



April 20, 2015

The Honorable John Thune
Chairman
Committee on Commerce, Science & Transportation
United States Senate
511 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Bill Nelson
Ranking Member
Committee on Commerce, Science & Transportation
United States Senate
716 Hart Senate Office Building
Washington, DC 20510

The Honorable Kelly Ayotte
Chair
Subcommittee on Aviation Operations,
Safety, and Security
Committee on Commerce, Science & Transportation
United States Senate
144 Russell Senate Office Building
Washington, DC 20515

The Honorable Maria Cantwell
Ranking Member
Subcommittee on Aviation Operations,
Safety, and Security
Committee on Commerce, Science & Transportation
United States Senate
511 Hart Senate Office Building
Washington, DC 20515

Dear Chairman Thune, Chair Ayotte and Ranking Members Nelson and Cantwell:

As the ongoing debate regarding transformational reform of the Federal Aviation Administration (FAA) and our nation's air traffic control system continues to unfold, we are writing to reaffirm the importance of protecting the successful Airport Improvement Program (AIP) and modernizing the local airport user fee known as the Passenger Facility Charge (PFC). Because every flight in the United States begins and ends at an airport, it is essential that airport priorities are included in any plan to transform air traffic control in order to prevent any negative impact on an airport's ability to serve their customers through well-documented infrastructure development needs.

As we have communicated in the past, airports remain united in an effort to modernize the local PFC and index it for inflation to recoup purchasing power lost over the years. Every day that goes by without congressional action to update the federal cap on local PFCs to \$8.50 is a lost opportunity to address local airport development needs, which continue to grow. Again, PFCs are local charges that must be approved locally, supported locally, and used locally on worthy projects approved by the Department of Transportation and in consultation with air carriers. It's time for Congress to get out of the way and let local airports act to the benefit of the communities and travelers they serve.

Whether Congress moves forward with air traffic control reform or not, modernizing the PFC would make airports less reliant on scarce federal funds and help protect a greater share of airport infrastructure revenue from severe disruptions caused by sequestration, government shutdowns, and repeated short-term FAA reauthorization extensions.

In terms of the future of the AIP program, we urge you to ensure this successful program continues to function as it has for decades. Unlike other areas of the FAA that many argue are in need of reform, AIP is not broken. Far from it, AIP has a long, demonstrated record of success in building critical infrastructure at airports of all sizes. It is essential to the long-term viability of airports and the aviation system.

Accordingly, if Congress considers proposals to transform the rest of FAA, we would urge you to maintain AIP in its current form or something very close to it. This means, at a minimum, that there continue to be a dedicated stream of revenue from aviation system users that is sufficient to annually support airport development at eligible airports of all sizes. Specially, we recommend that any reform legislation include the following features:

- An Airport Trust Fund dedicated exclusively to funding airport improvements;
- A system of aviation taxes and/or segment fees to support this trust fund (these taxes or fees could be less than current levels since they would no longer need to pay for the F&E or Operations accounts);
- Trust Fund revenue that is sufficient to support AIP funding at FY 2015 levels at a minimum, although we would note that there is an opportunity to re-calibrate AIP with adoption of a modernized PFC;
- Continued AIP eligibility for airports of all sizes.

Any attempt to weaken or eliminate the link between aviation user support for airport development in favor of general taxpayer-supported model or other unproven scheme would undoubtedly cause great concern for airports of all sizes.

We look forward to working with you in the weeks ahead to produce an FAA reauthorization bill that provides benefits for airports, airport users, our communities, and the traveling public. Thank you for your consideration.

Sincerely,



Todd Hauptli
President & CEO
AAAE



Kevin M. Burke
President & CEO
ACI-NA