Airlines for America appreciates the opportunity to testify today on the impacts of the most recent partial federal shutdown. On behalf of our member companies, I first would like to acknowledge and sincerely thank the dedicated employees at the Department of Transportation (DOT), the Federal Aviation Administration (FAA), the Department of Homeland Security (DHS), the Transportation Security Administration (TSA) and the U.S. Customs and Border Protection (CBP). Despite significant and prolonged hardship, they kept our aviation system operating safely and minimized disruption. We are extremely thankful for their efforts and desperately hopeful that neither their professionalism nor their livelihoods will be unnecessarily put to the test again just two short days from now.

Chairman DeFazio and Subcommittee Chairman Larsen, I also would like to specifically thank you for your leadership in trying to find solutions that would alleviate many of the impacts felt by the aviation community and the traveling and shipping public. Your most recent legislation (H.R. 1108) and your past efforts to redirect diverted TSA revenues are greatly appreciated. Moving ahead, we look forward to working with you to find collaborative and practical solutions that effectively address shutdown related impacts.

Additionally, I would like to recognize Secretary Elaine L. Chao of the DOT and Acting Administrator Dan Elwell of the FAA for their leadership. Their decision to call back safety professionals who would have otherwise remained furloughed, was critical to the operational needs of the U.S. aviation industry and, more importantly, the needs of the traveling and shipping public who sustain it.

**SHUTDOWN BACKGROUND AND IMPACTS**

This Committee knows that shutdowns are not new, and they are not a rare phenomenon. In just the past decade, the FAA has been subjected to several partial or government-wide budget reductions and shutdowns.

- In July 2011, the lapse in FAA’s authorization caused the FAA to stop work on numerous projects including NextGen modernization projects.
- In April 2013, the government-wide sequester caused the FAA to furlough air traffic controllers resulting in massive delays throughout the ATC system and the cancellation of hundreds of flights, impacting hundreds of thousands of passengers.
- In October 2013, the government shutdown resulted in additional FAA employee furloughs.

The airline industry relies upon the FAA to provide critical safety and operational oversight through approvals of appropriate operational and maintenance specifications. The recent shutdown impacted A4A member airlines in several operational areas from complying with new safety requirements, bringing new aircraft into operation, approvals for new service, flight crewmember certification and checks, training, and the longer-term planning for operations and Air Traffic Management modernization. While not exhaustive, below is a compilation of some of the impacts of the most recent shutdown. These examples primarily
focus on the short-term immediate impact of the shutdown, but the ramifications of the shutdown, compounded by previous shutdowns, will have dramatic and unforeseen repercussions in the long-term.

- **New Operations** – The shutdown resulted in the delay of new authorizations necessary for expanded service. As an example, the lack of FAA approvals has adversely impacted the ability of one carrier to initiate a new extended overwater (ETOPS) route.

- **Aircraft Deliveries/Adding New Aircraft to Operations Specifications (OpSpecs)** – The inability to obtain FAA approval for bringing new aircraft on-line delayed member airlines’ ability to serve customers with new aircraft offerings, and the associated improvements in operational efficiencies, reduced environmental impacts and introduction of advanced technology.

- **Severe Weather Planning/Operational Collaboration** – Based on the commitment by the FAA staff, the shutdown did not, for the most part, adversely affect the Agency and aviation community daily efforts to coordinate the effective allocation of National Airspace System resources. However, operational reviews of what could be done differently did not occur.
  
  o Looking ahead, we are concerned that the planning process essential for responses to the summer season did not begin. This delays the foundational planning needed to address convective weather that impairs spring/summer operations based on analysis of strategies from last year. It also delays much needed reports and planning associated with the status of staffing, evaluating impacts and timing of new routes as well as new training requirements. Rollout to the stakeholders and the training process are significantly delayed.
  
  o The longer-term effects of the shutdown may compound significant concerns about staffing and experience levels in key facilities, especially the Northeast Corridor. Our member carriers are warning that this could be a really bad summer for delays.

- **Training Programs Enhancing Safety** – Airlines were unable to receive FAA approvals for revisions to training programs, including complying with new FAA requirements such as Pilot Extended Envelope Training. This training is designed to improve the ability of pilots to address aircraft stall recognition and recovery.

