

Dear Colleague:

An essential reform of H.R. 2997, the 21<sup>st</sup> Century AIRR Act, is removing the air traffic control (ATC) service from the Federal Aviation Administration (FAA) and creating a not-for-profit private entity to provide this high-tech service. A number of false and misleading statements have been made about this new corporation and we want to clear up the confusion. Below is what the new corporation will and will not do.

The corporation will:

- Be completely independent from the federal government.
- Provide a technology service – managing air traffic:
  - ATC is a high-tech service that safely spaces planes moving from one airport to the next.
- Support all United States government and Department of Defense (DoD) flight activities currently supported by the FAA.
- Comply with Presidential orders related to the provision of ATC services, including the transfer of ATC services to the federal government in the event of war or national emergency.
- Have a corporate board that will be nominated by system users, but have a fiduciary duty exclusively to the corporation.
  - Board members cannot be an employee of, or have any material interest in, any stakeholder group that nominates them.
- Raise its funding through Congressionally-mandated user fees.
  - General aviation (GA) will continue to pay into the system exactly as they do today and it will take an act of Congress to change that.
- Be required to invest any revenue surplus into operational improvements and system modernization.
- Be able to go to the private market for capital needs, pursue innovative financing, fund large, multi-year capital projects, and more efficiently modernize ATC services.

The corporation will NOT:

- Receive any federal appropriations, or be able to request any money from the Treasury.
- Have the backing of the federal government for any of its financial obligations.
- Set or collect taxes.
- Issue stock.
- Own or regulate the airspace or turn over the airspace to the airlines:
  - The airspace will remain the sovereign domain of the United States.
  - The FAA remains the regulator of the airspace just like it is today.
- Deny access to the airspace or ATC services to anyone:
  - The FAA will continue to oversee airspace access issues.
- Charge user fees to any segment of GA.
- Charge user fees to public aircraft, including DoD aircraft.
- Alter in any way the DoD's role in providing ATC services or use of the airspace.
- Determine which routes airlines fly:
  - Airlines will make business decisions about which routes they fly.
  - The corporation is just the ATC service provider moving planes from one airport to the next.

We encourage you to support the 21<sup>st</sup> Century AIRR Act (H.R. 2997). If you have any questions about the legislation, please call the Aviation Subcommittee at 6-3220.