



Why We Need Transformational Air Traffic Control Reform

The U.S. aviation system operates safely, but it has not kept up with evolving technology, needs, and demands. The Nation's air traffic control (ATC) system is based on radar technology from the World War II-era, the Federal Aviation Administration's (FAA) decades-long effort to modernize ATC has been costly and ineffective, American innovation in the industry continues to be stifled by bureaucracy, and federal aviation funding remains subject to political instability.

Without transformational reform, passengers and system users will feel the worsening impacts of an increasingly inefficient, costly, outdated aviation system in the coming years; more tax dollars will be squandered in failed modernization efforts; and America will lose its long-standing lead in aviation to fierce global competition.

THE PROBLEM

The FAA Bureaucracy Simply Is Not Suited to Manage ATC Modernization & Operation

- The FAA is a vast government bureaucracy of 46,000 employees – not a high-tech service provider. It is not set up to manage risks, pursue the most cost-efficient investments, or manage people to produce results, reward excellence, or punish incompetence.
- The Department of Transportation Inspector General has warned that NextGen implementation costs for government and industry – initially estimated at \$20 billion each – could double or triple, and may take an additional decade.

Aviation System Inefficiency Is Costing Consumers, System Users, and the Economy

- According to the FAA, aviation delays and congestion cost passengers, shippers, aircraft operators, and the economy over \$30 billion annually.
- ATC delays are up at 13 of our 20 largest airports. These delays can ripple throughout the system.
- Domestic flights take longer now than they did in 1977.

THE SOLUTION

- The Committee's FAA Reauthorization will establish an independent, not-for-profit corporation to operate and modernize ATC operations.
- Since 1987, over 50 nations have shifted the responsibility for providing ATC services to an independent ATC service provider. The United States is one of the few developed countries that has not done so.
- Separating ATC operations from the government has led to better performance on safety, modernization, service quality, cost, financial stability and public interest considerations, according to overwhelming evidence from U.S. government and independent reports over the past 25 years.
- An independent, not-for-profit ATC provider will be free of federal budget constraints and procurement rules, and able to borrow necessary resources, in order to purchase and deploy improved ATC technology more quickly and cheaply.

