

An Open Letter to Congress: It's Time to Modernize Air Traffic Control

February 8, 2016

Dear Member of Congress:

As Congress prepares to craft a comprehensive FAA reauthorization package, lawmakers should explore every option to improve the nation's aviation infrastructure without burdening taxpayers. One such option is House Transportation and Infrastructure Committee Chairman Shuster's vision for air traffic control reform, which he has described as "a federally chartered, fully independent, not-for-profit corporation to operate and modernize the ATC system." We, the undersigned, believe that Chairman Shuster's framework is an excellent foundation upon which to build a new model for an operation historically mired in old-style thinking and fiscal ineptitude.

Last month, the Federal Aviation Administration's Inspector General (IG) provided the latest in a decades-long string of warnings that the agency is not performing the transformational tasks Congress has repeatedly given it, the largest of which is the NextGen project to build a 21st century air traffic control network. Well into that century, NextGen remains a distant goal, despite the facts that FAA's budget nearly doubled between 1996 and 2012, personnel levels were constant, and productivity dropped. The IG reported that eight of FAA's 15 recent major system acquisitions were over-budget by a total of \$3.8 billion, while eight were behind schedule by an average of more than four years. These chronic breakdowns indicate FAA is fundamentally incapable of managing change. A better approach is needed now.

To us it is an axiomatic economic principle that user-funded, user-accountable entities are far more capable of delivering innovation and timely improvements in a cost-effective manner than government agencies. By drawing upon the positive experiences of dozens of nations that have freed their air traffic control enterprises from the stifling grip of bureaucracies, Chairman Shuster's framework has much greater promise of fulfilling the objectives of NextGen. If this framework is properly developed into legislation and implemented, consumers will experience fewer travel delays, the movement of goods will become more efficient, aircraft will burn less fuel, air safety margins will increase, capacity will expand, responsiveness and transparency will improve, political micromanagement will recede, costs will be easier to control and sustain, and the economy could experience tens of billions of dollars in growth.

Defenders of the status quo have conjured up apparitions of doom over Chairman Shuster's outline as if it were completely set in legislative stone. In truth, most of them are opposed to any meaningful conversation over shifting the direction of air traffic control policy. They claim that the plan is "privatization," when in fact the proposal calls for a nonprofit entity. They assert that the general aviation community would be disadvantaged, even though the independent organization would include all stakeholders and customers of the system, from labor unions to airlines to piston-engine pilots. In any case, user charges for piston and non-commercial turbine aircraft would be waived. They contend that a nonprofit arrangement would be an unconstitutional delegation of Washington's authority over air traffic control, even though a private-contractor tower program has existed for 30 years. This inconvenient reality aside, regulating safety – including that of the air traffic control system – would remain an inherently governmental function in FAA's hands. Indeed, clarifying this mission could actually sharpen FAA's focus on maintaining America's aviation safety record.

Still other opponents of reform claim that a user-funded air traffic control system will be less accountable to consumers than the current tax-funded regime that depends upon annual appropriations.

Such an assertion is bizarre on its face to the millions of travelers who have seen the effective tax and fee rate on a typical airline ticket zoom past 20 percent, with precious little improvement to show for their hard-earned money. A redesigned structure would lighten this onerous load.

We hold many different views on U.S. aviation policy and potential responses from Congress. However, all of us agree the time is long overdue to move our nation's air traffic control system toward proven, user-based solutions that will allow America to remain competitive in the skies. The circumstances for doing so have never been more favorable ... and the need has never been more urgent.

Sincerely,

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