

Testimony

"AMERICA BUILDS: AIR TRAFFIC CONTROL SYSTEM INFRASTRUCTURE AND STAFFING" STATEMENT OF AIRLINES FOR AMERICA (A4A) BEFORE THE AVIATION SUBCOMMITTEE OF THE HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

March 4, 2025

Reflection

At the outset, I would first like to take a solemn moment of reflection to honor the lives of those lost and those impacted in recent accidents and to thank all of the first responders who unflinchingly risked their lives reacting to these events. Safety, above all, is our North Star, and it is so interwoven in every facet of our operations and culture that when these rare moments of tragedy occur, they shake us to our core. Our thoughts are with those lost and the families left behind.

Safety

I would also like to take a moment to discuss aviation safety. I want the Committee to be assured that safety is the bedrock framework from which our industry operates, and commercial air travel in the U.S. remains the safest mode of transportation in the world.

In the past we have been honored as an industry to be referenced in National Transportation Safety Board (NTSB) Chair Homendy's Congressional testimony where she stated:

"When it comes to aviation, over the last several decades, the critical efforts of operators, manufacturers, labor unions, private aircraft owners and pilots, the FAA, Congress and the NTSB have led to significant advances in technology and important legislative and regulatory changes that have contributed to the current level of aviation safety. These efforts, many of which have been in response to the lessons learned from NTSB investigations, should serve as an example for a collaborative approach to safety in other modes of transportation."

Moving forward, A4A member airlines welcome any discussion as we work collectively to focus on safety. Our safety systems have many layers and many redundancies, but there is no ceiling for improvement. As the events of earlier this year unite us in our grief, they also serve as a somber and jarring reminder that we can never be complacent.

Opportunity

A4A appreciates the opportunity to testify on the significant and material challenges facing the U.S. air traffic control (ATC) system, which is woefully obsolescent, unreliable and inefficient due to a multitude of well-documented critical staffing, facility, technology, equipment, funding and investment deficiencies. We welcome the opportunity to reiterate and highlight the desperate need for government leadership, support and investment in both human and technology infrastructure within the Federal Aviation Administration (FAA).

The entire aviation industry – from commercial aviation to general aviation, manufacturing, labor, airports, advanced air mobility and other emerging technologies – accounts for more than 5% of the U.S. gross domestic product (GDP), generating over 10 million high-quality jobs. Our nation's ATC system is a vital infrastructure asset, essential to safe air travel and to our nation's economic growth and competitiveness.



Testimony

To maintain a best-in-class National Airspace System (NAS) that is globally competitive, we must take action on the problems that have been identified for years now. Addressing staffing shortages and replacing antiquated systems will reduce costs and inefficiencies, while strengthening American competitiveness and will also ensure the FAA continues to uphold the highest standards of safety for all who use our nation's airspace.

Three days after taking the job as CEO of A4A in January 2011, I was asked to testify before this Committee about the state of ATC. I brought a stack of DOT Inspector General (IG) reports and General Accountability Office (GAO) reports outlining the shortcomings of the system. Fifteen years later, I hope this Congress and this Administration will agree that it's not acceptable to just continue to tolerate a chronically understaffed air traffic control system. Just like it's not acceptable for controllers and technicians to be using paper strips and floppy disks to run our nation's NAS (National Aviation System). We are better than this. Our country is better than this.

Thank you for holding this hearing. We value this Committee's leadership and are encouraged by the dedication of both President Trump and Department of Transportation (DOT) Secretary Sean Duffy to directly take on the difficult challenges of addressing decades-long stagnation that has consistently hampered the effective and efficient modernization of our ATC system.

It is critical that the distractions of past debates and the inherent political inertia be put aside to pave a path forward for an ATC system that can catch up to the needs of today and accommodate the needs of tomorrow. This should not be a partisan or jurisdictional issue, instead it should serve as a unique opportunity for the Administration, authorizing committees and appropriations committees to come together on a solution set that markedly improves FAA's ability to plan and execute staffing and modernization efforts through Congressionally overseen predictable capital funding and use of personnel and procurement reforms which were given to the FAA in 1995, but never fully utilized.

