

An Open Letter to Congress: Protect Taxpayers, Embrace Air Traffic Control Reform

June 26, 2017

Dear Member of Congress:

On behalf of the undersigned free-market organizations and scholars, we urge you to work for comprehensive reforms of America's air traffic control (ATC) system.

For decades the United States has struggled under a government-run ATC scheme. According to a [May 2017 testimony](#) by Calvin L. Scovel III, the Department of Transportation (DOT) Inspector General: "Our work continues to demonstrate that while FAA has taken some action to implement the reform authorities Congress granted almost two decades ago, it has not achieved the large-scale efficiencies, productivity enhancements, and cost savings intended for these reforms."

Meanwhile, nations across the world (including Canada and the UK to name just a few) have pursued what has proven to make a positive difference for taxpaying travelers: divesting the function of daily air traffic control operations to a user-funded nonprofit entity while limiting the government's function to safety regulation. As free market advocates, we believe the time is long overdue to reform America's air traffic control operations, for the following reasons:

- **The Status Quo Is Harming Taxpayers.** In November 2016 the DOT Inspector General reported that since 1996 the FAA's budget has nearly doubled, while flight activity has actually declined. This cost growth is unacceptable, especially in light of the fact that a typical middle class air traveler can now pay a higher rate of tax on an airline ticket (above 20 percent) than on a 1040 income tax return.
- **The Public Deserves Better Service.** The FAA has proven itself slow at adopting new technologies, often relying on antiquated systems from a bygone era, including World War II-era radar and spotty radios that link controllers on the ground to pilots in the air. Newer systems are available, but slow-moving bureaucracy often makes these systems obsolete by the time they are acquired (if they happen to be acquired at all).
- **Our Own States and Communities Would Benefit.** ATC investments and new solutions – such as remote towers – are neglected under the current top-down federal structure. In addition, proposals for reform on both ends of Pennsylvania Avenue already incorporate protections to ensure that small airports and their general aviation customers are protected from loss of ATC services or unaffordable user fees to fund the new ATC structure.
- **The Economy Would Grow.** ATC reform is about moving cargo as well as people more efficiently. The productivity increases from routing aircraft on more-direct routes, the responsiveness of the new system to evolving customer demands, and more stable future costs of the system itself, will all help to increase economic output.

Critics of reform who believe a new system would be less safe should remember that the International Civil Aviation Organization has recommended that provision of air traffic control be separated at arm's length from safety regulation to avoid the conflict of interest from today's FAA self-regulation. Those who assert that an ATC corporation would be less accountable ignore the fact that a system beholden to politicians rather than its customers ultimately means worse service at higher prices. In any case, the FAA and DOT would still have regulatory oversight over the new ATC organization.

A modern air traffic control system should have the financial and operational flexibility to acquire and implement new technologies more rapidly than does today's government-run bureaucracy. A user-funded non-profit entity would be a fiscally responsible, efficient, and effective way of providing a vital function of our economy that is in dire need of innovation. Your consideration of this important issue could not be timelier or more urgent.

Sincerely,

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