



## MEMORANDUM

TO: Government Affairs Steering Group  
Government Affairs Committee

FROM: ACI-NA Government Affairs

DATE: March 6, 2008

SUBJECT: House Appropriations Subcommittee on Transportation, Housing and  
Urban Development and Related Agencies Hearing on FAA FY 09 Budget  
Proposal

GA MEMO NO: 2008-17

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This afternoon Robert Sturgell, Acting Administrator for the Federal Aviation Administration (FAA) testified before the House Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies regarding the President's Fiscal Year 2009 (FY09) Budget proposal.

### **Opening Statements**

In his opening statement, Subcommittee Chairman John Olver (D-MA) focused on what he considers to be inefficiencies and problems that need to be addressed within the FAA and its programs. Olver noted a Department of Transportation Inspector General (DOT IG) study which expressed concern as to whether NextGen could be implemented in a timely manner and at what cost. Olver stated that he has been told that implementation of this initiative would cost roughly \$50 billion and take a considerable amount of time to put into motion. Olver stated, "Clearly, this is an extremely complex and expensive endeavor." He then spoke of similar problems in the air traffic control program. Olver said that the percentage of certified controllers compared to the percentage of trainees has plummeted from 83 percent in 2000 to 74 percent today, which is a big problem.

Ranking Member Joseph Knollenberg (R-MI) did not focus his comments entirely on the FAA Budget. Knollenberg stated that the aviation industry impacts the economy to the benefit of \$1 trillion dollars. He also said that the industry was responsible for 6% of the gross domestic product and the creation of 10 million jobs. Given the impact aviation has

on the economy, Knollenberg expressed his displeasure with the lack of progress on a multi-year FAA Reauthorization bill. He then spoke about how he believes the short-term extensions that have been passed by Congress could negatively affect airports, especially small ones. However, he also expressed his belief that the FAA does not necessarily need a Reauthorization bill to begin implementing Next Gen. He stated that the current balance in the Aviation Trust Fund is sufficient to at least begin implementation.

### **Testimony**

Since the Administration's Budget proposal for the FAA essentially re-states its FAA Reauthorization proposal (and also assumes it will be ratified by Congress), Acting Administrator Sturgell focused his testimony on summarizing it. He discussed financing provisions to pay for NextGen including a cost-based system rather than the current aviation tax scheme. He also emphasized the importance of NextGen and passing a multi-year FAA Reauthorization bill, as both will enhance our nation's aviation system greatly.

In addition, Sturgell talked about new funding mechanisms for airports such as an increased Passenger Facility Charge (PFC) user fee that will help pay for important safety and capacity projects. He also spoke about the Administration's efforts to address aerospace congestion issues in areas such as New York. Sturgell concluded by mentioning how important safety is to the FAA and the aviation system as a whole. Thus, the FAA is aggressively implementing strategies to address runway incursions.

### **Questions**

#### ***FAA Reauthorization/AIP***

Knollenberg asked if airports will see reduced funding under the current extension of FAA programs and taxes, which runs through June 30<sup>th</sup>. Sturgell acknowledged that airports would see a reduction in AIP funding due to the way the extension is worded (as you recall, the current extension only allows the FAA to distribute 75% of available AIP funds). Knollenberg seemed to fault Congress, as its inaction on this issue has caused airports across America to lose vital time in the construction season as well as overall funding amounts (should Congress not act again to allow the FAA to distribute the full 100% of allocated funding). Sturgell concurred by saying, "Congress knew what it was doing here."

Knollenberg then reminded Sturgell that the FAA Infrastructure Needs Assessment was \$10 billion, yet the President's Budget only includes \$2.75 billion for AIP funding. Sturgell countered that AIP was never intended to provide for all aviation/airport infrastructure projects and that airports also rely on other funding mechanisms such as PFCs. He then noted that while the Administration cuts AIP, he believed that the funding level was sufficient, especially considering the proposal to increase the PFC. Sturgell concluded by stating that airport construction projects for runways, et. should certainly continue and they play a vital role as a solution for congestion issues. However, he also

said that in some areas, there is not available space to add on to an airport, and thus alternatives such as improving aircraft throughput and regional options (i.e. the Port Authority of New York and New Jersey's acquisition of Stewart Airport) need to be considered.