- **Airworthiness Directives (ADs)** – Members of A4A were unable to complete certain ADs due to the inability to obtain FAA approvals for associated revisions to maintenance programs.

- **Voluntary Safety Reporting** – The disposition of voluntary safety reports under the Airline Safety Action Program (ASAP) was curtailed in cases where FAA participation was prohibited. ASAP enhances aviation safety through the prevention of accidents and incidents by encouraging voluntary reporting of safety issues and events that come to the attention of airline employees. ASAP is based on a safety partnership that includes the FAA and the airline certificate holder as well as the employee’s labor organization. Without the participation of the FAA’s representative, this program was limited in its ability to fully function and address safety concerns within the NAS.

- **Automatic Dependent Surveillance – Broadcast (ADS-B) Equipage** – The FAA was unable to approve Supplemental Type Certificates necessary to complete the updating of aircraft to meet the pending requirement for ADS-B equipage. The industry is on a robust initiative to install equipage to meet the FAA January 2020 mandate. Likewise, airlines were unable to gain FAA approval for associated OpSpecs.

- **NextGen – Air Traffic Control modernization efforts** – Because this is both a planning and implementation initiative, the shutdown has impacted near-term improvements and longer-term implementations being supported by the industry essentially halting the development and operational testing of technologies for NextGen.
  
  o The shutdown is jeopardizing the improvements in the aviation system – capacity increases, predictability for passengers, reduction in flight times, decreases in emissions from the FAA investments of $20B and the industry’s comparable investments. It is directly impacting new technologies for traditional aviation and new users like commercial space and drones, U.S. global aviation leadership, and the path for leveraging new satellite systems that will improve safety.
  
  o The improvements in the Northeast Corridor, central to recent efforts by the NextGen Advisory Committee, are in jeopardy as a result of the shutdown. We face the potential of the FAA not being able to deliver on commitments of more effective and efficient metering of aircraft at Newark and LaGuardia Airports. There is doubt about the promised anticipated
improvements in procedures along with pending improvement to high altitude routes in question because of delays in EnRoute DataComm that are driven by operational band width of FAA facilities.

CONCLUSIONS AND SOLUTIONS

We are here as an industry and stakeholder community representing more than 7 percent of the U.S. gross domestic product, $1.5 trillion of economic impact, and more than 11.5 million jobs. We are here today to help develop, discuss and expeditiously implement or enact practical and agreeable solutions that will alleviate future shutdown scenarios.

Having many years of experience in Washington, I have witnessed a number of shutdowns in various forms and circumstances. They all have some common threads. They quickly expose the critical role our government professionals play in many aspects of our lives that we simply take for granted as standard operating procedure. They are unnecessary. And they are avoidable. This is especially relevant and applicable when it comes to our federal aviation assets and workforces, which are all supported in one form or another by directs taxes or fees collected from the industries they regulate or oversee.

We are in no manner downplaying the critical role of other government agencies or employees impacted by the shutdown; what we do believe is that unique nature and funding structure of our aviation system should allow for efficient and effective budgetary contingency plans that would allow the FAA, TSA, and CBP to temporarily operate normally during a shutdown caused by lack of funding.

The most recent shutdown was quickly approaching an unsustainable and detrimental level, as was evidenced by the flight delays on the East Coast and reports that a growing number of TSA officers resigned because of financial hardships due to the shutdown and a lack of pay on the day that shutdown ended.

As the pressures and strains on the system documented above are exacerbated by yet another oncoming shutdown this weekend, I predict we will quickly reach an unsustainable point in our system. We will, if we have not already, cause decades of both human and economic consequences that will hamper not only the potential of our system but also the capacity to operate in it – all to the detriment of the traveling and shipping public.

We implore all involved, please heed not only our warnings but the entire stakeholder community’s warnings. This vicious budgetary cycle of stops and starts with little to no stability or predictably has simply got to stop. The traveling and shipping public and the dedicated federal employees who protect and maintain our nation’s aviation system deserve continuity.

We appreciate the opportunity to testify and look forward to any questions. Thank you.