



Committee on Transportation and Infrastructure
U.S. House of Representatives

Bill Shuster
Chairman

Washington, DC 20515

Peter A. DeFazio
Ranking Member

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**STRONG BIPARTISAN OPPOSITION TO
AIR TRAFFIC CONTROL PRIVATIZATION**
*Oppose One of the Biggest Corporate Giveaways
in U.S. History*

Dear Democratic Colleague:

On June 27, the Committee on Transportation and Infrastructure held a markup to consider **President Trump and House Republicans' plan to privatize the Nation's air traffic control (ATC) system.** Last year, a similar proposal was the poison pill that prevented enactment of an otherwise bipartisan and comprehensive long-term reauthorization of the Federal Aviation Administration (FAA). This year's plan again threatens enactment of a reauthorization bill that would advance aviation safety, help our manufacturers thrive, and ensure that the United States remains the global leader in civil aviation.

During Committee consideration, **every Democratic Member and one Republican Member of the T&I Committee opposed the bill. Further, T&I Committee Republicans voted against the following Democratic amendments that would have protected U.S. taxpayers, air travelers, and workers, as well as prevented a private corporation run by special interests from profiting at the expense of hardworking Americans:**

- **Payment for U.S. Taxpayer-Purchased Property and Assets.** This amendment would have required the ATC Corporation to pay fair market value for the transfer of assets and real property. The only two governments that have privatized their ATC systems— Canada and the United Kingdom— each received compensation for public assets transferred to the private sector. American taxpayers have invested more than **\$50 billion** in ATC assets in the last 20 years. The privatization plan hands over these taxpayer-purchased ATC facilities and equipment to the private corporation **free of charge**.

- **Consumer Protection Representatives on Corporation's Board of Directors.** This amendment would have ensured that the ATC Corporation's board of directors includes *at least* two consumer protection representatives to look out for the interests of air travelers and no more than one director representing major passenger airlines. As structured, the Corporation's board, which has the power to decide how much the traveling public will pay to use the system with no Congressional oversight, is stacked with special interests and includes no consumer representatives.
- **Ethics Rules for Private Corporation's Employees.** This amendment would have extended the same basic ethics rules that apply to FAA employees to the ATC Corporation's workforce, prohibiting conflicts of interest and inappropriate gifts to employees. It also would have precluded board members and employees from holding financial interests in aviation enterprises.
- **Cap on the Salary of the ATC Corporation CEO.** This amendment would have capped the ATC Corporation CEO's annual salary at the level of the President of the United States (\$400,000). Republicans are quick to point out that the ATC Corporation would be a non-profit entity, but it can effectively tax the flying public without Congressional oversight, and there are no limits on the salary of the Corporation's CEO, which could fall well into the millions each year. In fact, the CEO of Nav Canada, which has a privatized ATC system, makes \$3.2 million a year. If the goal of the ATC Corporation is to serve the interests of the flying public and those who use the aviation system, why should the CEO make millions?

We have serious concerns with ATC privatization and there is robust bipartisan opposition to this plan. We strongly urge you to join with us and oppose this Republican effort to privatize our ATC system.

If you have any questions, please contact us, or have your staff contact the Democratic staff of the Subcommittee on Aviation (ext. 5-9161).

Sincerely,


PETER DeFAZIO
Ranking Member


RICK LARSEN
Ranking Member
Subcommittee on Aviation