



NASAO SPRING LEGISLATIVE CONFERENCE
MARCH 2006

MYTHS AND TRUTHS

- Alabama
- Alaska
- Arizona
- Arkansas
- California
- Colorado
- Connecticut
- Delaware
- Florida
- Georgia
- Guam
- Hawaii
- Idaho
- Illinois
- Indiana
- Iowa
- Kansas
- Kentucky
- Louisiana
- Maine
- Maryland
- Massachusetts
- Michigan
- Minnesota
- Mississippi
- Missouri
- Montana
- Nebraska
- Nevada
- New Hampshire
- New Jersey
- New Mexico
- New York
- North Carolina
- North Dakota
- Ohio
- Oklahoma
- Oregon
- Pennsylvania
- Puerto Rico
- Rhode Island
- South Carolina
- South Dakota
- Tennessee
- Texas
- Utah
- Vermont
- Virginia
- Washington
- West Virginia
- Wisconsin
- Wyoming

For more than two years, NASAO has become increasingly alarmed as commercial airlines have attacked General Aviation and advocated eliminating funding for many of our nation's mid-sized and smaller airports. There are also those in the administration who would scrap an existing, fair and reliable funding system for FAA and AIP and replace it with user fees which would require a new and expensive federal bureaucracy to administer. Some of those who seek to change the system have, unfortunately, resorted to myths and misinformation to make their case. NASAO thanks the Cessna Aircraft Company - President Jack Pelton, General Aviation Manufacturers Association – President Pete Bunce and National Business Aviation Association – President Ed Bolen for providing most much of “reality check” information below.

MYTH: THE FUNDING SYSTEM IS BROKEN

In reality, FAA's funding system has been stable, predictable and has not declined in the past decade. In fact, it has generally increased. Congress has consistently preserved and increased FAA and AIP funding levels.

MYTH: THE EXCISE TAX ON COMMERCIAL AIRLINE TICKETS IS NO LONGER VIABLE

In reality, both ticket prices and passenger traffic are increasing. If there is a problem with the current 7.5% excise tax, let's solve it. But let's not throw away a proven system that has worked for decades just because the commercial airlines don't like it.

MYTH: FAA ATO MODERNIZATION REQUIRES HUGE NEW INVESTMENTS NOT COVERED BY THE CURRENT TAXES

In reality, modernizing the Air Traffic Organization is necessary and NASAO is a strong proponent of modernization. But, FAA has not told us what new technologies will be required, when they will be installed and what they will cost. Until FAA has a program in place with verifiable line-item budgets, NASAO refuses to advocate signing a blank check.

MYTH: GENERAL AVIATION DOES NOT PAY ITS FAIR SHARE

In reality, General Aviation makes up only about 3 percent of the operations at our busiest and costliest airports. The system was designed for the commercial airlines. The entire size, complexity and cost of the system are driven by airline operations. NASAO, as one of the many advocates for reopening Ronald Reagan Washington National Airport in the wake of 9-11, knows that that airport was closed to GA for four years. Yet, FAA's costs at the airport did not decline; controllers were not laid-off or transferred. General Aviation is obviously not a major cost driver.

(OVER)

MYTH: USER FEES ARE BETTER THAN THE EXISTING FUEL TAXES FOR GENERAL AVIATION

In reality, user fees would require the creation of a new, expensive and unnecessary federal bureaucracy which would need to raise fees simply to sustain itself. NASAO has watched user fee systems in other countries. They do not seem as effective or efficient as fuel taxes. During economic downturns – government bailouts have been necessary. The current fuel tax system is elegant in its simplicity. GA pays at the pump. The larger the aircraft or the farther it flies– the more it pays.

MYTH: AVIATION NEEDS A NEW “BOARD OF DIRECTORS”

In reality, Congress has done a very good job in its oversight of our national air transportation system. The voices of all the users have always been heard. The commercial airlines’ call for greater decision making influence over the system is highly inappropriate. On behalf of all our citizens, Congress has provided appropriate guidance and governance for the national transportation system.

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