

STATEMENT OF
THE HONORABLE JERRY F. COSTELLO
SUBCOMMITTEE ON AVIATION
HEARING ON
AIRLINE DELAYS AND CONSUMER ISSUES
SEPTEMBER 26, 2007

➤ I want to welcome everyone to this Subcommittee hearing on

Airline Delays and Consumer Issues.

➤ The first half of 2007 has been the worst for airline delays since the Bureau of Transportation Statistics (BTS) started keeping comprehensive statistics 13 years ago: through July, almost one in four flights were delayed. Long, on-board tarmac delays have increased by almost 49 percent from 2006 and delays of 5 hours or more have increased 200 percent.

➤ The delays and the increasing number of consumer complaints that passengers experienced this summer are unacceptable. Today's hearing is the second in a series of

hearings that this Subcommittee will hold at least once every three months to determine what the airlines and the FAA are doing to address the problem.

- The public needs to know what this Administration has done and what it plans to do to in the near-term to address delays and consumer complaints.

- No doubt, the reasons for delays are many and clearly weather, particularly summer storms, are a major factor. But there is also evidence to suggest that operational, technological and economic trends and choices within the airline industry are factors.

- Oddly enough, while delays have increased, system-wide total airport operations have actually decreased by about 11

percent since 2000. The decline in total operations has been driven largely by a 17 percent decline in general aviation (GA) operations – contrary to what the airlines would have us believe.

- However, while commercial operations remained flat, they have also become more highly concentrated in certain areas, increasing at some of the nation’s largest and busiest airports.

- For example, according to the FAA, operations at New York’s John F. Kennedy International (JFK) airport have increased 27 percent from 2000, and 44 percent from 2004.

- Today, we will hear additional analysis from MITRE that operations at 7 large hub airports that account for 72 percent

of delays have increased 10 percent since the summer of 2000, while operations at 38 other airports have decreased.

- Two weeks ago, former FAA Administrator Marion Blakey acknowledged that airline scheduling was a problem when she stated that “the airlines need to take a step back on the scheduling practices that are at times out of line with reality... And if the airlines don’t address this voluntarily, don’t be surprised when the government steps in.”
- Last week, I was pleased to see that the FAA notified the airlines that it wanted advanced schedule information for JFK and Newark for Summer 2008, because of increasing operations and deteriorating on-time performance at those airports.

- But why did it take the FAA this long to request scheduling information and acknowledge that overscheduling is a serious issue when people, including the FAA, were predicting that the Summer of 2007 was going to be the worst on record? Administrator Blakey even stated in a May 2007 that 2006 “was a record year for delays, with more than 490,000 flights that didn’t make it on time. Truth is, 2007, isn’t looking any better.”

- The fact is that in February, this Administration put forward an extremely controversial financing proposal for which there was absolutely no consensus. The FAA’s plan generated intense opposition from both sides of the aisle in Congress, and within the industry its only real support came from the airlines. Throughout the summer months the FAA completely failed in its responsibility to hold airlines

responsible for what we are now being told are “scheduling practices that are at times out of line with reality. . .” It is time for Congress to engage on this issue and to ensure that this does not happen again.

- Looking forward, Congress, the FAA and the industry must take a hard look at airline scheduling practices. Where overscheduling is resulting in serious delays, the government must step in and take action.
- We should also have a frank discussion about what near-term relief can realistically be provided by new technology. For the last year, this Administration has aggressively promoted its Next Generation Air Transportation System (NextGen) plan to justify its financing proposal. In doing so, I believe that the Administration has oversold its efforts.

- While I agree that we must modernize our Air Traffic Control (ATC) system and I support NextGen, I would also caution this Administration not to build false expectations by holding the NextGen system out as a solution for delays in the near future.

- NextGen is a long-term solution. We will not see full benefits from core NextGen technologies, like Automatic Dependant Surveillance – Broadcast (ADS-B), for several years.

- The traveling public should not be given the false impression that NextGen will be here soon or will address problems in the short-term. And it should not be expected to wait several

years for results. The airlines and the FAA must take action to address the problem now.

- I also want to point out that over the last four years, this Administration has under funded the FAA's capital account - primary vehicle for modernizing the national airspace system – roughly \$2 billion below the congressionally authorized levels. As a result, a number of ATC modernization initiatives were cancelled and deferred, including some NextGen capabilities. So there has definitely been a serious disconnect between the Administration's rhetoric and reality.

- HR 2881, the *FAA Reauthorization Act of 2007*, provides about \$1 billion more for FAA's capital account than the FAA said that it would need for the next four years. This additional funding will help accelerate NextGen-related activities.

➤ Finally, the DOT IG report, released yesterday, has many important recommendations stemming from its investigation into an American Airlines incident in December 2006 and a JetBlue incident in February 2007. I am interested in hearing more from Inspector General Scovel on his report; however, I want to point out that recommendations can only do so much without being implemented.

➤ Though I believe DOT is making a good faith effort in dealing with these consumer issues, it is not moving fast enough. For this reason, I am pleased that in H.R. 2881, the FAA Reauthorization Act of 2007, which passed the House last week, we address many of the IG's recommendations.

- We have a serious problem with congestion and delays in our aviation system which, in turn, affects passengers and the quality of air carrier service. We must look at all options for reducing delays and improving the aviation experience.

- With that, I want to again welcome our witnesses today and I look forward to their testimony.

- **Before I recognize Mr. Petri for his opening statement, I ask unanimous consent to allow 2 weeks for all Members to revise and extend their remarks and to permit the submission of additional statements and materials by Members and witnesses. Without objection, so ordered.**