

March 4, 2016

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The Honorable John Thune
Chairman
Committee on Commerce, Science
and Transportation
U.S. Senate
Washington, D.C. 20510

The Honorable Bill Nelson
Ranking Member
Committee on Commerce, Science
and Transportation
U.S. Senate
Washington, D.C. 20510

Dear Chairman Thune and Ranking Member Nelson:

According to the Federal Aviation Administration (FAA), passenger levels will grow from 776 million in 2015 to 1.1 billion by 2034. This surge in passengers increases annual capital needs at airports across the country to more than \$15 billion by 2019. As your committee prepares to move forward on a new authorization of federal aviation programs, the National Stone, Sand and Gravel Association (NSSGA) urges you to support robust funding for the Airport Improvement Program (AIP) and increasing the federal cap for Passenger Facility Charge (PFC).

As the industry that supplies the essential building materials for runways, taxiways and aprons, we are committed to an authorization bill that contains funding to make essential upgrades to the nation's airport infrastructure. The FAA estimates there will be approximately \$8.5 billion in AIP-eligible projects in 2017, that's more than twice the current funding of \$3.35 billion. Despite these enormous capital needs there has been downward pressure on AIP funding. With a balance of \$13.5 billion, the Airport and Airways Trust Fund has sufficient revenue to support a higher level investment without requiring cuts in other programs or deficit spending. ***We support an AIP baseline of at least \$3.5 billion to ensure the long-term viability of small, medium and large airports and the entire National Airspace System.***

Over the next five years, airports will require over \$71 billion to improve infrastructure to prevent passenger delays and congestion. Direct federal funding through the AIP covers only a fraction of the total infrastructure projects required to upgrade and maintain our aviation system, increasing PFCs would provide airports the locally controlled self-help they need to finance critical infrastructure projects without relying on scarce federal funds. The current PFC cap of \$4.50 has not been adjusted since 2000, however rising construction costs have eroded the purchasing power of the PFCs by about 50 percent. ***We support increasing the federal cap on the locally set PFC user fee and indexing it for inflation to restore its original purchasing power.***

The aviation industry is vital to America, accounting for nearly 7 percent of the national GDP and supports more than 6 percent of the country's work force. We urge you to make improvements to U.S. runways, taxiways core to any multi-year aviation reauthorization proposal.

Sincerely,



Michael W. Johnson
President and CEO
National Stone, Sand and Gravel Association