traffic and weather information to general aviation aircraft, because the airlines—the same airlines that complain the FAA hasn't deployed technology quickly enough—have been slow to invest in ADS-B.

In fact, the FAA tells us that it has received ADS-B signals from just 87 of American Airlines' 950 aircraft. The ADS-B towers have picked up signals from just 211 of United's 738 airplanes, and from zero—none—of Southwest's 727 airplanes.

[Slide 5]

Now, I understand that installation of an ADS-B transponder costs an airline about \$200,000. If you extrapolate that out to American Airlines' entire fleet, you reach a total cost of \$190 million for equipage of all 950 jets. In 2016, American collected **\$1.1 billion** in baggage fees alone: **enough to equip its entire fleet with ADS-B five times over.**

But not only have the airlines slow-walked equipage with ADS-B, they've also obtained an exemption from the FAA that allows them until 2025 to replace outdated GPS receivers with newer models that will enable the maximum benefits of ADS-B.

[Slide 6]

That means that, because of the airlines' own request for delay, it will take the FAA even longer to permit airplanes to fly closer together, increasing system capacity.

[Slide 7]

The airlines have other issues, as well. They operate such aging aircraft, and over-schedule small jets in so many busy markets like New York-Chicago, that the airlines themselves caused more than one in three flight delays in the last 12 months.

As then-Administrator Babbitt testified before the Aviation Subcommittee in 2011, "We can do all the [NextGen] improvements, we can land them with closer spacing, we can do everything in the world, but at the end of the day at La Guardia Airport when it is a one-runway operation you can still only land them once every 54 seconds."

If we want to reduce delays, it's not air traffic control that we need to reform, it's the airlines themselves. Even Dan Reed, who himself has long supported air traffic control privatization, wrote in *Forbes* earlier this year that "[o]nly airlines can make their planes back off their gates in the right order and at the right times in order to reduce congestion And only airlines can schedule their flights in such a way that they're neither delay prone nor excessively long." **[Slide 8]**

While the flying public waits for the airlines to step up and do their part, the right thing for this Committee to do is to actually solve the big problem identified by the controllers union and a chorus of other stakeholders: Funding, Funding, Funding.

Together with every single Democratic Member of this Committee, I introduced a bill—H.R. 2800, the “Aviation Funding Stability Act”—that will remove the Airport and Airway Trust Fund from the absurdity of Congressional sequestration and shutdowns that disrupt all of the FAA’s critical functions and services. This absurdity is compounded by the fact that the Aviation Trust Fund has sufficient revenue to cover **all** (102 percent) of the FAA’s projected funding needs through 2027, according to the Congressional Budget Office. The stable, predictable funding stream is there; we simply need to provide it to the agency. And unlike the ATC privatization title of H.R. 2997, **no** stakeholder has expressed opposition to H.R. 2800.

I intend to offer H.R. 2800 as an amendment during today’s markup.

We can roll the dice with this risky privatization plan and hope it will bring improvements after several disruptive years of transition, or we can go with my targeted alternative that will fix the biggest problem facing the FAA—stable, predictable funding. Privatization is a solution in search of a thousand problems, and it is sure to find them. I yield back.