

## **Overview of H.R. 658 “FAA Reauthorization and Reform Act of 2011”**

In Fiscal Year 2010, the Federal Aviation Administration’s major programs were funded at approximately \$15.8 billion. H.R. 658 is a four-year reauthorization that reduces the FAA’s annual funding to FY 2008 appropriations levels (\$14.8 billion) for the remainder of FY 2011 and then each year through FY 2014. The proposed funding cuts would devastate the FAA’s Next Generation Air Transportation System (NextGen) air traffic control modernization effort and would harm safety-sensitive programs, while ignoring the Nation’s growing airport capital development needs.

Moreover, these cuts would have dire consequences for the Nation’s infrastructure, jobs and the economy. Every \$1 billion of Federal investment in infrastructure creates or sustains approximately 35,000 jobs. The FAA’s Airport Improvement Program (AIP), which provides grants to airports for constructing and improving runways, taxiways, and terminals, has been funded at \$3.5 billion annually since FY 2005. The agency currently estimates \$10.4 billion of annual AIP-eligible development needs. Yet, H.R. 658 would reduce annual AIP funding by \$500 million below current levels, a total \$2 billion reduction below current levels through 2014. The proposed AIP cuts alone would cost the Nation 70,000 jobs over the course of the bill while ignoring the significant airport infrastructure needs.

The Majority state that H.R. 658 directs the FAA to prioritize and protect safety-related activities within the bill’s reduced funding levels, but the evidence suggests that this cannot be done. According to the FAA, the proposed cuts would lead to a reduction in safety personnel and delay important safety initiatives, including important rulemakings to improve airline safety.

H.R. 658 also sunsets the Essential Air Service (EAS) program everywhere but Alaska and Hawaii. The EAS program, created as part of the *Airline Deregulation Act of 1978*, distributes Federal subsidies to air carriers for providing air service to and from selected small communities that would not, absent the subsidies, receive service. This service is necessary to link small communities to the larger system of commerce and, in the process, to create and sustain local jobs. In FY 2010, the EAS program received \$200 million, and 155 rural communities (including 110 in the lower 48 states) received subsidy. After 2013, EAS for the 110 communities in the lower 48 states would be eliminated. Between 2011 and 2013, the bill progressively reduces EAS program funding.

Additionally, the bill continues the Republican assault on collective bargaining rights. H.R. 658 repeals a National Mediation Board (NMB) rule, finalized last year, which guarantees fair elections among workers when those workers are choosing whether or not to unionize. Under the current rule (which the bill would repeal), when determining whether a majority of workers want to join a union, the NMB must count only the ballots of workers who voted in the representation election, and will no longer count non-votes as votes against unionization.