



AIRR Act Myths vs. Facts (Partial List of Issues)

***Myth:** “Congress will have significant oversight over the new Corporation.”*

Fact: While Congress will have some role, it will be severely diminished, and many crucial aspects about the board will not be subject to Congressional oversight. Congress will play no role in who is appointed to the board, or what fees are imposed on aviation users. This is similar to other Congressionally created agencies like the Consumer Financial Protection Bureau (CFPB). Like the CFPB, this new board can make substantial changes to current airspace operations, and would only be eligible for review on safety grounds. In those circumstances, the only avenue available to users is not their elected representatives, but instead the courts, which is a lengthy and costly process.

***Myth:** “A private corporation will significantly reduce delays.”*

Fact: According to the Bureau of Transportation Statistics, **eighty percent of delays in the system today are caused by weather and airline mismanagement which results in too many airplanes trying to use the same airport pavement at the same time.** Airline scheduling difficulties are compounded by computer glitches crew deployment schedules, and mechanical issues. These issues will not be solved with the new Corporation. Only fifteen percent of all delays during that time period were due to issues with our air traffic system.

***Myth:** “The board structure will ensure that no entity controls the board.”*

Fact: A private board can be controlled by as little as twenty percent of the board members under the principle of “working control”. The 21st Century AIRR Act creates a board structure that allows airlines and their employee groups to ultimately dominate decisions made by the board. It is also likely the airlines and their allies achieve majority control of the board. This is done by combining the seats controlled by the commercial airlines, regional airlines, air traffic controllers, airline pilots, the two at-large seats focused on fiduciary interest of the Corporation, and the CEO, depending on the issue. This is seven seats out of the thirteen total seats.

***Myth:** “The AIRR Act protects access to airspace for general aviation (GA) users.”*

Fact: While an improvement over last year, the 21st Century AIRR Act does not completely protect access for all taxpaying users like the current system does. Section 90701 prohibits denying access to airspace “on the basis that the user is exempt from charges and fees”. It is still possible for the new Corporation to deny access to airspace under other pretenses. For instance, the board can assert the need to diminish or eliminate access because of a safety or emergency concern. Beyond airspace, the bill does not fully protect access to airports. In practice under

other systems including Air Services Australia, general aviation users have suffered from greatly restricted access.

Myth: *“Our current system is behind others users and operates with antiquated technology.”*

Fact: Creating a new corporation will not necessarily improve modernization. GAO has reported that when other countries attempted ATC corporatization, it took an average of seven years for the corporation to finish the transition. This time could be better spent reforming the FAA and improving their NextGen implementation. The FAA has already begun to upgrade their technology, implementing ADS-B coverage throughout the country, and most GA aircraft have become compliant. However, less than 3 percent of all commercial aircraft have successfully upgraded their equipment. And even after modernization, air traffic controllers will continue to use paper slips as a safety measure. Our system has gone through major upgrades and implementation of new technology. Given the size of the system and the number of users who are in it, our system is still the safest and best run in the world. The system under the FAA works wonderfully well. Users report that delays are virtually non-existent except for cases when too many airplanes are trying to use the same pavement.

Myth: *“Creating an ATC corporation is the only way to fix the FAA.”*

Fact: The problems with the current system stem from uncertain funding, not from management failures. Congress could and should exempt ATC operations from sequestration, ensuring that the FAA has a steady funding stream and can better plan their operations. Plus, there are other steps that Congress could take to augment the FAA’s NextGen upgrades without creating a new Corporation, which wouldn’t succeed in modernization any quicker. Congress could also reform FAA procurement policies, or allow them to start facility consolidation and closures. Congress could also grant the FAA limited bonding authority for deployment and procurement of NextGen technology.

Myth: *“Canada has successfully implemented the same policy with no issues.”*

Fact: In Canada, general aviation has lost significant access and efficiency, particularly in the Vancouver area. Inevitably privatized systems begin to reduce general aviation flexibility in support of airline efficiency. Also, the scale of the air traffic control system in Canada is nowhere near the United States. In the U.S., there are 13,513 airports, while in Canada there are only 1,467. In the United States, there are 584,362 active U.S. licensed pilots, while Canada has 64,932 licensed pilots and air traffic controllers combined. Canada does not have the size, complexity, or diversity of operations the United States has. Canada has also seen their ATC fees increase by fifty-nine percent since the shift to privatization, compared to only a six percent increase in the United States during that same time. Under the current proposal, commercial airlines will pay the majority of user fees to run the system, which could mean drastic increases in ticket prices for Americans. If the Corporation institutes a weight-based fee for aircraft, it will also increase the cost of moving cargo by air.

***Myth:** “General aviation got all it wanted in the AIRR Act.”*

Fact: The GA community has never published a list of demands or policies that needed to be included in the bill for them to support it. While GA groups listed a number of concerns with the proposal during debate in the 114th Congress, the biggest concern was the uncertainty the new system would create. While the 21st Century AIRR Act attempts to address those individual concerns, it does not resolve the larger question of how the GA community would fare under this new system. The position of these groups has not changed. No language or policies will overcome this uncertainty, and the only way for the GA community to get everything they wanted in the bill is for ATC reform to not be included.

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