It is paramount that Congress, the Administration and the aviation community come together and embrace bold and decisive action to ensure that we do not squander this opportunity for historically meaningful change.

Recommendations

While A4A's detailed recommendations are attached, along with broader coalition list of recommendations, the key actions Congress and the Administration need to accomplish boils down to getting an emergency funding proposal signed into law that will ensure the FAA has:

- Enough skilled people (controllers and technicians) and more training capacity.
- A plan to ensure they can procure and field modern technology. The other side of this coin requires
 divesting old and outdated technologies and facilities to ensure efficiencies and savings.
- A long-term fix to the budgeting process that will allow the FAA to plan long-term capital projects, just like AIP (Airport Improvement Program) or surface transportation's contract authority.

We know there are no silver linings to the tragedies of last month, nor are there any silver bullets to fix our aging system. But I sincerely hope that these events will imbue us all with a renewed sense of purpose and determination to honor those lives by making the fundamental changes and investments necessary to correct the shortcomings of the FAA that we have all repeatedly dissected in this room for years.

Conclusion

We believe we have a real opportunity to get something done for the first time in 30 years, but again we have a very small window for action, so we need to be very strategic and purposeful about our priorities.



IMMEDIATE SAFETY RECOMMENDATIONS

Our air traffic control (ATC) system, operated exclusively by the federal government, faces serious challenges that threaten its reliability and America's ability to continue to lead in aviation. Past initiatives to reform the system with broad changes on government structure, managerial independence and funding have been stymied over parochial disputes and lack of stakeholder agreement. While the debate over a long-term overhaul should continue, there are immediate, risk-based, achievable and urgently needed actions on staffing, facilities and technology that Congress and the Administration can take to improve safety and efficiency for travelers, users and taxpayers.

1. Develop an Emergency Funding Request – Controller Hiring, Training & ATC Infrastructure/Funding Reform.

DOT/FAA should make an immediate robust emergency funding request for both controller hiring/training and ATC critical infrastructure investment.

Ensure Robust Controller Hiring/Training Leads to Proficiency Efficiently by Addressing Testing, Curriculum and Technology.

- Develop a more effective ATC Skills Assessment Test for entry into the FAA
 Academy in Oklahoma City. Given the current 50 percent failure rate, the FAA needs
 to better predict success by assessing key skills before candidates enter training.
- Improve the capacity of the Academy through increased hours of operation; reduction in unnecessary and outdated curriculum; and offering courses and training at other suitable FAA facilities or through virtual platforms.
- Acquire and implement state-of-the-art training systems, including high-fidelity simulators, with the goal to improve efficient training and reduce the CPC certification time by 30 percent.
- The FAA can tap the private sector to accelerate the Collegiate Training Initiative (CTI).
 - After working on this for 17 months, the Biden Administration only has 4 schools in the program. This program should be a high priority.
 - o Monies for training software and simulators for the schools are needed.
- Ensure that funding, hiring and retention processes are in place to support adequate levels of technicians needed to maintain the NAS while technology is updated.
- Ensure that the Federal Contract Tower (FCT) program is adequately funded and transfer specific low traffic towers into the FCT program to free up additional controllers.



Prioritize Funding for These Immediate Technology and Infrastructure Investments to Address Risk Points to Provide Relief to the System.

The long-term answer to ensure our system continues to be the gold standard of safety and efficiency is implementing a complete technology overhaul with a lasting commitment to innovation. Fulfilling that imperative will take time, but in the meantime the following investments, with a risk-based approach, will be critical interim steps toward getting us closer to that long-term vision.

