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United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
WASHINGTON, DC 20510–6250

March 6, 2013

The Honorable Ray LaHood Secretary Department of Transportation 1200 New Jersey Ave SE Washington, DC 20590

Dear Secretary LaHood:

The Federal Aviation Administration (FAA) announced today that it will close 173 air traffic control towers, effective April 7, and could furlough nearly 47,000 employees, "including all management and non-management employees working within the Air Traffic Organization." All of the 173 towers closing April 7 are privately run under contracts. The Department's Inspector General, however, reported that these same contract towers are both cheaper and safer than towers operated by the FAA.

I appreciate your commitment to aviation safety, and hope to work with you to find solutions to make better cuts within the parameters of sequestration. Before considering cuts to essential services, I would encourage the Administration to first cancel all upcoming conferences, freeze all nonessential hiring, reconsider cuts to private control towers, and reduce funding for several low-priority programs before cutting costs that could impact flight safety. The approximately \$600 million in required savings from the FAA represents less than four percent of the FAA's \$15.9 billion budget in fiscal year 2012. I am confident there are numerous options for savings that will not interfere with FAA's mission.

In 2012, then-Acting Administrator Michael Huerta traveled to speak at dozens of events outside of the Washington, D.C. area, providing several examples of things that could be cut before FAA towers are closed. One event, the Aircraft Owners and Pilots Association Summit in Palm Springs, was described as having "balmy weather and a star-studded lineup" and a "host of exciting keynote speakers including FAA Acting Administrator Michael Huerta and actor/pilot Harrison Ford."

If even one day of furlough for one air traffic controller can be avoided by reducing travel or conferences, then the FAA has an obligation to the taxpayers to reduce this non-priority spending.

In August 2013, the FAA is sponsoring a two-day conference, the Second Annual Asia-Pacific Flight Standards Meeting. The conference will feature speakers from the FAA, as well as

roundtable discussions on political will and budgets. According to the FAA's website, this conference is an "opportunity to share information on FAA best practices in the safety oversight of operations and continuing airworthiness with civil aviation authorities in the Asia-Pacific Region." This forum should not be a higher priority than immediate air safety measures, and certainly the expense to the Administration for this conference is highly questionable at a time when employees are being furloughed.

In addition, the FAA recently listed two job openings for "community planners," one of which was posted publicly after sequestration took effect. Employees filling these positions are responsible for assisting airport sponsors, consultants, planning agencies, and the airport on the airport layout plan, and other planning aspects.² Located in Brisbane, California, and Helena, Montana, these positions are advertised at \$57,080 to \$126,095.³ FAA also currently has four job openings posted for "Management and Program Assistants" with salaries of up to \$59,000. The duties for these positions include the following: "Performs basic tasks in support of the office's administrative functions under the close direction of a manager or more experienced employee."

Leaving these six job openings unfilled would hardly put a dent in the \$600 million in savings that FAA needs to find, but they do amount to the full time yearly salaries of four air traffic controllers. That means they could offset a full week of furloughs for 208 air traffic controllers. These numbers may not be huge, but they illustrate an important point: FAA is not doing enough to seek out ways to save money without affecting their mission.

While we value the work of everyone at the FAA, not every employee has duties critical to the immediate mission of the agency. As such, we should give higher priority to those performing essential tasks over others who are not. Air traffic controllers, safety inspectors, and technicians should certainly receive the highest priority.

I have also attached a list of modest reforms the FAA should consider to meet sequestration requirements. Many of these reforms have been included in the President's budget, the Congressional Budget Office's recommendations, as well as the National Commission on Fiscal Responsibility and Reform recommendations. In addition to these savings, the Office of Management and Budget indicated, despite sequestration, the Department of Transportation will end this year with \$34 billion in unobligated funds.

In order to better understand FAA's plans for dealing with sequestration please provide the following information no later than March 21, 2013:

¹ 2013 Second Annual Asia-Pacific Flight Standards Meeting, Federal Aviation Administration, http://www.faa.gov/news/conferences events/2013 asia pac/.

² Job Announcement Number: ANM-ARP-13-0303153-30679, USA Jobs.gov, https://faa.usajobs.gov/GetJob/ViewDetails/338550100.

