



PROFESSIONAL AVIATION SAFETY SPECIALISTS

1200 G Street NW, Suite 750 • Washington, DC 20005

Telephone: (202) 293-7277 • Fax: (202) 293-772

Founded 1977

OPPOSE PRIVATIZATION OF THE AIR TRAFFIC CONTROL SYSTEM

The Professional Aviation Safety Specialists, AFL-CIO (PASS), the union that represents 11,000 Federal Aviation Administration (FAA) employees, is opposed to privatization of the air traffic control system. In June, the Trump administration released a proposal to spin off air traffic control from the FAA into a private monopoly that would oversee aircraft in flight and take over modernization of the aviation system. Later that month, Rep. Bill Shuster (R-Pa.), chair of the House Transportation and Infrastructure Committee, introduced his own legislation (H.R.2997) to overhaul our country's air traffic control system, placing the safety of the flying public into the hands of a corporate board of directors. In the Senate, lawmakers opted not to endorse risky privatization schemes and introduced an FAA bill that strengthens the agency and implements timely reforms. Currently, the United States has the safest, largest, and most complex aviation system in the world and that system should continue to be operated solely for the public's benefit and safety, not for the benefit of a board of directors dominated by special interest groups. We cannot jeopardize the integrity and safety of our aviation system for an experiment that has no guarantee of success. This country's air traffic control system must continue to be a function of the federal government.

PASS is opposed to air traffic control privatization for the following reasons:

- Real progress is being made to modernize our airspace through the Next Generation Air Transportation System (NextGen), a complex intra-agency revitalization project. Privatizing the system at this critical point would interrupt the open communication between FAA units and bring that modernization process to a standstill during the transition period. The United States should not willingly undergo an unnecessary transition with no guarantee of success when the current system is not broken.
- H.R.2997 establishes a 13-member board of directors that would have unilateral power to set and collect revenues and direct those revenues how they see fit. In effect, overhauling the system shifts control of revenues away from the American people and their elected representatives, and to a board of directors dominated by corporate interests. The proposal does not include sufficient details on the privatized system's financing mechanism to ensure that there will be an adequately trained and fully staffed workforce; that aging facility needs will be addressed; and that progress on NextGen will not be deferred.
- Privatizing the system raises a series of questions regarding the impact on small towns and local communities by allowing corporate interests to dictate the growth and access to airspace. There is no guarantee that programs such as the Airport Improvement Program and the Essential Air Service would continue, opening the door to the possibility that rural communities would be increasingly saddled with the costs of keeping their airports open and maintained properly, while major airlines would have incentive to direct the corporation's resources toward the most profitable hubs.
- The FAA's current funding structure utilizes the Airport and Airway Trust Fund (AATF) along

with a general fund appropriation. Under H.R.2997, the AATF would no longer fund critical aviation safety programs, leaving FAA safety oversight and more than 7,400 FAA inspectors subject to annual funding uncertainty. The current funding structure of the FAA has been crucial to maintaining an unparalleled safety record.

- Privatized models in other countries with far smaller and less complex aviation systems went through “growing pains,” which included, among other things, financial bailouts, decreases in service and staffing cuts. In 2016, the Government Accountability Office found that the transition from public to private governance in much smaller countries took as many as seven years to complete. H.R.2997 claims the transition will take just three years. At this critical point in aviation modernization, the United States cannot afford to halt progress for a baseless, years-long scheme with no guarantee of success.
- The typical economic argument for privatization is that a service will be open to competition and the providers of that service will be forced to be more efficient and less costly. Privatization of the air traffic control system is unlikely to make the system more efficient or less costly simply because it is transferred from a governmental entity to a private nonprofit entity. Here, the services will not be open to competition.
- Today, the FAA and the Department of Defense (DoD) collaborate 24/7. In the event of a national emergency or natural disaster, the FAA and DoD protect the National Airspace System (NAS) in tandem by sharing airspace, training systems, assets, equipment and information. This is made possible by their mutual status as federal agencies within the U.S. government. H.R.2997 compromises this relationship and jeopardizes national security.
- Taxpayers have invested over \$50 billion in more than 500 air traffic control towers, hundreds of radar and communication facilities, and more than 70,000 pieces of air traffic control equipment over the last 20 years that, under the House proposal, would be handed over to a private monopoly for free. Additionally, in July 2017, the Congressional Budget Office determined that the plan to privatize the U.S. air traffic control system would increase the deficit by nearly \$100 billion over 10 years. It remains unclear how creating a costly entity that is essentially “too big to fail” will benefit the flying public or enhance the safety of the system.
- Further, the non-partisan Congressional Budget Office found that H.R. 2997 would grow America’s budget deficit by nearly \$100 billion and the non-partisan Congressional Research Service suggested the bill is unconstitutional.

The federal employees at the FAA represented by PASS are committed to ensuring the safety and efficiency of this country’s aviation system. Now is the time to continue moving forward with modernization efforts, growing our airspace, and allowing for the introduction of new technologies, and doing so with a cohesive and expertly-skilled group of federal employees ensuring safety every step of the way.