- NOTAM and other critical/aging system upgrades to ensure stabilization and contingency of service.
- Quickly upgrade telecommunication networks. The FENS project is an immense undertaking and the penalties being paid by the FAA since the Lumen discontinuance notice is draining what remains of the current budget.
- Accelerate the implementation of Performance Based Navigation (PBN) nationwide.
- Prioritize radar, tower and facility investments prioritized based on traffic, risk and age. This should include HVAC and back-up power sources that frequently cause outages in service.
- Expedite replacement of Traffic Flow Management System (TFMS) to Flow Management Data Services (FMDS).
- Expedite and finish the implementation of DataComm.
- Invest in ADS-B Out sites where RADAR coverage is unreliable or unavailable (e.g., Caribbean, remote/mountainous areas).
- Conduct a private sector competition to field a new ground surveillance program to replace ASDE X.
- Prioritize deployment of Electronic Flight Strips to replace the paper strips currently used in high density airports.
- Support deployment of ADS-B In technology investment to improve pilot situation awareness and more accurate and reliable interval management.

Since the New York Airspace Generates the Vast Majority of Delays:

- Modernize technology and operations in the NYC area, including expeditious reroutes when required by weather or demand. This includes technology updates to the airspace such as Required Navigation Performance (RNP) procedures and MARS (Multi Airport Route Separation).
- Consider a minimum equipment requirement for users of the NYC airspace to optimize precision navigations and spacing between airplanes or consider implementing a Best Equipped Best Served policy.
- Replace aging NYC technology for routing airplanes in and out of the airspace, to include rapid reroute capabilities.



Pursue Funding Reform In Reconciliation.

The FAA is funded from the Airport and Arway Trust Fund (AATF), which is funded by aviation fuel taxes, ticket taxes and a few other fees. Those funds can only be used by the FAA through conventional Congressional appropriations, and they are subject to all the Federal budget discretionary spending limits. Consequently, the FAA's budget is completely unpredictable, and aviation competes with housing, rail or any other discretionary item for limited discretionary funds. The current funding levels are not only inadequate to staff facilities, but monies are needed to fully develop and implement a program of technology renewal. We recommend:

- Exempting appropriations funded by the AATF for the FAA Facilities & Equipment and Operations accounts from federal budgetary caps up to the amount of revenue received into the AATF the previous fiscal year using the Harbor Maintenance Trust Fund (HMTF) as precedent;
- Exempting the FAA from governmental shutdowns;
- Considering how the funding mechanisms can be modernized to account for use of the system and new users.

2. Provide Incentives for Controllers to Maintain an Experienced Workforce.

- The FAA can provide sufficient additional retirement benefits or bonuses to incentivize controllers who pass their medical and currency exams to stay on the job past their eligible retirement date, or past age 56 for a maximum of 5 more years as allowed by current law.
- This will provide a short-term benefit of retaining more experienced controllers as hiring spools up.

3. Limit Current Labor Practices that take Controllers Away from Controlling Traffic.

- Limit Article 114 activities that take controllers away from controlling traffic to work on "projects." Many of these projects are not central to the mission or are outdated.
- Limit paid "official time" to 25 percent of union representative's time.

4. Permanently Suspend Certain DCA Helicopter Routes.

- Helicopter Routes 4 and 6 south of Hains Point should be permanently suspended with limited exceptions for essential military or medical emergencies.
- The FAA should, in consultation with industry, further reevaluate any helicopter routes that could conflict with arrivals and departures at DCA and determine whether those routes could be moved farther away from commercial traffic.



 Runway 15-33 at DCA should remain open and available for commercial traffic once the recovery process concludes.

5. Immediately Review Air Traffic Near Airports.

- The FAA should conduct an immediate review of identified potential hot spots of conflicting air traffic operating near large airports.
- The FAA should identify risk and mitigations and be empowered to suspend or eliminate traffic routes if unnecessary risk exists.

