



## NASAO 2007 NATIONAL LEGISLATIVE AGENDA

### REAUTHORIZATION PROVIDES CONGRESS WITH AN OPPORTUNITY TO STRENGTHEN AMERICA'S AIR TRANSPORTATION SYSTEM

Together, the federal and state governments and aviation professionals in both the public and private sector have carefully built the safest, strongest and most efficient transportation network in history. All Americans derive the significant benefits of this system which has become a foundation of our national economy. It provides efficient air travel for both airline and general aviation users while supporting the national defense, homeland security, postal and cargo delivery, emergency medical transportation and disaster relief. We must continue prudently investing in our national aviation infrastructure, while preparing for a three-fold increase in demand over the next twenty years.

**NASAO encourages Congress to reauthorize a five year FAA and AIP program and reauthorize the underlying taxing mechanisms for ten years.** This pattern has worked very well historically and a five-year funding program is highly appropriate since most airports develop and maintain five-year Capital Improvement Programs. It also permits Congress to perform timely course corrections when needed

**NASAO recommends reauthorizing AIP at \$3.8 billion for FY 2008.** Since infrastructure maintenance and development programs are often planned for many years and there are approximately \$14 Billion dollars in needs annually, NASAO recommends continuing the AIR – 21 and VISION – 100 patterns of increasing investments each year to \$ 3.9 billion in AIP for FY 2009, \$4.0 billion for FY 2010, \$4.1 billion in 2011, and \$4.2 billion in 2012. This would provide states and airports a stable and predictable planning horizon.

**NASAO encourages Congressional oversight to ensure that FAA continues the current formula and fully funds state apportionment.** State apportionment has always been an important part of efficient funding system for the nation's smaller airports.

**NASAO recommends that Congress continue the non-primary airport grant program.** Created by AIR - 21 (\$150,000 per eligible General Aviation airport), this program has been successful in assisting the nation's smaller but equally valuable General Aviation airports. These airports relieve traffic at the largest airports while providing all Americans with access to the national air transportation system.

**NASAO joins with other leading aviation organizations in calling for a robust investment in FAA funding from the General Fund and recommends a 30% General Fund share.** Since all Americans benefit by the national air transportation system, all Americans should have a financial stake in it. As designed by Congress, the AIP Trust Fund was not originally intended to fund FAA salaries and operations; it was designed to invest only in airport infrastructure development and maintenance. A 30% General Fund contribution is highly appropriate.

**The Essential Air Service program is important to many rural areas and Congress should continue to fund this program with a minimum of \$127 million.** The US DOT should also be able to adjust subsidies to reflect cost increases, or decreases, for the airlines.

(OVER)

Alabama  
Alaska  
Arizona  
Arkansas  
California  
Colorado  
Connecticut  
Delaware  
Florida  
Georgia  
Guam  
Hawaii  
Idaho  
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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

**NASAO asks congress to preserve the efficient network of more than 3,000 airports of all sizes, across the nation, by continuing their AIP eligibility.** NASAO notes that the airline industry has called for eliminating AIP funding for airports that the airlines do not currently serve. These airports provide all Americans with access to goods, services and travel options only available through a truly national network of airports.

**NASAO encourages Congress to continue to fund the Joint Planning and Development Office.** NASAO is proud to serve on the JPDO's Next Generation Air Transportation System Institute Management Council (JPDO-NGATS-IMC). Since the inception of the JPDO and Congress' investment in NGATS, NASAO has supported NGATS as the best and most appropriate vehicle to shape a bright future for our nation's air transportation system.

**NASAO strongly urges Congress to repeal the provision of the 2005 "Transportation Equity Act: a Legacy for Users" which diverts jet fuel tax revenue from The Airport and Airway Trust Fund and into the Highway Trust Fund.** Congress may want to consider holding hearings on this issue – separate and apart from reauthorization hearings.

**NASAO advocates raising the cap on Passenger Facility Charges to \$7.50 and providing airports more flexibility in the use of these funds.** Several NASAO members operate large airports such as Baltimore Washington International Thurgood Marshall Airport. These airports, which enjoy the support of PFCs, have found their value waning in recent years because the charges are fixed at \$4.50 and have been outpaced by rapidly increasing construction costs.

**NASAO strongly urges Congress to resist calls by the administration and the airline industry to scrap the existing aviation tax system.** Contrary to their campaign, the system is not broken. The excise tax on airline tickets continues to flow into the trust fund. Both ticket prices and passenger traffic are increasing. (Ticket prices were raised ten times in 2006 alone). If truly necessary, the current 7.5% excise tax could be raised (in the past it was 10%) or indexed.

In testimony before Congress, the Congressional Budget Office has stated that the existing system is adequate for modernizing the air traffic control system. While the airlines and the administration have repeatedly called for a "new, stable and predictable" funding system for FAA and AIP, NASAO notes that Congress, for more than a decade, has provided the national air transportation system with funding that has been both predictable and stable and that funding has generally increased in each succeeding year. NASAO prefers the present, proven, system over any of the recently floated proposals.

**NASAO is opposed to any new user fees for General Aviation.** Today's General Aviation fuel tax is elegant in its simplicity. General Aviation pays its taxes at the fuel pump. Larger General Aviation aircraft use more fuel and pay more into the system. Frequent General Aviation flyers use more fuel and pay more taxes. There is no need to build an expensive and inefficient new bureaucracy to calculate and collect new user fees. NASAO observes that General Aviation represents only 3% of the traffic at the nation's largest airports. Further, while the airline industry and some in the administration would have you believe that General Aviation adds to air traffic delays, it is abundantly clear that the top 20 airports served by commercial airlines and the top 20 airports served by General Aviation are two totally different lists.

NASAO recognizes, with appreciation, Congress as providing the national aviation system with fair, stable and predictable funding and appropriate oversight. The final responsibility of this wide ranging and diverse system rightly rests with Congress. **NASAO stands in opposition to any new scheme which would remove this governance responsibility from the United States Congress.**

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