Rep. Ciro Rodriguez (D-TX) also brought up his displeasure with the AIP funding reduction and asked Sturgell why the Administration would do this to such a vital program. Sturgell essentially repeated his earlier answer to Rep. Knollenberg's question.

### ***Controller Training***

In his questions, Chairman Olver continued to discuss what he believes are inefficiencies and problems within the FAA and its programs. Olver stated that the ratio between certified controllers and trainees has decreased from 5:1 to 3:1. Sturgell acknowledged Olver was accurate and that this was due the natural turnover of the workforce which began employment following the air traffic control strike of 1981. Sturgell said that 25% of the current workforce would be considered "developmental." Sturgell also said that he would like to see that percentage increase to 35%. As Secretary Peters noted earlier in the day, Sturgell continued by stating that the FAA is relying on advanced simulators to train new controllers. Also, Olver asked whether FAA's recruitment program has improved the caliber of trainees. Sturgell replied that FAA has targeted 23 colleges to improve recruitment for controllers and that he has high hopes for this initiative.

Meanwhile, Rodriguez asked that Sturgell place a premium on diversity when hiring air traffic controllers. Later, Representative Marion Berry (D-AR) asked Sturgell to look into the morale of the air traffic controllers in Memphis, Tennessee as he had received numerous complaints concerning FAA management. Rep. Berry said that he believes this is a big problem, especially from a safety perspective and thus he wants it to be looked at immediately. Sturgell said that he would look at the Memphis issue and he also touched on the history and status of the air traffic controllers' contract dispute with the FAA.

### ***Maintenance Training***

Olver stated that he was concerned with the potential reduction in the maintenance technician workforce. Olver cited an Inspector General report which stated that 50% of FAA's maintenance technicians are eligible for retirement. Sturgell responded that workforce retirement is an issue for all Federal agencies and that the FAA can outsource some of its maintenance functions. Sturgell could not quantify the percentage of work that has been outsourced overseas. However, he countered that the practice is consistent with a risk-based approach to safety.

### ***Safety/ASDE-X***

Knollenberg began the safety portion of the hearing by asking Sturgell about the FAA's recent Call to Action (in which ACI-NA participated) regarding runway incursions.

Sturgell responded by saying that progress is being made on this issue and that he was pleased at how the aviation community came together to work on solutions. In addition, he noted that we are seeing a reduction in incursions and that the statistics are currently tracking well with performance goals for the year.

Knollenberg then noted the two runway incursions that occurred last week and asked what effect Airport Surface Detection Equipment Model-X (ASDE-X) systems would have on prevention, especially regarding Class A's and B's. Sturgell said the equipment provides a great benefit; however it cannot eliminate all incursions as human factors are still a major issue. Speaking to the incursions Knollenberg brought up, Sturgell said that those are still under investigation by the FAA, so he wasn't sure if ASDE-X could have prevented either from happening. He also reiterated the promise that ASDE-X holds for the future of aviation safety.

Given the positive review of ASDE-X, Knollenberg asked how many airports currently have these systems and why doesn't the FAA accelerate the implementation process. Sturgell responded by saying that 11 airports have ASDE-X systems in place, and that the FAA is doing everything it can in this regard. He then said there's no doubt that the systems, while expensive, have proven to be money well spent. Knollenberg chimed in that he is especially interested in ASDE-X because Detroit Metropolitan Wayne County Airport is set for an August installation date.

Chairman Olver followed up on this conversation by expressing his interest in ASDE-X. He noted that there are 35 airports set to receive these "platinum cost" systems, yet, per Sturgell's earlier response, only 11 have them now. So, Olver asked if the FAA is still planning to go forward with the remainder of the installations and if not, are they looking at lower-cost options. Sturgell responded that the FAA intends to outfit all of the planned 35 airports with ASDE-X systems and that there was multiple criteria (number of operations, type of operations, complexity of airport, past history of incursions, etc.) considered to determine which facilities were placed on this list. Sturgell also noted that ASDE-X costs approximately \$14.5 million to install at each airport and that runway status lights also are an important safety innovation being deployed. He concluded by stating that the FAA is doing the best it can regarding this issue and that once all 35 airports set to receive the systems have them, there are no plans to add additional airports.

**Please contact ACI-NA's Scott Weaver ([sweaver@aci-na.org](mailto:sweaver@aci-na.org)) or Paul Eubanks ([peubanks@aci-na.org](mailto:peubanks@aci-na.org)) with any additional questions or concerns.**