gradient-sky Impasse Over FAA Extension Continues July 27, 2011

During a hearing on alternative aviation fuels today, Senate Democrats called on their Republican colleagues to end the current stalemate over FAA funding and pass a "clean short-term" extension. The FAA has been in a partial shutdown since midnight Friday when the last short-term extension expired.

Senate Aviation Subcommittee Chair Maria Cantwell (D-WA) said that our air traffic control system is being "held hostage" by the current shutdown. She indicated that the situation is not fair to thousands of furloughed FAA workers or the American people.

Cantwell pointed out that the current shutdown and the lapse in aviation excise taxes is costing the Airport and Airway Trust Fund approximately \$200 million per week. Yesterday, AAAE unveiled a <u>"Lost Revenue Counter"</u> on its website that shows how much money the Trust Fund is losing in real time.

Senator Frank Lautenberg (D-NJ) accused his Republican colleagues of "playing politics" with the FAA bill. He said the partial shutdown lead to 650 FAA employees being furloughed in his home state of New Jersey. Lautenberg also asked the Air Transport Association witness why the carriers are not passing the savings from the current tax holiday on to their customers.

Sharon Pinkerton, ATA's Senior Vice President of Legislative and Regulatory Policy, said she shares Lautenberg's frustration about the current shutdown and that ATA is urging Congress to resolve their differences and pass a multi-year bill. She indicated that passengers are paying the same fares today as they were last week. She also maintained that said airlines need to cover their costs.

In related news, Senate Commerce Committee Chairman John D. Rockefeller, IV (D-WV) went to the Senate floor again today to discuss the current impasse over FAA funding. He argued that his Republican colleagues are holding up the extension over Essential Air Service provisions that would save \$16 million while the Trust Fund has already lost \$150

million tax revenue.

Rockefeller went after Delta Air Lines again for pushing a provision in the House-passed FAA reauthorization bill that would make it more difficult for aviation workers to organize. He also highlighted how the airlines are not currently paying to use the aviation system because of the lapse in aviation excise taxes. (AAAE President Chip Barclay made a similar point yesterday during a "Washington Insider Update" interview.) "The airlines are not paying for their use of the National Airspace System," Rockefeller said. "The carriers also do not appear to care about the impact on the dedicated FAA workforce that serves them-nearly 4,000 have been furloughed. And, most of the airlines are not even passing any savings on to the customers they serve." Yesterday, Rockefeller tried to get unanimous consent to pass the House-passed extension minus the policy riders that would terminate service to about a dozen EAS communities. However, Senator Orrin Hatch (R-UT) objected. This was the second time that Hatch blocked efforts to pass a "clean" FAA extension.

For more information, please contact Brad Van Dam at 703-797-2534.

NOTE: If you choose to unsubscribe from this AAAE email communication, you will no longer receive any policy department communications, including Airport Alerts, Hearing Reports, Security Alerts, Regulatory Alerts, etc. This action cannot be undone.



This email was sent to cameron.humphres@rcgov.org by <u>gwen.papineau@aaae.org</u> | <u>Update Profile/Email Address</u> | Instant removal with <u>SafeUnsubscribe™ | Privacy Policy</u>.

AAAE | 601 Madison Street, Suite 400 | Alexandria | VA | 22314

2