

U.S. TRAVEL ASSOCIATION

March 1, 2017

The Honorable Peter DeFazio
Ranking Member
House Transportation and Infrastructure Committee
2164 Rayburn Office Building
Washington, DC 20515

The Honorable Thomas Massie
Member of Congress
2453 Rayburn Office Building
Washington, DC 20515

Dear Ranking Member DeFazio and Congressman Massie:

On behalf of America's travel and tourism industry, I write in strong support of the "Investing in America: Rebuilding America's Airport Infrastructure Act". By eliminating the arbitrary federal limitation on passenger facility charge (PFC) rates, the bill unlocks desperately needed investments in airport infrastructure that will improve the passenger experience, facilitate growth in domestic and international air travel, and make America's economy more globally competitive.

Air traveler spending in the United States generates significant economic activity, supports millions of American jobs, and improves our nation's quality of life. In 2015, domestic and inbound international air passengers spent \$409 billion, which directly supported 3.4 million American jobs. Over the next decade, air travel is forecast to grow from 776 million to 926 million enplanements per year, which could add an additional \$224 billion in annual travel spending and support 750,000 new American jobs. Unfortunately, this growth is threatened by the poor condition and performance of our nation's airports.

As a result of misguided federal policies, too many of our nation's airports are outdated, congested and unable to handle passenger demand. These problems are forecasted to grow and will soon be unsustainable. Within the next four years, the top 30 U.S. airports will experience passenger volumes, congestion and delays equal to the day before Thanksgiving at least once per week. The Federal Aviation Administration (FAA) predicts that travel demand will exceed capacity at many of the nation's largest airports within the next 15 years, unless airports achieve sustainable levels of capital investment.

The "Investing in America: Rebuilding America's Airport Infrastructure Act" provides a fiscally responsible and revenue neutral solution to these challenges. The bill removes the misguided federal limitation on PFC rates and, instead, allows each airport authority to tailor its PFC rate on a project-by-project basis in order to maximize efficiency, reduce project costs and ensure fiscal responsibility. Since this would allow airports to rely more heavily on user-fee funding, the bill also reduces the Airport Improvement Program (AIP) authorization by \$400 million per year and directs large hub airports to forgo AIP passenger entitlements if their PFC exceeds \$4.50. If these provisions were included as part of a broader air traffic control reform bill, it would provide Congress with the option to lower federal passenger ticket taxes.

Taken together, these changes empower local airport authorities to accelerate investments in projects that improve efficiency, strengthen security, increase capacity and enhance airline competition. These

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remedies are exactly what America's air travel system needs and the benefits would stretch far beyond airports themselves – ultimately providing a better travel experience, facilitating economic growth, and keeping America's travel industry globally competitive.

Thank you for your continued leadership to revitalize America's airports and improve the travel experience. I look forward to working with you on this and other important aviation issues in the upcoming FAA reauthorization bill.

Sincerely,

A handwritten signature in black ink, appearing to read "Roger Dow", with a long horizontal flourish extending to the right.

Roger J. Dow
President and CEO
U.S. Travel Association