



ACI-NA UPDATES

2017-41

President Trump Unveils ATC Corporatization Plan

Today President Trump and Congressional Leaders gathered at the White House where the President kicked off his own “infrastructure week” by officially unveiling his plan to establish a non-profit corporation to provide air traffic control services and modernize the U.S. air traffic control system.

The President’s plan is based on ATC corporatization proposals that have appeared in prior FAA reauthorization proposals, including the proposal initially introduced by House Transportation & Infrastructure Committee Chairman Bill Shuster in 2012.

The following are key details regarding the Trump Administration’s plan.

Funding: The plan calls for eliminating excise taxes, except for those necessary to fund the Airport Improvement Program (AIP), in favor of user fees determined by a new non-governmental entity. ACI-NA has held the position that user fees are the most sustainable way to provide self-sufficiency for airport infrastructure, although the proposal does not mention modernizing the cap on the Passenger Facility Charge (PFC). The plan also does not specifically outline how AIP will continue to be funded.

Governance: The makeup of the governing board is very different from Chairman Shuster’s AIRR Act. In the President’s plan an initial board would be formed with eight members selected by candidates from five nominating groups comprised of the airlines, unions, general aviation, the Government and the airports. The nominating groups would provide a list of six to ten qualified persons to the Secretary of Transportation who would select eight total board members from the candidate list provided by the five nominating groups. The board would be comprised of two members from the airlines, two members from the unions, one member from general aviation, two members from the Government, and one member from the airports - with ACI-NA and AAAE named as the nominating group for airports. These eight initial board members would then select a Chief Executive Officer and those nine board members would select four independent board members. These thirteen members would serve during the transition period with no group having an exclusive right to name successor board members. ACI-NA welcomes the inclusion of airports on the governing board.

Noise: According to the President’s new plan the ATC entity would have the authority, after seeking public comment, to adjust airspace routes. The proposed new route changes would only be subject to the National Environmental Policy Act (NEPA) review if the routes exceeded the FAA

established noise threshold. The FAA would also be responsible for ensuring that the proposed route change does not create a safety hazard.

ACI-NA President and CEO Kevin Burke issued a [statement](#) regarding the plan, noting that "Any plan to reform air traffic control must address the significant infrastructure needs of airport. We cannot modernize one aspect of our aviation system and settle for the status quo for another, especially the foundation on which our aviation system is built."

ACI-NA will continue to follow developments regarding the President's proposal and associated FAA reauthorization legislation and provide updates as information becomes available. We will also continue to advocate for critical airport priorities in this legislation.

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