



Privatization of the U.S. Air Traffic Control System: Myths vs. Facts

GAMA addresses some of the most prominent misconceptions about the air traffic control privatization proposal within the House Transportation and Infrastructure Committee's FAA reauthorization bill, H.R. 2997.

General Aviation

Myth: This proposal is a “big win” for the general aviation community and they support it.

Fact: There are over 115 general aviation industry groups that oppose the proposal due to concerns about its effects.

Details: These concerns include the financial risk a transition of such magnitude and scope would create for the system's user community and taxpayers, the delay the transition to the new corporation could have on air traffic control modernization and ongoing regulatory reform efforts, the giveaway of government assets and spectrum to the proposed corporation, and the negative effects a privatized system could have on access and investment in general aviation, and rural and small communities.

Airspace Access

Myth: Small and rural community access to the National Airspace System will be maintained and protected under the proposed corporation's operation.

Fact: Congress and the FAA have always supported air traffic service and airspace access for all communities and stakeholders. There is no guarantee the corporation would maintain service to all parts of the U.S. if the corporation's private board deems it not in its interest.

Details: The corporation could use an administrative process to restrict general and business aviation access to airports and airspace. Users would only be able to challenge these restrictions in a limited manner, via potentially lengthy and expensive legal proceedings.

Public Interest

Myth: The new corporation's board will operate the air traffic control system with the public interest as a priority.

Fact: With only one air traffic control system in the U.S., any entity that operates it has a monopoly. Under operation of this proposed corporation, a small board comprised of private interests would control the system with no oversight or competition.

Details: Though the corporation is proposed as a not-for-profit, the fiduciary responsibility of its board of directors would ultimately be to the corporation. Additionally, the proposed corporation will derive its revenues from the commercial airlines, whose representatives would dominate the board of 13 directors and likely skew decisions to their benefit.

Safety and Regulatory Oversight

Myth: The only solution to the problems caused by bureaucracy in the FAA is to separate its oversight and safety regulator roles of the air traffic control system.



Fact: Congress, the FAA and industry stakeholders could work together to implement targeted reforms that would resolve current issues without risking system safety, or delaying the progress of ongoing modernization.

Details: They have already worked together and successfully addressed issues such as rural and small community service, fair airspace access for all aviation users, environmental impacts of noise and traffic, and infrastructure and funding mechanisms. In countries that have separated those roles, the safety regulator has struggled for resources.

Modernization

Myth: The FAA has failed to successfully implement the Next Generation Air Transportation System (NextGen), which is decades over schedule with billions of taxpayer dollars spent and no progress to show.

Fact: NextGen is working and delivering benefits now. Commercial airline pilots and executives at multiple airlines, including Delta, United and JetBlue, credit NextGen procedures and technologies with improving commercial flight efficiency in the air and on the ground. General aviation pilots use NextGen technologies to quickly and easily file flight plans as well as NextGen airspace procedures for safe and precise landings.

Details: Through 2016, the National Airspace System saw \$2.72 billion in savings in passenger time and occupant safety, as well as reduced fuel and aircraft operating costs.

Global Air Traffic Control

Myth: Sixty countries throughout the world have privatized their air traffic control systems successfully. If they can do it, so can the U.S.

Fact: No other country that has removed air traffic control operations from the oversight of its government and transitioned that role to a private entity has an airspace system close to the size or complexity of the U.S. system, or diversity or volume of its users. The IG and GAO have questioned whether other countries' experience can be applied to the U.S. system due to these system disparities.

Taxpayer Exposure

Myth: Putting the U.S. air traffic control system under the operation of a non-government corporation means a smaller cost for taxpayers.

Fact: With only one National Airspace System that is vital to the U.S. economy and its connection with the world, this new corporation would be “too big to fail,” requiring financial assistance from the federal government and therefore, taxpayers, to ensure it does not collapse.

Details: Additionally, the proposed corporation will receive all necessary government assets free of charge, including air traffic control facilities and telecommunications infrastructure worth billions of taxpayer dollars. The corporation could then borrow on these assets to invest in new or emerging technology to facilitate modernization of the system, putting taxpayer paid-for assets at risk for losses.