



ASA Resolution 107-101

WHEREAS, aviation is vital to America's mobility, national security, and economic well being;

WHEREAS, the States have a vital interest in greater air mobility especially to smaller more remote communities;

WHEREAS, America's aviation system is estimated to move more than a billion passengers by 2015 and the number of operations is expected to triple by 2025;

WHEREAS, America's aviation system is comprised of:

- the air traffic management system operated by the FAA and DOD,
- a wide range of aircraft, both piloted and unpiloted,
- a wide range of operators including military, airlines, regional airlines, commuter, jet taxi, corporate, cargo, emergency medical services, general aviation, and other government operations,
- airports and heliports,
- service providers, and
- passengers / customers

WHEREAS, transformation of the full range of America's aviation system, as described above, to a satellite based next generation system is necessary to meet this demand;

WHEREAS, terrorist threats to America's aviation system require security to be integrated into the transformed aviation system;

WHEREAS, growing importance of environmental protection requires that the transformed aviation system be environmentally friendly;

WHEREAS, the Congress has provided stable and increasing funding to operate and continuously modernize the aviation system up to this point in time and Aviation Committee leadership now acknowledges the need for transformation;

WHEREAS, the Congress of the United States has called for and funded a Joint Planning and Development Organization (JPDO) to bring all federal agencies together to plan, design, and implement the transformation of the aviation system;

WHEREAS, the JPDO has developed a "Concept of Operations" for the next generation aviation system, but does not have a system design or cost estimate;

WHEREAS, the President has called for a balanced budget within five years which will likely result in limited additional federal funds available for air transportation;

WHEREAS, the Congress is considering reauthorization legislation for the FAA that will address funding issues;

WHEREAS, in order to transform the aviation system to achieve the next generation "Concept of Operations", the FAA is proposing to transition from a tax based system to a system of user fees, and to shift some funding from the airline passengers to other aviation operators;

WHEREAS, the FAA is proposing to reduce the funding of Essential Air Service and change the allocation of federal airport funding and Passenger Facility Charges;

WHEREAS, the FAA is proposing the creation of an Air Transportation System Advisory Board comprised of airline and other members that would recommend fee decisions to fund the FAA rather than have funding decisions made by the Congress;

WHEREAS, to achieve transformation benefits as soon as possible FAA has requested authority to issue bonds as a potential mechanism to address capital needs if required;

NOW THEREFORE BE IT RESOLVED that, as a result of a hearing conducted in Washington, D.C. on March 13, 2007, the Aerospace States Association recommends that the Congress act with a sense of urgency to direct the FAA to transform the air transportation system based on an aviation system-wide view. In order for the Congress, the FAA, and other members of the aviation system described above to know what investment is necessary, the JPDO needs to develop a national aviation system design that will achieve its "Concept of Operations". The Congress should, therefore, provide direction and authorize enough funding for the JPDO to complete the system design and cost estimate as soon as possible.

In addition we recommend that you consider the following as part of your reauthorization deliberations:

1. All parts of the aviation system will require transformation to integrate into the next generation aviation system. To do this, they will all need to invest in equipment, training, and processes to make them compatible with the next generation aviation system. Given this, Congress should act to ensure that increasing government costs to business and general aviation operators, and non-hub airports will not jeopardize air transportation services to small communities within each state and hurt state economic development.
2. Increasing airport development funding and Passenger Facility Charges will be necessary to transform both large and small airport infrastructure.
3. Congress should not let reductions in Essential Air Service contained in the FAA's proposal disconnect small more remote communities across America from the global air-transportation system.
4. Congress should ensure that Congressional oversight and judicial review are part of any Air Transportation System Advisory Board authorization.
5. Implementation of a user fee system would increase operation and administrative costs to FAA, all state and federal agencies that operate aircraft, civil aviation operators, manufacturers, and airports in the aviation system. This will increase the cost and administrative burden of aviation at a time when every part of the system will need to invest in transforming its part of the system.
6. Because of the contentious debate about user fees, the Congress should bring the aviation community together to reach a consensus as to the most equitable way to fund aviation system transformation. All members of the community agree that transformation is critical to America.
7. Where appropriate, the ability to use bonds as a source of capital improvement funds to transform the aviation system could bring benefits to the aviation community faster than the traditional federal budget process as it has with the development of Reagan National Airport.
8. This reauthorization should acknowledge and provide direction concerning the interrelated relationship between FAA, DOD, DHS, NASA, DOC and other federal agencies.

The Honorable Brian Dubie, Vermont Lt. Governor,
Chair, Aerospace States Association