

H.S. House of Representatives Committee on Transportation and Infrastructure Washington, DC 20515

John L. Mica Chairman

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July 19, 2011

The Honorable John A. Boehner Speaker of the House United States House of Representatives H-232 The Capitol Washington, DC 20515

Dear Speaker Boehner:

On April 7, 2011, the Senate requested a conference with the House on H.R. 658, the "FAA Reauthorization and Reform Act of 2011", and appointed conference. Nevertheless, over the past 100 days, the House has taken no action to agree to a conference with the Senate to resolve the differences between the House- and Senate-passed Federal Aviation Administration (FAA) reauthorization bills. In fact, more than six weeks ago, the House and Senate committee staffs reached an impasse over a handful of controversial provisions in the House-passed FAA reauthorization bill. Yet, there has not been <u>one</u> meeting of the senior Republican and Democratic Members of the House and Senate committees to resolve the remaining differences between the House and Senate bills.

As a result, the FAA has continued to operate under a series of short-term extension acts that are slowing airport construction projects and costing taxpayers millions of dollars and the Nation tens of thousands of family-wage jobs.

On behalf of the Democratic Members of the Committee on Transportation and Infrastructure, we write to urge you to agree to a conference with the Senate on H.R. 658, appoint conferees, and let the Conference Committee work its will – in an open and transparent process – on the controversial issues included in the House-passed Republican bill.

Earlier this year the House and Senate both approved comprehensive FAA reauthorization bills. In February, the Senate passed S. 223, the "FAA Air Transportation Modernization and Safety Improvement Act", by an overwhelmingly bipartisan vote of 87 to 8.

The Honorable John A. Boehner July 19, 2011 Page 2

Passage of the Senate bill was widely applauded by both labor and industry stakeholders, and it was estimated that the bill would create at least 150,000 jobs.

In contrast, in April, the House passed the extremely controversial H.R. 658, the "FAA Reauthorization and Reform Act of 2011", by a vote of 223 to 196 – the narrowest vote margin for House passage of an FAA reauthorization bill in more than three decades.

The White House has threatened to veto the House FAA reauthorization bill, and the bill has been harshly criticized by labor and industry stakeholders because it would undermine aviation safety, slash FAA funding, and destroy good-paying airport construction jobs. Since Committee on Transportation and Infrastructure Chairman John L. Mica introduced the House FAA reauthorization bill, we have warned that it contains a number of controversial "poison pill" provisions that seriously jeopardize the enactment of a long-term reauthorization act this year.

The failure to enact a long-term FAA reauthorization act is costing taxpayers millions of dollars and the Nation tens of thousands of good-paying jobs this year. Short-term, stop-gap funding authorizations have stymied airport construction, job creation, and the FAA's overall ability to efficiently administer its programs. Multiple FAA extension acts have created uncertainty among local airport officials regarding the total amount of Federal funding available this year for airport construction. Consequently, state and local airport officials are advancing fewer projects, less new construction is moving forward, and fewer jobs are being created:

- Many airport sponsors are delaying project bids because of the funding uncertainty caused by the short-term extension acts. For instance, every project at non-primary airports in Wisconsin is being held up because the State is waiting to receive the entire allotment of funding before applying for its annual state block grant. As a result, sponsors are missing the competitive early bidding environment and, with only two months left in the fiscal year, there will be increased pressure to start issuing grants based on estimates instead of bids. Grants based on estimates greatly increase the cost of the projects to the Federal Government.
- Airports and their contractors are forced to divide construction projects piecemeal into smaller components to enable projects to be executed with the funding made available by a particular extension act. This stop-gap process delays the completion of important safety and capacity projects. For example, in Dallas, Texas, the runway safety area project at Dallas Love Field has been divided into three phases requiring three different grants to be issued as a result of the short-term extension acts in fiscal year 2011.
- Because total funding has not yet been made available for the fiscal year, it is increasingly likely that good, high priority airport construction projects will be deferred until next fiscal year, especially in northern-tier States that have lost most of the construction season.

The Honorable John A. Boehner July 19, 2011 Page 3

To date, the FAA has only obligated \$800 million in airport construction grants, compared to an average \$1.6 billion for the same period over the last five years, costing the Nation tens of thousands of new family-wage jobs this year.

The FAA needs the certainty, stability, and direction that a long-term reauthorization act provides. Further, the American public deserves a long-term FAA reauthorization act that will create jobs, improve safety, and modernize our infrastructure.

We therefore respectfully request that the House immediately agree to a conference with the Senate on H.R. 658 and appoint conference. In this way, the Conference Committee can work in an open and transparent process to resolve the remaining issues in the FAA reauthorization bill.

Sincerely,

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NICK J. RAHALL, II Ranking Member Committee on Transportation and Infrastructure

IERRY F. COSTELLO Ranking Member Subcommittee on Aviation

cc:

The Honorable Nancy Pelosi, Minority Leader, U.S. House of Representatives The Honorable John L. Mica, Chairman, Committee on Transportation and Infrastructure The Honorable Thomas E. Petri, Chairman, Subcommittee on Aviation Democratic Members of the Committee on Transportation and Infrastructure