

FOR IMMEDIATE RELEASE February 3, 2011 CONTACT: Julia Lawless, Antonia Ferrier (202) 224-4515

HATCH STATEMENT AT HEARING ON STATUS OF THE AIRPORT AND AIRWAY TRUST FUND

WASHINGTON – U.S. Senator Orrin Hatch (R-Utah), Ranking Member of the Committee on Finance, delivered the following statement, as prepared for delivery, at a committee hearing on the status of the Airport and Airway Trust Fund:

Thank you Mr. Chairman. Thank you for scheduling this hearing.

Before I address the matter before us, I'd like to welcome the three new members to the Committee. Welcome Senators Coburn, Thune, and Cardin. Each of you brings different strengths and perspectives to the Committee. All three of you are known as serious legislators. All of you bring a reputation for hard work. You engage fully in the fiscal issues that challenge our nation. The Finance Committee is smack dab in the middle of those issues. I look forward to working with you.

There is something to be said for experience. Just try and tell the passengers who were on the plane that Captain Sullenberger guided safely into the Hudson, that years of experience don't count for anything.

Mr. Chairman, we've had a lot of experience dealing with reauthorizing the Federal Aviation Administration (FAA) legislation. This legislation has taken off, but never quite fully landed. It's time to finish the flight plan and complete a multi-year reauthorization.

Millions of travelers on literally millions of flights a year help to sustain and benefit from the services paid for out of the Airport and Airway Trust Fund. The trust fund, however, has not received the sustained and thorough attention from Congress most of our constituents probably expect. The last reauthorization of FAA programs was done way back in the 108th Congress and expired at the end of fiscal year 2007. Fiscal year 2007 ended at the end of September 2007. Since then, for more than three years, Congress has passed 17 short term FAA extension bills. These extensions have been necessary to both replenish the Airport and Airway Trust Fund, and to authorize the use of the trust fund to continue to pay for aviation programs. The Airport and Airway Trust Fund is used to fund the FAA's airport improvement program, facilities and equipment program, and research, engineering, and development program. The trust fund also pays for most FAA operations and maintenance.

The services and facilities maintained by the FAA are utilized by literally millions of Americans and people from all over the world every year. According to data from the FAA, in 2009, FAA Air Route Traffic Control Centers handled more than 39 million aircraft, and there are almost 20 thousand airports in the United States. Air travel may be frustrating in many ways, but a lot of us take it for granted that we can travel across the country very quickly without too much trouble. It's absolutely shocking that Congress could go for so long, more than three years, without reauthorizing a program relied upon by so many people and of such critical importance to our economy.

Getting back to the FAA programs the trust fund pays for; these include grants for airport planning development, and also programs to fund the improvement of the air traffic control system, such as the Next Generation Air Transportation System, or NextGen. I doubt there is anyone who would say they do not want our airports or air traffic control system to safely handle the unfettered flow of people and goods across the country and the world.

We expect that our national airport and airway system will be a catalyst for economic growth and for the simple freedom to travel where one desires to. In order for that to continue to be the case we need to make sure we are doing our jobs and not kicking the can down the road.

We have kicked the FAA can now 17 times. We've done that by extending an expired FAA reauthorization 17 times and not completing work on new legislation. Airplanes are still taking off and landing and cargo is still being transported. We should be careful not to take that as a sign that we can continue to indefinitely put off a long term FAA reauthorization.

The Airport and Airway Trust Fund is dependent on several aviation related excise taxes in order to distribute the burden of funding the FAA. These taxes include passenger ticket taxes, taxes on cargo, and taxes on fuel.

Fuel taxes are different for commercial aircraft and domestic general aviation. The distribution of these excise taxes is meant to approximate the burdens different users of our airport and airway system place on that system. The reason it is important that real FAA reauthorization is completed, as opposed to extending an expired law, is this. We cannot expect that the package of excise taxes that worked several congresses ago will continue to be the best way to fund our airport and airway system today based on how it is used today.

This is why I welcome the opportunity this hearing provides to carefully examine the status of the Airport and Airway Trust Fund. It is an opportunity to examine the series of excise taxes that fund the trust fund. We must understand how our airport and airway system functions now. We must understand how we expect it to function in the future. We need to understand who uses our airway system and ensure that costs are imposed fairly and are representative of the burdens place on the system.

Mr. Chairman, I'm glad that we're taking off on another FAA reauthorization bill. This time we need to reach our final destination and complete the legislation.

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