July 30, 2019

The Honorable Peter DeFazio
Chairman
Transportation and Infrastructure Committee
House of Representatives
2134 Rayburn House Office Building
Washington, DC 20515

The Honorable Sam Graves
Ranking Member
Transportation and Infrastructure Committee
House of Representatives
1135 Longworth House Office Building
Washington, DC 20515

The Honorable Rick Larsen
Chairman
Aviation Subcommittee
House of Representatives
2113 Rayburn House Office Building
Washington, DC 20515

The Honorable Garret Graves
Ranking Member
Aviation Subcommittee
House of Representatives
2402 Rayburn House Office Building
Washington, DC 20515

Dear Chairmen DeFazio and Larsen and Ranking Members Graves and Graves:

We write today in strong support of H.R. 3791, *Investing in America: Rebuilding America's Airports Infrastructure Act*, which was introduced by Reps. Thomas Massie (R-KY) and Earl Blumenauer (D-OR).

We believe that market forces—not the federal government—should be what drives a 21st century aviation policy. To move in this direction, Congress must remove the federal yoke from airport financing. We need to move to a system where airports are fully self-sufficient, instead of reliant on federal tax dollars. We need a system that will allow decisions to be made at the local level and a system where the users of airports bear the responsibility of paying for that use—not taxpayers. In order to do so, the Congress should remove the federally imposed cap on the Passenger Facility Charge (PFC).

The responsibility for financing infrastructure needs at airports should be borne by the airports and the travelers who use and directly benefit from those facilities. By removing the federally imposed cap on the PFC, airports can become self-sufficient and break their addiction to federal taxpayer dollars.

H.R. 3791 would not only allow airports to meet the more than $100 billion in infrastructure needs they are now facing, it does so without a single penny of new federal dollars. In fact, H.R. 3791 would reduce annual federal spending by $400 million through the elimination of Airport Improvement Program (AIP) entitlement grants for large hub airports that collect PFCs greater than $4.50.

PFCs can also promote airline competition and reduce airfares for travelers. As the Congressional Research Service has noted, the PFC's additional flexibility has led to it being used largely for landside airport projects such as adding gates and passenger terminals. AIP by law cannot be used for gate expansions or most passenger terminal projects at large airports, so those funds mostly end up supporting landside projects such as runways and taxiways. Limited gate access at hub airports has been estimated to raise consumer airfares by $5.72 billion in 2018 dollars, dwarfing total annual PFC collections of $3.51 billion in 2018. With an eye on promoting airline competition through expanded gates, uncapping the PFC under H.R. 3791 will promote airport infrastructure development in a way that can save American travelers money.

America's airports are powerful economic engines, generating more than $1.1 trillion in annual activity and supporting more than 9.6 million jobs. However, airports are facing $100 billion in unmet needs in infrastructure improvements to update aging facilities, relieve delays and congestion, promote safety and security, enhance the passenger experience, as well as spur airline competition to provide consumers with more choices and affordable options. Washington should get out of the way and allow airports to set a PFC that is in line with their local needs and one that reflects market realities.

Sincerely,

Marc Scribner
Senior Fellow
Competitive Enterprise Institute

James L. Martin, Founder/Chairman
Saulius "Saul" Anuzis, President
60 Plus Association

Andrew F. Quinlan
President
Center for Freedom and Prosperity

Tom Schatz
President
Council for Citizens Against Government Waste

Jason Pye
Vice President of Legislative Affairs
FreedomWorks

Robert Poole
Director of Transportation Policy
Reason Foundation*

Harry C. Alford
President & CEO
National Black Chamber of Commerce

Nick Zaiac
Transportation & Infrastructure Policy Fellow
R Street Institute

David Williams
President
Taxpayers Protection Alliance

**Affiliation listed for identification purposes only.*