

July 20, 2017

Members of the U.S. House of Representatives

Re: Support for Air Traffic Control Reform from Clinton Administration Officials

Dear Members:

The House of Representatives will soon vote on legislation to move the Federal Aviation Administration's air traffic control system to a non-profit, government-chartered corporation, leaving the FAA as an independent safety regulator.

Twenty-two years ago, the Clinton Administration, in which we served, proposed to "corporatize" air traffic control. We sought to enable the system to take advantage of the greater flexibility and access to capital available outside of a traditional government agency. However, at the time, it was a relatively untried approach: only four countries had corporatized their air traffic control systems. Today, more than 60 countries have done so, and corporatization has become the standard approach in developed nations.

A key goal of the Clinton Administration initiative was to accelerate the FAA's effort to modernize its system by (among other things) shifting from 1950s-era ground-based radar to satellite-based navigation: under the constraints of traditional government practice, that effort was plagued by multi-year delays and large cost overruns. Two decades later, delays and cost overruns continue to plague the FAA's effort to adopt next-generation technology (NEXTGEN); astoundingly, U.S. air traffic controllers still keep track of aircraft *using paper strips*. By comparison, Canada and other countries with a more flexible, nonprofit structure are able to adopt modern technologies far more speedily. The Wall Street Journal's aviation columnist wrote that flying into the United States from Canada "is like time travel for pilots [as] you leave a modern air-traffic control system run by a company and enter one run by the government struggling to catch up."

Our continuing use of outdated technology sharply limits the capacity of the air traffic control system: it forces airlines to pad their schedules and contributes to flight delays that cost passengers billions of dollars a year. It also helps to explain why the FAA's average cost to handle an individual flight has gone up by 66 percent since 1997, while Canada's has dropped by a third. Another contributor to delays is the FAA's continued reliance on a ticket tax on passengers, as opposed to direct charges on aircraft operators, whose scheduling decisions determine the workload on the system.

We do not necessarily agree with every provision in the House bill. In particular, we think it could be improved by making owners of business jets (turbine aircraft) subject to the same cost-based charges that commercial aircraft operators will face. **However, we believe the bill overall would benefit our nation and deserves bipartisan support.**

With more than 60 other countries having acted, reform of the U.S. air traffic control system is overdue. We urge you to support it.

Federico Pena  
Secretary of Transportation, 1993-1997

Norman Mineta  
Secretary of Transportation, 2001-2006  
Secretary of Commerce, 2000-2001

Laura D'Andrea Tyson  
Chairman, White House Council of Economic Advisers, 1993-1994; and Director, National Economic Council, 1995-1996

Martin Baily  
Chairman, White House Council of Economic Advisers, 1999-2001

Jason Furman  
Chairman, White House Council of Economic Advisers, 2013-2017; and Deputy Director, National Economic Council, 2009-2013  
Staff Economist, Council of Economic Advisers, 1996-1997; and Special Assistant to the President for Economic Policy, National Economic Council, 1999-2000

Mortimer Downey  
Deputy Secretary of Transportation, 1993-2001

Joshua Gotbaum  
Director, Pension Benefit Guarantee Corporation, 2010-2014  
Assistant Secretary of Defense, 1994-1995; Assistant Secretary of Treasury, 1995-1997; and Executive Associate Director & Controller, Office of Management and Budget, 1997-2001

Daniel Tangherlini  
Administrator, U.S. General Services Administration, 2012-2015; and Assistant Secretary for Management and Chief Financial Officer, Department of Treasury, 2009-2012  
Special Assistant to the Associate Director, Office of Management and Budget, 1996-1997; and Senior Policy Analyst, Department of Transportation, 1996-1998

William Galston  
Deputy Director, Domestic Policy Council, 1993-1995

Michael Deich  
Senior Advisor (performing the delegated duties of the Deputy Director), Office of Management and Budget, 2015-2017  
Associate Director, Office of Management and Budget, 1996-2001; and Special Assistant to the President for Economic Policy, National Economic Council, 1993-1996

Robert Litan

Deputy Assistant Attorney General for Antitrust, Department of Justice, 1993-1995; and Associate Director, Office of Management and Budget, 1995-1996

Dorothy Robyn

Commissioner of Public Buildings, U.S. General Services Administration, 2012-2014, and Deputy Under Secretary of Defense, 2009-2012

Special Assistant to the President for Economic Policy, National Economic Council, 1993-2001

Gerald Baliles

Governor of Virginia (1986-1990) and Chairman of the 1993 National Commission to Ensure a Strong Competitive Airline Industry