



NASAO NATIONAL LEGISLATIVE AGENDA

MARCH 29, 2006

PRESERVING THE FOUNDATION OF AMERICA'S ECONOMY – FUNDING THE NATIONAL AIR TRANSPORTATION SYSTEM IN FISCAL YEAR 2007

The National Association of State Aviation Officials, representing the public interest in all 50 states, Guam and Puerto Rico, urges Congress to fulfill the promises it wisely made in VISION – 100 by rejecting the staggering cuts proposed by President Bush's Fiscal Year 2007 budget for the Federal Aviation Administration / Airport Improvement Program budget by fully funding these critically important programs at levels already authorized.

AIP MUST BE FULLY FUNDED AT THE AUTHORIZED LEVEL OF \$3.7 BILLION

The administration proposes to strip nearly \$1 billion dollars out of the VISION – 100 commitments made to the states, airports and America's travelers and shippers. Those funds would be cut from already planned investments in infrastructure maintenance and development at airports in each state. If the administration has its way with the national air transportation system:

- All primary airport grants *would be cut in half*
- All non-primary general aviation grants *would be eliminated*
- Minimum entitlement for larger airports *would be cut* from \$1 million to \$650,000
- Essential Air Service *would be cut* from \$110 million to \$50 million
- The Small Community Airport Development Program *would be eliminated*
- The Contract Tower Cost Share Program *would be eliminated*
- FAA's Facilities and Equipment budget *would be cut* by \$600 million.
- The General Aviation "set aside" will be cut from 20 percent of AIP to 18.5 percent

As demand for air transportation services is already outpacing pre 9-11 levels, it is incomprehensible that the administration would cut, and in some cases eliminate, vital airport infrastructure investments. NASAO is concerned that these drastic cuts will damage our precious aviation infrastructure. Recognizing that at least 10 percent of our national economy is directly tied to aviation, as is our nation's strength, security and sense of well being, NASAO strongly urges Congress to fully fund AIP at the levels it has already authorized.

GENERAL AVIATION INFRASTRUCTURE INVESTMENTS MUST BE PROTECTED

All across this nation, General Aviation has proven itself as a versatile and efficient mover of people and goods. In many cases it has become a primary tool for community development. General Aviation is growing in importance, the current utilization of fractional-ownership and future usage of Very Light Jets will bring the advantages of go-anywhere, anytime transportation to more people and businesses. Unfortunately, the administration's FY 2007 budget proposal jeopardizes the investment already made in General Aviation airports by eliminating the current non-primary entitlement of \$150,000 per eligible airport. Also the traditional set-aside for General Aviation and non-primary airports would be reduced, by the administration, to 18.5 percent from the current 20 percent. The administration's budget proposal also ignores the successes and needs of the highly successful FAA Contract Tower Cost Share Program. NASAO respectfully asks Congress to maintain full funding for all of these important programs.

(OVER)

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Alaska
Arizona
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California
Colorado
Connecticut
Delaware
Florida
Georgia
Guam
Hawaii
Idaho
Illinois
Indiana
Iowa
Kansas
Kentucky
Louisiana
Maine
Maryland
Massachusetts
Michigan
Minnesota
Mississippi
Missouri
Montana
Nebraska
Nevada
New Hampshire
New Jersey
New Mexico
New York
North Carolina
North Dakota
Ohio
Oklahoma
Oregon
Pennsylvania
Puerto Rico
Rhode Island
South Carolina
South Dakota
Tennessee
Texas
Utah
Vermont
Virginia
Washington
West Virginia
Wisconsin
Wyoming

RURAL AIR SERVICE PROGRAMS SHOULD NOT BE ELIMINATED

NASAO agrees with Members of Congress who are calling for full funding (\$127 million) of the existing Essential Air Service Program. NASAO also agrees that the Small Community Air Service Development Program should be funded at the congressionally authorized level of \$35 million. Congress has wisely and regularly invested in both of these programs, recognizing that air service is one of the elemental ties that bind our vast nation together.

VISION – 100 provided for a 9-member commission to study rural air service and report back to Congress, within 6-months, on how to improve the ability of small communities to attract, retain and enhance air service. Unfortunately, the commission was not appointed, staffed or funded (authorized at \$250,000). NASAO believes that it is inappropriate for the administration to attempt to cut EAS funding and eliminate SCASDP funding without a Congressional opportunity to carefully review and evaluate these programs. Therefore NASAO recommends full funding both programs at the Congressionally authorized levels.

FAA'S FACILITIES AND EQUIPMENT BUDGET SHOULD BE FULLY FUNDED

The administration proposes to cut \$600 million out of the FY 2007 Facilities and Equipment budget. NASAO recommends that Congress fund FAA F&E at the authorized level. The F&E budget complements the AIP program by enhancing safety and efficiency. With growing air service demands, new technology on the horizon and aging existing equipment, NASAO believes that it is short sighted to short change this important account at this time.

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