6. Require ADS-B Out Equipage Near Airports from a Risk Based Perspective.

- The FAA should immediately require ADS-B Out equipage and usage for all aircraft, including Department of Defense, operating near large airports.
- Minimal limited exemptions can be made available for national security, law enforcement and medical emergencies.

7. Extend New York City Slot Relief.

- Currently, the FAA is providing slot relief at NYC area airports due to major staffing challenges at the ATC facilities that serve the NYC area.
- This relief will expire at the end of October 2025.
- DOT/FAA should implement a 2-year NYC slot extension to ensure the safety of NYC operations until NYC-area ATC staffing levels return to acceptable levels.

MEDIUM/LONG-TERM REFORMS

1. Carefully consider organizational reforms that may improve the FAA and the Air Traffic Organization's (ATO) safety, efficiency and ability to innovate.

There has been a long history of debate around whether the organizational structure of the FAA should be modified to achieve a variety of different goals. We all agree that safety is paramount and the ATO's services need to be more efficient and resilient if the system is going to meet the growing demand of traditional users and new entrants. While A4A has not yet coalesced around a specific recommendation on this topic, we will continue to evaluate policies that can benefit the entire system. However, we are aligned on not pursuing the commercialization of U.S. air traffic control services. A fight about organizational structure at this moment would be a distraction from our immediate goal of pursuing resources and reforms to accomplish robust air traffic controller hiring and training as well as investing in critical technology innovations to make our system safer and more efficient.



2. Utilize Existing Procurement Authority to Streamline FAA's Procurement Process.

- In order to facilitate ATC infrastructure improvements, DOT should revise the FAA's procurement processes under 49 U.S. Code §§ 40110-40112 (general procurement authority) to provide maximum flexibility for the FAA to procure necessary equipment, services and property, as determined by the Administrator, to ensure the safe and efficient use of the navigable airspace and achieve the highest degree of safety in air transportation and air commerce.
 - FAA should be exempted or provided additional protections from contract bid protests that delay timely deployment of critical technology updates.
- Rely on DOGE and/or procurement experts from the private sector to revise the
 procurement standards, policies, practices and procedures of the FAA to reduce any
 impediments to the acquisition of commercial products and commercial services, or
 other sources, as required.
- 3. Issue a Plan Complying with Section 804 the FAA Reauthorization bill Requiring a Report on ATC Facility Consolidation.
- 4. Ensure operational integrity and safety by protecting critical spectrum adjacent to that used for aviation purposes.



























































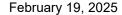












The Honorable Ted Cruz, Chair The Honorable Maria Cantwell, Ranking Member Committee on Commerce, Science and Transportation U.S. Senate Washington, D.C. 20510

The Honorable Jerry Moran
The Honorable Tammy Duckworth
Subcommittee on Aviation Safety, Operations and
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The Honorable Susan Collins, Chair The Honorable Patty Murray, Vice Chairman Committee on Appropriations U.S. Senate Washington, D.C. 20510

The Honorable Cindy Hyde-Smith, Chair
The Honorable Kirsten Gillibrand, Ranking Member
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The Honorable Sam Graves, Chair The Honorable Rick Larsen, Ranking Member Committee on Transportation and Infrastructure U.S. House of Representatives Washington, D.C. 20515

The Honorable Troy Nehls, Chair
The Honorable Steve Cohen, Ranking Member
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The Honorable Tom Cole, Chair The Honorable Rosa DeLauro, Ranking Member Committee on Appropriations U.S. House of Representatives Washington, D.C. 20515

The Honorable Steve Womack, Chair The Honorable Jim Clyburn, Ranking Member Subcommittee on Transportation, Housing and Urban Development Committee on Appropriations U.S. House of Representatives Washington, D.C. 20515

Dear Chairs Cruz, Graves, Nehls, Collins, Cole, Hyde-Smith, Womack, Vice Chair Murray, Ranking Members Cantwell, Larsen, Cohen, DeLauro, Gillibrand, Clyburn and Senators Moran and Duckworth:

As representatives from our nation's aviation sector, we are united in our grief over recent aviation accidents and our commitment to making sure that accidents like these never happen again.

