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# Statement for the Record of

# The American Society of Civil Engineers

on

"FAA Reauthorization: Enhancing America's Gold Standard in Aviation Safety"

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

February 7, 2023

#### Introduction

The American Society of Civil Engineers (ASCE) thanks the House Committee on Transportation and Infrastructure for holding a hearing on aviation safety. ASCE has long advocated for investing in the safety and efficiency of our transportation network, including the aviation system. Aviation infrastructure allows people to travel to their destinations, facilitates the movement of goods, and plays a key role in the nation's economy.

America's aviation infrastructure received a long-overdue boost in November 2021 with the enactment of the Infrastructure Investment and Jobs Act (IIJA), which ASCE strongly supported. The legislation includes an investment of \$25 billion in airports through three programs, which concentrate on air traffic control facility improvements, "airside" projects such as runways, and terminal development and connections. This historic achievement—the largest investment in our nation's critical infrastructure systems in a generation—will be instrumental in generating economic growth and narrowing the infrastructure investment gap.

Passage of the IIJA provides a unique opportunity to improve the safety and resilience of our nation's aviation infrastructure. As the 118th Congress gets under way, ASCE looks forward to working with the committee to build on the investments provided through the IIJA and urges a timely reauthorization of Federal Aviation Administration (FAA) programs to ensure aviation safety and optimize investments from the infrastructure bill.

ASCE looks forward to working with the committee to pass an FAA reauthorization bill. ASCE urges Congress to reauthorize FAA programs before they expire on September 30, as these program are critical to ensuring that our nation's airports receive robust and reliable funding over the upcoming years.

# ASCE's 2021 Report Card for America's Infrastructure

Every four years, ASCE publishes its *Report Card for America's Infrastructure*, which grades the nation's major infrastructure categories using an "A" to "F" school report card format. The most recent Report Card<sup>1</sup>, released in March 2021, evaluated 17 categories of infrastructure and reflected an overall "C-" grade. This grade marks an increase from the "D+" recorded in 2017, indicating the country has made some progress in recent years. However, 11 categories remained in the "D" range, including aviation, which received a "D+"<sup>2</sup>. Often, it is these categories where we have failed to make investments needed to maintain the assets that were built 50 years ago or more.

<sup>&</sup>lt;sup>1</sup> <u>https://infrastructurereportcard.org/</u>

<sup>&</sup>lt;sup>2</sup> <u>https://infrastructurereportcard.org/cat-item/aviation-infrastructure/</u>

Fortunately, the IIJA makes progress to reverse decades of underinvestment in many of these lowest categories and represents a significant down payment on the \$2.5 trillion infrastructure investment gap that was identified in the 2021 Report Card.

Efficient implementation of the IIJA will play a major role in raising the grades for infrastructure categories such as aviation and making our nation's infrastructure fit for the future. Under pre-COVID-19 projections, our aviation system was set to have a 10-year, \$111 billion funding shortfall. While the IIJA provides \$25 billion for the nation's aviation infrastructure, Congress now needs to optimize these investments and ensure reliable funding going forward through the reauthorization of FAA programs.

# Failure to Act: Economic Impacts of Status Quo Investment Across Infrastructure Systems

ASCE's report titled *Failure to Act: Economic Impacts of Status Quo Investment Across Infrastructure Systems*<sup>3</sup> found that inadequate infrastructure—including in the aviation sector—significantly hampers economic growth. Failure to invest in aging infrastructure negatively impacts numerous aspects of the economy, including GDP, jobs, personal disposable income, and business sales. Declining airport infrastructure affects our nation's ability to import and export goods efficiently, driving up costs for American consumers.

*Failure to Act*'s trends-extended analyses indicate that funding will be available to cover only 57% (approximately \$3.5 trillion) of infrastructure needs through 2029, and 56.6% (\$7.3 trillion) by 2039 for the aggregate of surface transportation, water transportation, airports, water, wastewater, and electricity systems. For airports specifically, funding will be available to cover only about 53% of needs through 2029. The report found that airports face a funding gap of \$111 billion through 2029, a gap which is projected to grow to \$281 billion through 2039.

Underperforming infrastructure at our airports and coastal ports will have a negative impact on overall trade. *Failure to Act* estimated a cumulative export decrease of \$2.38 trillion between 2020 and 2039. The decline in these logistics sectors will be driven by lower trade of manufactured, agricultural, and extracted products that require wholesaling and storage services.

Effective implementation of the IIJA and close cooperation between federal, state, and local agencies can help improve deficient aviation infrastructure systems while strengthening the economy. As the nation continues to recover from the COVID-19 pandemic, investments in airports can provide both immediate and long-term boosts to the struggling American economy and ensure the country remains globally competitive in trade and commerce.

<sup>&</sup>lt;sup>3</sup> <u>https://infrastructurereportcard.org/the-impact/failure-to-act-report/</u>

### Federal Aviation Administration (FAA) Reauthorization

Looking ahead, one of ASCE's legislative priorities for this year is reauthorization of Federal Aviation Administration (FAA) programs before they expire. ASCE supports a multi-year bill that increases funding for aviation infrastructure, invests in resilience, and advances the safe and efficient delivery of projects.

The FAA reauthorization funds programs that are vital for the safety and efficiency of the nation's aviation system.

Timely passage of a reauthorization bill is key because FAA programs expire on September 30. Prior to the FAA Reauthorization Act of 2018, the FAA operated under a series of short-term authorizations, leading to costly delays in investment decisions. A prompt, multi-year reauthorization would prevent uncertainty with future projects and FAA programming.

ASCE also urges lawmakers to protect airport infrastructure funding by increasing **Airport Improvement Program** (AIP) funding levels and eliminating the federal cap on the **Passenger Facility Charge** (PFC). The AIP and the PFC are two critical revenue mechanisms. The AIP, a major infrastructure investment program for airports, has had the same annual authorization level of \$3.35 billion for over a decade. The PFC, which is levied on each enplaning passenger at a commercial airport, has a federally mandated cap of \$4.50. PFC fees can be used to fund FAA-approved projects that enhance safety or capacity, reduce noise, or increase air carrier competition. With a federally mandated cap on how much they can charge passengers, airports struggle to keep up with infrastructure investment needs.

Across all sectors of infrastructure, ASCE supports sustainability and resilience projects. Specific to aviation, ASCE asks Congress to dedicate funds for these types of projects and direct the FAA to work with the National Oceanic and Atmospheric Administration (NOAA) and the U.S. Army Corps of Engineers (USACE) on resiliency initiatives for coastal airports. Resilience to both natural and man-made disasters is key for airports. A strong cybersecurity network bolsters the resilience of the aviation system in the event of communication and passenger services issues. Because airports serve as gateways for critical supplies during and after natural disasters, it is important they develop facilities assessments and recovery strategies that can be implemented when these events occur.

Additionally, ASCE recommends a reauthorization that accommodates alternative delivery and advanced construction methods that can expedite projects and reduce costs. ASCE also acknowledges the importance of aviation services to less populous communities. ASCE asks Congress to address the needs of small communities by supporting the Essential Air Service Program and the Small Community Air Service Development Program.

#### **Conclusion**

ASCE remains a staunch supporter of investing in aviation infrastructure and promoting safety. A safe and reliable aviation infrastructure system facilitates the movement of people to their destinations and goods to market.

With the passage of the IIJA, the nation is on the precipice of a long-awaited period of infrastructure investment. The progress of this investment will be assisted immensely with the passage of a robust, multi-year reauthorization of FAA programs. ASCE thanks the committee for holding this hearing and stands ready to assist lawmakers working on effective implementation of the IIJA and successful reauthorization of the FAA.