



***NEWS from the T&I Committee***  
***Committee on Transportation and Infrastructure***  
***U.S. House of Representatives, 2165 Rayburn HOB,***  
***Washington, DC 20515***  
[www.transportation.house.gov](http://www.transportation.house.gov)  
***Hon. James L. Oberstar (Minn.), Chairman***

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***For Immediate Release, Thursday, September 20, 2007***  
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**House Passes FAA Reauthorization**  
***Includes passenger rights protections***

WASHINGTON—By a vote of 267-151, the House today passed a bill to reauthorize Federal aviation programs for the next four years, provide funds for upgrading air traffic control facilities, and protect the rights of passengers during air travel emergencies.

Statements by Committee on Transportation and Infrastructure Chairman James L. Oberstar (Minn.), and Subcommittee on Aviation Chairman Jerry F. Costello (Ill.) follow:

**FLOOR STATEMENT OF**  
**THE HONORABLE JAMES L. OBERSTAR**  
**COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**  
**H.R. 2881, THE “FAA REAUTHORIZATION ACT OF 2007”**  
**SEPTEMBER 20, 2007**

Mr. Chairman, I rise today in strong support of H.R. 2881, the “FAA Reauthorization Act of 2007”, as amended. At the outset, I want to thank Ranking Member Mica, Aviation Subcommittee Chairman Costello, and Aviation Subcommittee Ranking Member Petri for the bipartisan spirit in which the bill was developed. I would also like to thank Chairman Rangel and Ranking Member McCrery of the Committee on Ways and Means and Chairman Gordon and Ranking Member Hall of the Committee on Science and Technology for working so closely with us to craft this critical legislation.

The Federal Aviation Administration (“FAA”) forecasts that airlines are expected to carry more than one billion passengers by 2015, increasing from approximately 740 million in 2006. The Department of Transportation (“DOT”) predicts up to a tripling of passengers, operations, and cargo by 2025.

However, the current aviation system is unable to accommodate this explosive growth. The first half of 2007 has been the worst period for airline delays since the DOT started keeping statistics 13 years ago. Through July, only 72.2 percent of flights were on time, and more than six percent of flights arrived more than one hour late. This is unacceptable.

H.R. 2881 provides historic funding levels for the FAA's capital programs. The bill provides \$15.8 billion for the Airport Improvement Program ("AIP"), nearly \$13 billion for FAA Facilities & Equipment ("F&E"), and \$1.8 billion for Research, Engineering, and Development ("RED"). These robust funding levels will enable the FAA to modernize our air traffic control ("ATC") system and make capacity enhancing improvements at our nation's airports. In addition, H.R. 2881 also provides \$37.2 billion for FAA Operations over the next four years.

Modernizing our air transportation system is a national priority. The FAA Reauthorization Act of 2007 applies a four-part approach to ATC modernization and the Next Generation Air Transportation System ("NextGen"), including more funding, authority, accountability, and oversight. The historic funding levels authorized for the FAA's F&E account will: accelerate the implementation of NextGen; enable FAA to replace and repair existing facilities and equipment; and provide for the development and implementation of high-priority, safety-related systems.

I support the Committee on Ways and Means' action to increase the fuel taxes for noncommercial aviation and require that those revenues attributable to the increase in tax rates be used only for air traffic control modernization. I believe that the forecasted growth of Trust Fund revenues, coupled with additional revenue from the general aviation fuel tax rate increases, will be sufficient to provide for the capital funding required to modernize the ATC system, as well as to stabilize and strengthen the Trust Fund.

Robust investment in airport infrastructure is necessary to enhance capacity and combat delays. The FAA's 2007-2011 National Plan of Integrated Airport Systems ("NPIAS") states that during the next five years, there will be \$41.2 billion of AIP-eligible infrastructure development (new runways, taxiways, and apron construction), requiring annual investment of \$8.2 billion. However, in March 2007, the FAA testified that the current NPIAS report may underestimate this cost due to the sharp increases in construction costs. The *2007-2011 Airports Council International - North America Capital Needs Survey* estimates that total airport capital needs, including the cost of non-AIP-eligible projects, is approximately \$87.4 billion, or \$17.5 billion per year from 2007 through 2011.

Direct federal assistance provides only about \$3.5 billion a year for airport development. Locally-controlled Passenger Facility Charges ("PFC") can help fill the gap between the federal investment and needs of airport capital development. To help airports meet increasing capital needs and reduce airline delays, H.R. 2881 increases the PFC cap from \$4.50 to \$7.00. According to the FAA, if every airport currently collecting a \$4.00 or \$4.50 PFC raised its PFC to \$7.00, it would generate approximately \$1.1 billion in additional revenue for airport development each year. H.R. 2881 also provides significant increases in AIP funding for smaller airports, which are particularly reliant on AIP for capital financing.

