



September 24, 2015

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
317 Russell Senate Office Building  
Washington, DC 20510

Dear Majority Leader McConnell:

As you and your colleagues continue to debate a short-term continuing resolution that would keep the government operating after the end of the month, we are writing to urge you to maintain funding at current levels for the Federal Aviation Administration Airport Improvement Program, which provides grants to airports for capital infrastructure projects. As you know, the AIP program is fully supported by aviation system users.

The short-term continuing resolution unveiled in the Senate earlier this week would extend aviation programs through March 31, 2016. Although this is a far shorter duration than the one- to two-year extension that airports have proposed to avoid the significant disruptions experienced during the last FAA reauthorization cycle, it would allow the FAA to begin distributing at least some airport grants during the first half of fiscal year 2016.

Unfortunately, the CR as drafted would reduce AIP funding over the six-month period because of a technical budget issue. Specifically, the draft measure proposes a total of \$1.61 billion in AIP funding through March 31, 2016. This represents a \$65 million reduction from the \$1.675 billion that would be provided by simply extending program funding at current levels. Notably, both the pending House and Senate FY 2016 DOT/FAA funding bills support AIP funding at levels consistent with the higher \$1.675 billion level or \$3.35 billion over the full fiscal year.

The reduced funding level proposed in the draft CR does not reflect a lack of support for the AIP program or reduced airport needs but rather is the result of a technical budget issue that according to the Senate Appropriations Committee has artificially lowered the total program level in the current budget baseline. Ironically, this situation has arisen because of a provision in current law intended to increase AIP funding given its importance to the nation's aviation system.

While we appreciate the desire to keep the CR "clean," we urge you to take action to address this technical budget issue and provide the full \$1.675 billion in AIP funding for the first six months of FY16. Airports and the communities they serve shouldn't be unnecessarily penalized over an unintended budget snafu. Moreover, airports simply can't afford to sustain AIP cuts at a time when capital needs and passenger levels are rising and while there is an artificial federal cap on local Passenger Facility Charges.

As you know, Congress has provided flat funding for AIP in recent years. Static annual funding coupled with a \$253 million cut in 2013 means that funding for airport infrastructure projects has not kept up with inflation in recent years. To make matters worse, Congress has failed to modernize the PFC and give airports the self-help they need to finance infrastructure projects with local revenue.

Underfunding airport capital projects comes at a particularly challenging time for airports around the country. According to ACI-NA's latest Capital Needs Survey, airports of all sizes need more than \$15 billion annually to modernize aging runways and terminals, relieve congestion and delays, and spur new airline competition. That's why it's imperative that Congress provide full funding for AIP, raise the PFC cap to \$8.50, and index the cap for inflation.

Again, we urge you to maintain AIP program funding as you continue to consider the short-term CR. Without a change, the program could face reductions of \$65 million in the near-term and \$130 million in FY 2016 -- cuts that would reduce funding for runways, taxiways, and other critical infrastructure projects. Thank you for your consideration.

Sincerely,



Todd Hauptli  
President & CEO  
AAAE



Kevin M. Burke  
President & CEO  
ACI-NA