³ Job Announcement Number: AWP-ARP-13-BDA6764-30710, USAJobs.gov, https://faa.usajobs.gov/GetJob/ViewDetails/339051700.

- 1) Provide a list, including costs, of all conferences sponsored by FAA in 2013.
- 2) Provide a list, including costs, of all speaking engagements by any FAA employee.
- 3) Provide a list, including costs, of all travel planned for the FAA administrator for 2013.
- 4) Provide FAA's total estimated expenditure on salaries for FY 2013 before and after sequestration.
- 5) Provide FAA's total estimated expenditure on salaries for air traffic controllers for FY 2013 before and after sequestration.
- 6) Provide a list with the title and salary for all FAA employees with the title public affairs specialist, speechwriter, public affairs assistant, press assistant, press secretary, deputy press secretary, communications director, external communications, internal communications, deputy communications director, and any other title related to communications and public affairs.
- 7) Provide a list with the title and salary for all FAA employees with the title management program assistant, historian, librarian, staff assistant, assistant, administrative assistant, confidential assistant, liaison, white house liaison, congressional liaison, and any other title related to administrative functions.

Sincerely,

Tom A. Coburn, M.D.

Ranking Member

Suggestions for Savings:

- (1) Complete a review and eliminate annual funding for unnecessary "non-classified basic airports." In 2012, the FAA noted, many of these airports have been in the National Plan of Integrated Airport Systems (NPIAS) for decades, but no longer fit the criteria for receiving funding, including 22 privately owned airports.⁴ **This will save about \$41 million.**
- (2) Reduce the FAA's spending on consultants, supplies, and travel by 15 percent. This will save about \$105 million.
- (3) Reduce or eliminate spending on the Small Community Air Service Development Program (SCASDP). A 2008 FAA Inspector General (IG) study reviewed SCASDP and found that "most projects failed to fully achieve their objectives." Specifically 62.5% of projects failed to attain even a single project goal, while 70% failed to fully achieve their objectives. Neither President Obama nor President Bush requested funding for this program. This reform will save \$6 million. In 2011, a \$700,000 SCADP grant was awarded to Albany International Airport to provide revenue guarantees for a United Airlines direct flight to Houston. Notably, Albany received this "small community" grant despite the fact it is already served by 7 different airlines with 24 nonstop destinations, including New York City, Chicago, Boston, Washington DC, Charlotte, Atlanta, Philadelphia, Cleveland, Detroit, Minneapolis, and Orlando. Albany International Airport is going to use the federal funds to help solves its "East Coast-centric" service problem so that travelers from Albany to smaller market destinations in the Southwest and Mexico do not have to make the dreaded "double connection." 5
- (4) Reduce Airport Improvement Program (AIP) grants by up to \$926 million, as outlined in the President's FY2013 budget. The President's FY2012 budget, the National Commission on Fiscal Responsibility and Reform, and the Congressional Budget Office also included options for significant savings within this program. These savings can be met by increasing the local cost-share, giving airport managers and communities greater flexibility in meeting their construction needs while making the cost-share consistent for all airports. This will save up to \$926 million.
- (5) Reduce or eliminate spending on the Essential Air Service (EAS) program. **This will save \$118 million.** This program, intended to be temporary, was included in the CBO's recommendations for elimination. This program heavily subsidizes 37 commercial airports within 100 miles to medium or large airports, as well as 25 airports with less than 10 passengers a day. In a 2009 report, the Government Accountability Office indicated low-cost flights at non-subsidized airports are often more convenient and cheaper than EAS flights.

⁴ "General Aviation Airports: A National Asset," The U.S. Department of Transportation Federal Aviation Administration, May 2012, http://www.faa.gov/airports/planning_capacity/ga_study/media/2012AssetReport.pdf#page=9.

⁵ Proposal of Albany County Airport Authority, Albany, New York, 4 http://www.regulations.gov/contentStreamer?objectId=0900006480ee11d8&disposition=attachment&contentType=xml ⁶ "Fiscal Year 2012 Terminations, Reductions, and Savings: Budget of the U.S. Government," Office of Management and Budget, http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/trs.pdf.