Similarly, the undersigned organizations, representing our nation's aviation and aerospace sector, are united in expressing our continued support for ensuring America has a safe, resilient and modernized air traffic control (ATC) system. Congress provided significant leadership toward that end as part of the recently enacted FAA reauthorization bill, and we urge you to protect and build upon the baseline investments in the law to enhance safety in the air and on the ground.

The aviation industry – from commercial aviation to general aviation, manufacturing, labor, airports, advanced air mobility and other emerging technologies – accounts for more than 5% of the U.S. gross domestic product (GDP) generating over 10 million high-quality jobs. Our ATC system is a vital national infrastructure asset, essential to safe air travel and to our nation's economic growth and competitiveness. The FAA is responsible for the management of over 50,000 flights daily transporting more than 2.9 million passengers across our 29 million square miles of airspace.

To maintain a best-in-class ATC system that is globally competitive, it is our unified objective to work with the U.S. Congress and the Administration to find common ground to ensure the operational safety and efficiency of the National Airspace System (NAS). To achieve this, we must support air traffic controller workforce hiring and training, modernize and deploy state-of-the-art air traffic control facilities and equipment, implement procurement and program efficiencies and facility realignment, and address budget reforms for the Airport & Airway Trust Fund (AATF). We are aligned on not pursuing privatization of U.S. air traffic control services and believe it would be a distraction from these needed investments and reforms.

Our priorities include:

- 1) Robust emergency funding for critical air traffic control technology and infrastructure and controller staffing and training
- 2) Direction to FAA to achieve prudent divestment from legacy NAS elements and utilize new and innovative procurement methods to facilitate the deployment of state-of-the-art technology
- 3) Realignment and modernization of ATC facilities to improve operational efficiencies
- 4) Additional financial mechanisms to more effectively utilize AATF balances to enhance safety in the air and on the ground including through multi-year budgeting
- 5) Exempting the Federal Aviation Administration from government shutdowns to ensure a predictable funding stream to ensure continued safety and air traffic control personnel hiring and training

We have attached a white paper to discuss the challenges and opportunities in more detail. Addressing these areas will reduce costs, inefficiencies, and strengthen American competitiveness and will also ensure the FAA continues to uphold the highest standards of safety for all who use our nation's airspace. The FAA's primary mission has been, and should continue to be, ensuring the operational safety and efficiency of the National Airspace System (NAS). Everything the FAA does must be directly tied to, and in support of, that mission.

Our organizations are ready to work with you to ensure the FAA is more capable and prepared to deliver economic growth, foster American innovation, adapt to challenges, and continue to be the safest, largest, and most complex air traffic control system in the world. Please let us know what we can do to support your consideration and efforts.

Aeronautical Repair Station Association Aerospace Industries Association Air Line Pilots Association, International Air Traffic Control Association Aircraft Electronics Association Aircraft Owners and Pilots Association Airlines for America Allied Pilots Association American Association of Airport Executives Association of Flight Attendants-CWA Association for Uncrewed Vehicle Systems International

Aviation Technical Education Council

Experimental Aircraft Association Inc.

