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September 25, 2018

U.S. House of Representatives
Washington, DC 20515

RE: AGC URGES A “YES” VOTE ON H.R. 302

Dear Representative,

On behalf of the Associated General Contractors of America (AGC), a national construction trade association representing more than 27,500 firms including America's leading general contractors, specialty contractors, service providers, and suppliers, I write to express the association's support for H.R. 302 - the bipartisan Federal Aviation Administration Reauthorization (FAA) Act of 2018, and encourage you to vote “YES” on this legislation.

We are particularly pleased with the inclusion of language in Section 150, which increases the Disadvantaged Business Enterprise (DBE) size standard for the Airport Improvement Program (AIP), while also ensuring that there is a one size standard for all businesses participating in the AIP DBE program. This reform will help allow additional DBE contractors to participate and help eliminate confusion about size-standards among DBE contractors in the program. That stated, we are disappointed that the bill does not do enough to meet the nation's airport infrastructure needs.

America's airport infrastructure has critical improvement needs amid ever-growing demands. According to a recent report by the Airports Council International – North America, American airports need \$100 billion in infrastructure investment over the course of five years to accommodate growth in passenger and cargo activity, rehabilitate existing facilities, and support aircraft innovation. The FAA projects sustained and continued growth in nearly every aspect of air transportation from general aviation private flights to large commercial airline passenger levels in the next 20 years.

Although the bill provides for five years of funding certainty for the AIP, it unfortunately extends inadequate, status quo funding levels of AIP contract authority at \$3.35 billion annually through fiscal year 2023. And, while we are pleased to see the additional authorization from the General Fund of \$5.3 billion over 5 years for AIP, it is critical that future budget caps allow for this additional authorization to be fully appropriated—as it would add to the current contract authority from the Airport and Airways Trust Fund—to help the nation's airports meet existing and anticipated infrastructure demands,

Further, AGC is disappointed that the bill failed to generate additional infrastructure revenues through an increase in the passenger facility charge (PFC), a user fee that has not increased since 2001. PFC funds help finance scores of airport infrastructure projects including terminal

construction, airport roadway and transit expansion, and noise mitigation projects, among others.

Additionally, AGC supports the inclusion of the Disaster Recovery Reform Act (DRRA) in H.R. 302. The DRRA will provide meaningful reforms that will improve pre-disaster planning and mitigation while providing incentives for building and rebuilding infrastructure to mitigate damages from future disasters.

Finally, construction contractors working on highways, transportation facilities, buildings, and other infrastructure projects are finding many useful applications for Unmanned Aircraft Systems (UAS) that will improve safety, lower costs, enhance productivity, and encourage creativity. Some of the current restrictions on UAS use, however, has stifled some of these new innovations. AGC applauds inclusion of language in H.R. 302 encouraging the FAA to develop rules to address integrating unmanned aircraft systems safely into the national airspace, including beyond visual line of sight operations, nighttime operations on a routine basis, and operations over people. AGC believes these rules will speed the creative use of UAS in construction operations.

The association looks forward to working with Congress to address the nation's airport infrastructure needs beyond what is provided in the bill and urges you to vote "YES" on H.R. 302.

Sincerely,

Sean O'Neill
Vice President, Congressional Relations & Infrastructure Advancement