



April 26, 2018

Dear Representative,

On behalf of the members of National Taxpayers Union (NTU) I write to express our views regarding several amendments that will soon come to the House floor to accompany H.R. 4, the FAA Reauthorization Act of 2018. These amendments will have a significant impact on taxpayers and the functions of the FAA over the period of this authorization and well beyond. Although H.R. 4 would not enact NTU's top aviation infrastructure reform --transitioning America's outdated and wasteful Air Traffic Control (ATC) system toward a user-funded and user-accountable model -- , several parts of the bill (as well as some amendments) could provide the foundation for more comprehensive change in the future. In the interim, H.R. 4 takes steps to expand Congressional oversight of the FAA and reduce bureaucratic impediments to a more efficient aviation system. These include: requiring the FAA to submit a report to Congress detailing how they plan to remove repetitive programs and wasteful practices, simplifying certification permitting processes, solidifying airport privatization programs, making travelers more aware of the tax and fee burdens on airline tickets, and increasing transparency for taxpayer-funded grants and contracts. Importantly, H.R. 4 refrains from a Passenger Facility Charge increase which, in light of the bill's boost in federal funding for airports, would have been especially difficult for overburdened travelers to bear. It is our sincere hope that Representatives will vote for amendments making strong attempts to reduce spending, spur private sector innovations and efficiency, and save taxpayer money. Although there are many amendments to H.R. 4 that could impact taxpayers, the following are our priorities:

- **“YES” on Amendment #52 offered by Rep. Mitchell (R-MI):** This amendment requires the Inspector General of the Department of Transportation to study the impacts of the delayed or failed delivery of the NextGen ATC system. When NextGen modernization was authorized in 2003 it was promised to bring America's ATC system into the 21st century. Since then, management of the program has been mired in typical bureaucratic inefficiency, cost overruns, and delays – several components of the project have been deferred until 2030. An in-depth study could determine how much more taxpayers will suffer if NextGen delays continue.
- **“YES” on Amendment #54 offered by Reps. Degette (D-CO) and Simpson (R-ID):**
This amendment limits federal regulation of non-federally sponsored property on airports, potentially facilitating a healthier reliance on local (nontax) sources of revenue.

- **“YES” on Amendment #63 offered by Rep. King (R-IA)**: These amendments would prohibit funding in H.R. 4 from being used to implement, administer, or enforce prevailing wage requirements under the Davis-Bacon Act, saving considerable sums on many taxpayer-funded projects.
- **“YES” on Amendment #83 offered by Rep. Carter (R-GA)**: This amendment requires federal agencies to consider the prospect of renting certain equipment in any cost-benefit analysis for equipment purchases. In some cases it could be less expensive and more economically feasible for agencies to rent certain equipment rather than purchase, which could lead to substantial taxpayer dollar savings.
- **“YES” on Amendment #91 offered by Rep. Meadows (R-NC)**: This amendment codifies Executive Order 12866, which will make regulatory compliance more efficient for rules established by the FAA. Far too often, heavy-handed rules punish certain industries and fail to yield cost-effective outcomes. This amendment will encourage agencies to harmonize their regulatory activities and consider regulatory approaches that limit possible burdens.
- **“YES” on Amendment #112 offered by Rep. McClintock (R-CA)**: This amendment strikes the authorization of the Essential Air Service (EAS) from this legislation, saving \$155 million in taxpayer dollars. The EAS program was created in 1978 as a temporary transition to a free market aviation system, however, the EAS still exists to this day. This program provides subsidies to commuter and regional airlines in order to offer service to rural airports where it is not economically viable without taxpayer subsidies. Eliminating funding for the EAS was a recommendation for deficit reduction in the 2017 “Common Ground” report, a joint project by NTU’s research arm and U.S. Public Interest Research Group.

We strongly urge you to support the aforementioned amendments, which can build upon those portions of H.R. 4 that represent significant progress for taxpayers. The degree to which these amendments are adopted will help determine how heavily NTU will weight a vote on final passage.

Sincerely,

Pete Sepp, President

National Taxpayers Union