H.R. 2881 authorizes increased funding for the Essential Air Service ("EAS") program. To improve the quality of air service received by EAS communities, the bill authorizes the Secretary to incorporate financial incentives into EAS contracts based on

specified performance goals. The bill also extends the Small Community Air Service Development program through FY 2011, at the current authorized funding level of \$35 million per year, and makes an additional \$9 million per year available from overflight fees beginning in FY 2009.

As the U.S. increases its infrastructure investment, it must balance airport capacity expansion with environmental protection. H.R. 2881 contains several environmental-related provisions: a phase-out of noisy stage 2 aircraft over the next five years; a pilot program for developing, maturing, and certifying continuous lower energy, emissions and noise engine and airframe technology; as well as a program to fund six projects at public-use airports to take promising environmental research concepts into the actual airport environment. The FAA is also directed to establish a pilot program at five public-use airports to design, develop, and test new air traffic flow management technologies to better manage the flow of aircraft on the ground, and thereby reduce emissions and increase fuel savings.

The bill also includes critical safety investments. H.R. 2881 authorizes \$570 million to increase the number of aviation safety inspectors by more than one-third by the year 2011. The bill authorizes \$42 million for runway incursion reduction programs and \$74 million for runway status light acquisition and installation. It also requires FAA to develop a plan to install and deploy systems to alert controllers or flight crews to potential runway incursions. Importantly, the bill requires safety inspections of foreign repair stations at least twice a year. In addition, H.R. 2881 also directs the FAA to initiate long-overdue action to ensure crewmember safety by applying occupational health standards on-board aircraft.

Finally, the Committee adopted two very important amendments during Committee consideration of the bill. The first provision addresses the ongoing dispute between the National Air Traffic Controllers Association and the FAA over failed contract negotiations. It establishes a new dispute resolution procedure and requires the parties to return to the negotiating table. The second provision addresses the disparate treatment of employees of express delivery companies under our nation's labor laws. Both of these amendments were adopted by overwhelming, bipartisan majority votes. These provisions will go a long way toward restoring collective bargaining rights to this critical workforce.

This is a bill that will keep our skies safe and our passengers moving well into the future.

I urge my colleagues to join me in supporting H.R. 2881.

**STATEMENT OF THE  
THE HONORABLE JERRY F. COSTELLO  
FLOOR STATEMENT  
HR 2881, THE FAA REAUTHORIZATION ACT OF 2007  
SEPTEMBER 20, 2007**

Thank you, Mr. Speaker. Today is an important day for the future of our aviation system. We are considering HR 2881, the FAA Reauthorization Act of 2007, which was introduced in a bipartisan manner. I want to thank Chairman Oberstar, Mr. Mica, and Mr. Petri for working with me to bring this legislation before the House of Representatives today.

HR 2881 is the culmination of many hearings, indepth analysis, and a continued dialogue with the FAA, our colleagues, and stakeholders.

The issues we address in this legislation are important and will determine our ability to continue to maintain the world's safest aviation system.

I want to say upfront that there is a provision in this bill that addresses FAA's imposed work rules on our air traffic controllers.

I have spent many hours over many months as the Ranking Member and now Chairman of the Aviation Subcommittee to try to bring both sides together to work out their differences. Chairman Oberstar and I have convened countless meetings between the FAA and NATCA in hopes of reaching a voluntary agreement. I know Mr. Mica and Mr. Petri have also spent time on this issue.

Unfortunately, an agreement could not be reached and that left us with only one clear course of action – binding arbitration.

I strongly believe in collective bargaining and bargaining in good faith with a fair dispute resolution process for both sides. Unfortunately, that did not happen in 2006 and we corrected that wrong in the T&I Committee by adopting the Costello amendment with a strong bipartisan vote of 53-16.

The approach in HR 2881 will ensure fair treatment of FAA employees and restores two fundamental principles: the rights of workers and the right to collectively bargain.

My position on this issue has been the same since we started this in 2006 – if an agreement cannot be reached, the FAA and NATCA should be forced into binding arbitration. The controllers have already been placed at a disadvantage because of our current dispute resolution policy – our legislation restores fairness and good faith negotiating back into the process. If members want to support the rights of workers, they will support this bill.

HR 2881 also allows us to increase capacity and safety within our aviation system, modernize our air traffic control system, and continue to reduce energy consumption and improve our environment.

I continue to believe our Next Generation system can be absorbed by the existing FAA financing structure and that is exactly what we have done in this bill.

