



●●● WHAT THE NEW ATC PROVIDER WILL AND WILL NOT DO

An essential reform of H.R. 2997, the 21st Century AIRR Act, is removing the air traffic control (ATC) service from the Federal Aviation Administration (FAA) and creating a not-for-profit 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 service – managing air traffic:
 - » ATC is a service that safely spaces planes moving from one airport to the next.
- Have a corporate board that will be nominated by system users, but will 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 user fees.
- 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 air traffic services.
- Comply with Presidential Orders for the DOD to assume control of the airspace in cases of war.
- Support the aviation operations of the Armed Forces and other governmental agencies the same as the FAA does today.
- Establish and maintain a reserve or “rainy day” fund to ensure it has sufficient reserves to manage fluctuations in the aviation industry.

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.
- Determine which routes airlines fly:

- » Airlines will make business decisions about which routes they fly;
- » The corporation is just the ATC service provider safely spacing planes moving from one airport to the next.
- Own or regulate the airspace, or turn over control of the airspace to airlines:
 - » The airspace will remain the sovereign domain of the United States.
 - » The FAA will remain the regulator of the airspace just like it is today.
- Deny access to airspace to anyone:
 - » The FAA will continue to oversee and determine airspace access.