



July 26, 2017

The Honorable Thad Cochran  
Chairman  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

The Honorable Patrick Leahy  
Ranking Member  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

The Honorable Susan Collins  
Chairman  
Subcommittee on Transportation-HUD  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

The Honorable Jack Reed  
Ranking Member  
Subcommittee on Transportation-HUD  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Chairman Cochran, Chairman Collins, Ranking Member Leahy, and Ranking Member Reed:

On behalf of the organizations listed below, we would like to express our strong support for the inclusion of an adjustment to the Passenger Facility Charge (PFC) on originating passengers, as well as a \$250 million increase to the Airport Improvement Program (AIP) in this year's Transportation, Housing and Urban Development (THUD) Appropriations Bill. These long overdue increases to aviation infrastructure funding will support critical infrastructure projects for our nation's airports.

Organizations like ours rely on aviation infrastructure to connect with customers here and abroad. We work with airports to address industry issues, discuss new technologies and innovative ideas with a view of helping airports meet the needs of the growing number of passengers while operating with maximum efficiency and security.

According to the most recent infrastructure needs survey conducted by Airports Council International – North America, airports of all sizes are facing \$100 billion in infrastructure improvements over the next five years.

Congress last adjusted the PFC cap to \$4.50 in 2000, but with inflation and a rise in construction costs its purchasing power has eroded by over 50 percent in the past 17 years. As a result, many airports – even those with sterling credit ratings – have reached their debt capacity and either cannot finance new projects or have had to plan and construct projects over a longer timeframe, increasing the costs and delaying the benefits for passengers.

The modest PFC adjustment proposed in your bill would apply only to originating passengers, ensuring that passengers who live in rural and less populated areas would not pay twice. This change to the PFC would also generate more funding for small airports across the country in this bill, as large airports would have to forego federal entitlement grants.

Simply by adjusting the federal cap on PFCs airports across the country can become more financially self-sufficient. PFCs are not taxes – they are local user fees that are determined locally and used locally to improve the passenger experience and spur airline competition. Not one dollar of PFC revenue flows to the federal treasury. Instead, PFCs go directly to fund local airport projects approved by the FAA with input from airlines and local communities.

Action to address America’s aging aviation infrastructure is long overdue. Airports need to be able to make new investments to meet their capacity demands of today and into the future. Modernizing our nation's airport infrastructure will provide passengers and shippers with the safe, secure, and efficient facilities they expect and deserve.

Thank you for your leadership and commitment to modernizing our nation’s aviation infrastructure by including the strong PFC and AIP provisions in this year’s THUD Appropriations Bill.

Sincerely,

Air Conditioning Contractors of America  
Airport Alliance, LLC  
Airports Consultants Council  
American Coal Ash Association  
American Concrete Pavement Association  
American Council of Engineering Companies  
American Road and Transportation Builders Association  
American Society of Civil Engineers  
Associated Equipment Distributors  
Association of Equipment Manufacturers  
Associated General Contractors of America  
Aviation Strategies and Trade Solutions  
Building America’s Future  
CH2M  
Concrete Reinforcing Steel Institute

C&S Companies  
DKMG Consulting LLC  
GCR Incorporated  
Hi-Lite Airfield Services, LLC  
International Association of Duty Free Stores  
Kimley-Horn  
Mead & Hunt  
National Asphalt Pavement Association  
National Association of Manufacturers  
National Precast Concrete Association  
National Ready Mixed Concrete Association  
National Retail Federation  
National Stone, Sand and Gravel Association  
National Utility Contractors Association  
Portland Cement Association  
Safety & Security Instruction  
Security Industry Association  
Sheet Metal and Air Conditioning Contractors National Association  
Studdiford Technical Solutions, LLC  
Team Eagle Inc.  
Texas Retailers Association  
The Association of Union Constructors  
Top Airport Parking  
777 Development Group