Our bill does not impose user fees as the Administration recommended. Instead, the general aviation jet fuel tax rate is being adjusted from 21.8 cents per gallon to 35.9 cents per gallon, and the aviation gasoline tax rate is being increased from 19.3 cents per gallon to 24.1 cents per gallon. The forecasted growth of Trust Fund revenues, coupled with additional revenue from the recommended general aviation fuel tax rate increases, will be sufficient to provide for the historic capital funding levels required to modernize the ATC system, as well as to stabilize and strengthen the Trust Fund.

HR 2881 provides a record \$68 billion over the next four years to improve our nation's aviation infrastructure, modernize our air traffic control system, and maintain the highest level of safety in this ever changing aviation environment.

Further, HR 2881 applies a four part approach to the FAA and the Joint Planning and Development Office (JPDO) regarding ATC Modernization and NextGen:

- 1) more funding;
- 2) more authority;
- 3) more accountability;
- 4) more oversight.

These changes will ensure our ability to meet our modernization goals and objectives.

The first half of 2007 has been the worst for airline delays since the Department of Transportation (DOT) started keeping statistics 13 years ago: through July, only 72.2 percent of flights were on time, and over 6 percent of flights arrived more than 1 hour late. The airline delays that we experienced this summer are unacceptable to the American public, and they will get much worse unless we make robust investments in our nation's airport infrastructure today.

To help airports meet increasing capital needs and reduce airline delays, the *FAA Reauthorization Act of 2007* would increase the Passenger Facility Charge (PFC) cap from \$4.50 to \$7.00. According to FAA, if every airport currently collecting a \$4.00 or \$4.50 PFC raised its PFC to \$7.00, it would generate approximately \$1.1 billion in additional revenue for airport development each year. The *FAA Reauthorization Act of 2007* also provides significant increases in AIP funding for smaller airports, which are particularly reliant on AIP for capital financing. The ability to raise the PFC and the increase in AIP funding will provide the necessary financing of capacity enhancing airport capital development that will help reduce delays.

In addition to providing for the modernization and increased capacity of our system, aviation safety is extremely important and we have numerous initiatives and policies that will allow us to continue to maintain the safest air transportation system in the world.

In particular, I want to highlight two issues: runway incursions which have been on the NTSB Most Wanted list and foreign repair stations.

First, we authorize \$42 million for runway incursion reduction programs between FY08-FY11. We also require the FAA to submit a report to Congress containing a plan for the installation and deployment of systems to alert controllers and flight crews to potential runway incursions and provide funding for runway status light acquisition and installation between FY08-FY11.

Second, it is essential that we make the investments in FAA's workforce now so that they can meet the new challenges for maintaining the highest level of safety, including ensuring proper oversight of domestic and foreign repair stations.

That is why in HR 2881 we require the FAA to develop a staffing model for aviation safety inspectors by October 2009 in consultation with stakeholders. Further, we direct the Administrator of the FAA to increase the number of aviation safety inspectors to address the safety-critical workload demand. Finally, we require that foreign repair stations be inspected at least two times a year.

We must provide proper funding, stringent oversight and real standards of accountability to ensure that our aviation system remains the safest in the world. HR 2881 does exactly that.

Here at home and across the globe, more is being done to reduce energy consumption and emissions. The aviation community is doing its part to significantly reduce emissions, including changing operating procedures and aircraft routing.

We go further in HR 2881 by establishing new environmental provisions. For example, we establish the high performance and sustainable air traffic control facilities by implementing practices for new construction and major renovation of air traffic control facilities that are environmentally friendly. This provision is modeled after what is currently being done at O'Hare International Airport.

Finally, over the last ten months, passengers on our airlines have suffered through record numbers of delay and cancellations, in many cases resulting in lengthy tarmac delays. Voluntary efforts by the airlines to improve airline service have come under strong criticism and closer oversight and enforcement of the aviation industry is needed.

During our April 2007 hearing on this issue, we learned that airlines and airports do not have emergency contingency plans in place.

I said then it should be a priority and that is why in this legislation, we require air carriers and large and medium hub airports to file emergency contingency plans, detailing food, water, restroom facilities, cabin ventilation, and medical treatment for passengers onboard aircraft, with the Secretary of Transportation for review and approval. The plans must also be updated periodically and fines are imposed by DOT for violations. In addition, in the manager's amendment, which we will debate later today, we make additional improvements to allow for more consumer protections.

Again, this legislation reflects the 10 hearings held by the Aviation subcommittee on reauthorization issues, our focused roundtable discussions, an open dialogue and maintaining the best, most advanced, and safest aviation system in the world.

Mr. Speaker, I urge my colleagues to support the bill.

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