General Aviation Manufacturers Association

Global Business Travel Association

International Air Transport Association

International Council of Air Shows

National Agricultural Aviation Association

National Air Carrier Association

National Air Traffic Controllers Association

National Air Transportation Association

National Association of State Aviation Officials

National Business Aviation Association

NetJets Association of Shared Aircraft Pilots

Professional Aviation Safety Specialists, AFL-

CIO

Recreational Aviation Foundation

Regional Airline Association

Southwest Airlines Pilots Association

Transportation Trades Department, AFL-CIO

Transport Workers Union of America, AFL-CIO

Travelers United

U.S. Travel Association

Vertical Aviation International

Vertical Flight Society

National Airspace Safety Initiative

The FAA is responsible for the management of over 50,000 flights daily transporting more than 2.9 million passengers across our 29 million square miles of airspace. Running an air traffic control system is a 24/7 operation that requires constant investment and vigilant innovation. The aviation stakeholder community agrees that for the aviation system to flourish we must meaningfully invest in the staffing, safety systems, and facilities that are the backbone to a safe and efficient airspace. To that end, we request that Congress (1) include funding to address these systemic challenges in reconciliation; and (2) establish parity with our infrastructure partners to allow for sustained and predictable funding that enables the FAA to act with certainty in setting and executing key business decisions

Staffing. Meeting workforce demands is a nationwide challenge across all sectors, and the need for highly specialized air traffic controllers is no exception. In June 2023, a Department of Transportation Inspector General investigation found that the "FAA continues to face staffing challenges and lacks a plan to address them, which in turn poses a risk to the continuity of air traffic operations." At the end of Fiscal Year 2024 (FY24), there were 1,020 fewer Certified Professional Controllers (CPCs) than there were at the end of FY12, a 9% decrease. At the end of FY24, FAA netted 34 CPCs. As of January 22, 2025, the FAA has 10,791 CPC's which is 2,371 CPCs below the present FAA CPC target and 3,544 CPCs below the Collaborative Resource Workgroup (CRWG) CPC target. The FAA has not made sufficient progress on hiring and training controllers, and it must accelerate their work through expanded capacity at the Oklahoma Training Facility and Air Traffic Enhanced Collegiate Training Initiatives (AT-ECTI) over the next 7 to 10 years. The controller shortage threatens to continue shrinking the capacity of the National Airspace System (NAS). In 2024 the FAA requested that air carriers operate 10% fewer flights to and from the New York metropolitan area. This reduction in capacity hurts consumers and our economy but is necessary to maintain operational reliability. Additionally, a shortage of technicians manifests itself through increased restoration times during an equipment outage and more traffic delays for the flying public. Addressing these staffing shortages must be a top priority for the Administration and Congress.

<u>Safety Systems</u>. There are systems sustainability and maintenance-related issues at virtually all FAA locations, which can lead to operational risks for the NAS. Roughly 90% of FAA's budget for Facilities and Equipment (F&E) goes to sustainment, while true NAS systems improvements remain minimal. The FAA has approximately \$5.2 billion in sustainment backlog for facilities and systems that directly support national air space operations.

According to the Government Accountability Office, the Federal Aviation Administration (FAA)'s operational risk assessment that evaluated the sustainability of all ATC systems found "that of FAA's 138 systems, 51 (37 percent) were unsustainable and 54 (39 percent) were potentially unsustainable. Of the 105 unsustainable and potentially unsustainable systems, 58 (29 unsustainable and 29 potentially unsustainable systems) have critical operational impacts on the safety and efficiency of the national airspace (see figure).

Modernization and resiliency of the FAA's air traffic control system must be paired with a robust and highly skilled federal technical workforce to maintain and repair the critical systems necessary for the FAA's round-the-clock operation.

Federal Aviation Administration (FAA) Air Traffic Control (ATC) System Safety and Efficiency Operational Impact Categories by Sustainment Rating

	Number of	Number of FAA systems by operational impact				
Sustainability rating	Critical	Moderate	Low	Total		
A Unsustainable due to shortage spares and shortfalls in fundin		4	1	18	MILLIA	
Unsustainable due to shortfalls funding or capability.	s in 16	12	5	33		
Potentially unsustainable due shortfalls in funding or capabil		9	16	54		
Total	58	25	22	105	MA T	

Sources: FAA 2023 operational risk assessment; serz72/stock.adobe.com (illustration). | GAO-25-107917

Congress has routinely funded the FAA close to the budget request while remaining within the budget caps. However, the budget request has never fully addressed the growing sustainment backlog, and the true capital needs of the FAA. This is true not only of facilities, but the equipment that FAA uses as well as desperately needed technology. Many of the unstaffed and understaffed infrastructure programs have funding lags leading to compounding deployment delays. As these facilities and equipment age, the repairs become more challenging, as antiquated components become more difficult to obtain and more expensive.

Facilities. The FAA operates more than 300 air traffic control facilities and on average these facilities are between 30 and 60 years old and many have exceeded their useful life. In addition to aging facilities, FAA released its first annual National Airspace Plan in 1982, and the air traffic modernization effort that was started then is far from complete.

FAA must prioritize the modernization of these facilities and upgrade the air traffic systems. In addition, Congress must ensure predictable resources to meet these needed improvements. Many of these air traffic control systems provide critical safety and efficiency benefits and the inability of FAA to modernize the air traffic system is straining the growth of the airspace. For example, the failure of the NOTAM system two years ago triggered the first nationwide stop of air traffic in 20 years. The FAA should include the update to this system in its modernization priorities.

The recent FAA reauthorization bill provides a roadmap for increasing the efficiency of the air traffic system, enhances the air traffic workforce, evaluates the capital investment needs and examines the consolidation or reorganization of facilities and equipment. But more needs to be done. Given the known sustainment backlog and the tremendous backlog associated just for radars and facilities, we request that the Administration and Congress work to make investments that help ensure the U.S. has a world-class system that maintains its safety and efficiency through the deployment of modern technology and infrastructure...

Efficiencies. Although today's modern aircraft are equipped for a more efficient air traffic system, the lack of modern air traffic technologies limits these capabilities. A modern air traffic control system should enable more aircraft to operate safely in closer proximity to each other and without constant air traffic control vectoring. The current system does not, leading to less fuel-efficient routings and more time delays. With a congested airspace projected to get even busier, it is critical that the FAA optimize the

airspace and minimize displays and disruptions that lead to delays and cancelled flights. The FAA has invested in technologies to improve traffic flow management and airspace utilization to maximize the number of aircraft operations that can be safely accommodated into the system, but they are not being fully optimized. Some of the effective procedures, such as TFDM and Required Navigation Performance (RNP)/ Performance Based Navigation (PBN), could improve the efficiency of the airspace. With increased investment in the air traffic systems, we recommend that FAA implement the corresponding procedures that will increase the efficiency of the airspace while working collaboratively with stakeholders. We also support jointly identifying areas that would benefit from airspace modernization and redesign to improve safety and efficiency. In addition, we recommend that FAA seek operational efficiencies through prudent divestment from legacy NAS elements and innovative procurement methods. Increases in funding should be coupled with project delivery methods that provide accountability.

Budgetary Reform. We stand by to engage and discuss optimal pathways for creating sustainable and predictable funding mechanisms with Congress. Along with a general fund contribution, the FAA is mainly funded from the Airport and Airway Trust Fund (AATF), which is supported by aviation fuel taxes, ticket taxes and other fees. Those funds can only be used by the FAA through conventional Congressional appropriations, and they are subject to all the Federal budget discretionary spending limits. The Congressional Budget Office's (CBO) June 2024 baseline projections for the AATF show End-of-Year uncommitted balances of ~\$6 billion for FY25 and growing to~\$17.5 billion by 2034. The FAA must be allowed to fully utilize the existing funds within the AATF to meet current obligations under the recently passed FAA reauthorization law and execute long-term focused investment to modernize the national air space. Developing a predictable source of funding via a multi-year account is necessary to begin recapitalizing major infrastructure assets and ensure the continued safety and efficiency of US airspace.

The FAA must also become exempt from government shutdowns. As a major operating agency running a 24/7/365 system, government shutdowns can become harmful to the economy and hurt the development and innovation of modernizing the national air space.