

DAN BURTON, INDIANA,
CHAIRMAN

BENJAMIN A. GILMAN, NEW YORK
CONSTANCE A. MORELLA, MARYLAND
CHRISTOPHER SHAYS, CONNECTICUT
ILEANA ROS-LEHTINEN, FLORIDA
JOHN M. MCHUGH, NEW YORK
STEPHEN HORN, CALIFORNIA
JOHN L. MICA, FLORIDA
THOMAS M. DAVIS, VIRGINIA
MARK E. SOUDER, INDIANA
JOE SCARBOROUGH, FLORIDA
STEVEN C. LATOURETTE, OHIO
BOB BARR, GEORGIA
DAN MILLER, FLORIDA
DOUG OSE, CALIFORNIA
RON LEWIS, KENTUCKY
JO ANN DAVIS, VIRGINIA
TODD RUSSELL PLATTS, PENNSYLVANIA
DAVE WELDON, FLORIDA
CHRIS CANNON, UTAH
ADAM H. PUTNAM, FLORIDA
C.L. "BUTCH" OTTER, IDAHO
EDWARD L. SCHROCK, VIRGINIA

ONE HUNDRED SEVENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

FACSIMILE (202) 225-3974
MAJORITY (202) 225-6074
MINORITY (202) 225-5051
TTY (202) 225-6852

www.house.gov/reform

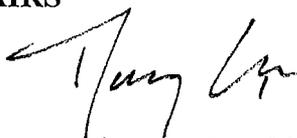
July 25, 2001

HENRY A. WAXMAN, CALIFORNIA,
RANKING MINORITY MEMBER

TOM LANTOS, CALIFORNIA
MAJOR R. OWENS, NEW YORK
EDOLPHUS TOWNS, NEW YORK
PAUL E. KANJORSKI, PENNSYLVANIA
PATSY T. MINK, HAWAII
CAROLYN B. MALONEY, NEW YORK
ELEANOR HOLMES NORTON,
DISTRICT OF COLUMBIA
ELIJAH E. CUMMINGS, MARYLAND
DENNIS J. KUCINICH, OHIO
ROD R. BLAGOJEVICH, ILLINOIS
DANNY K. DAVIS, ILLINOIS
JOHN F. TIERNEY, MASSACHUSETTS
JIM TURNER, TEXAS
THOMAS H. ALLEN, MAINE
JANICE D. SCHAKOWSKY, ILLINOIS
Wm. LACY CLAY, MISSOURI

BERNARD SANDERS, VERMONT,
INDEPENDENT

MEMORANDUM FOR MEMBERS OF THE GOVERNMENT REFORM SUBCOMMITTEE ON ENERGY POLICY, NATURAL RESOURCES AND REGULATORY AFFAIRS

FROM: Doug Ose 

SUBJECT: Briefing Memorandum for July 31, 2001 Hearing, "Air Transportation - Customer Problems and Solutions"

On Tuesday, July 31, 2001, at 2:00 p.m., in Room 2154 Rayburn House Office Building, the Government Reform Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs will hold a hearing on air transportation. The hearing is entitled, "Air Transportation - Customer Problems and Solutions."

In the Airline Deregulation Act of 1978, Congress amended economic regulation of the airline industry. Since 1978, fares have fallen and more cities have more air service. And, fatalities in the air are down. However, there are still big problems, especially delays. In 2000, one in four flights were late, diverted or canceled, and passenger bumping increased. Though routes and fares were deregulated in 1978, airports and air traffic were not.

Since the early 1980s, the Department of Transportation (DOT) has been responsible for addressing consumer problems. The Department's General Counsel houses the Aviation Consumer Protection Office. This Office receives complaints from the public, verifies industry compliance with the Department's aviation consumer protection requirements, provides guidance, and makes information available to the public. The Office publishes monthly statistics on flight delays, mishandled baggage, oversales, and consumer complaints. Last month, in response to consumer frustration and possible new legislation, the Air Transport Association (ATA), representing 14 major airlines, voluntarily committed to improve customer service, such as notifying passengers of known delays, cancellations and diversions.

Even if customer service improves, there is a growing gap between the demand for air transportation and capacity to meet that demand. The DOT General Counsel, DOT's Federal Aviation Administration (FAA), and the principal aviation officials (such as the ATA, American Association of Airport Executives (AAAE) representing airports, and National Association of

State Aviation Officials (NASAO)) believe that many consumer air transportation problems can be best addressed by increased airport capacity - greater use of under-utilized airports, new runways, new airports, and conversion of some military airfields to civilian use - and air traffic control modernization. Denver's airport is the only new major hub airport in the past 25 years. Also, while passenger ridership increased more than 40 percent, during the last ten years, only six runways were added at the 31 large "hub" primary airports. Another 18 runways are planned to be opened in the next 10 years at the 31 hub airports.

The April 2000 Wendell H. Ford Aviation Investment and Reform Act (AIR-21) required DOT to study Federal environmental requirements related to air improvement projects. In May 2001, the FAA issued a report to Congress after this study. FAA found that the 31 hub airports account for 70 percent of U.S. air passengers and the top 25 of these airports account for 86 percent of all severe air traffic delays. FAA estimated an average 10-year planning time line for a new commercial service runway - from time of active planning to the start of construction. If the time line ends at the opening date instead of the start of construction, the average time line period increases. In many cases, the process took 15-20 years; some took more than 20 years. Logan Airport's runway 14/32 has been on the drawing board for 30 years. These delays are the result of a burdensome review and approval process that is complicated, conflicting, duplicative and ill-defined.

This lengthy process is due to the fact that there are approximately 40 Federal laws, executive orders, and regulations governing runway and airport construction. Principal among these is the National Environmental Policy Act (NEPA). Others include the Uniform Relocation Assistance and Real Property Acquisition Policies Act, Clean Air Act, Clean Water Act, Endangered Species Act, National Historic Preservation Act, an Executive Order on Protection of Wetlands, etc. Besides Transportation's FAA, there are numerous Federal agencies involved in these processes, including: Commerce's National Marine Fisheries Service, Defense's Army Corps of Engineers, Interior's Fish and Wildlife Service, Interior's National Park Service, Transportation's Federal Highway Administration, the Council on Environmental Quality, the Environmental Protection Agency, the Advisory Council on Historic Preservation, and more.

In addition to Federal agencies and requirements, there are State and local agencies and State and local processes, some of which are duplicative of Federal processes. The most far-reaching State review is the California Environmental Quality Act. Substantial airport development projects in California require a State Environmental Impact Report (EIR) in addition to a Federal Environmental Impact Statement (EIS) under NEPA. FAA found that the longest EIS time line for new runways approved in the last five years was for San Jose, California since the local airport authority decided to separate the State EIR from the Federal EIS, resulting in sequential processes.

FAA has several environmental initiatives underway. The principal air transportation agencies and organizations do not want to change existing environmental laws but support a better coordinated review process. The key to shortened time lines for new runways and airports

may be simultaneous versus sequential processes and set time limits - both at the Federal level and at the State/local level.

In addition, air traffic control also causes congestion. There is an outdated Air Traffic Control system; FAA's computer software dates to the 1960s. Right now there are essentially single lane highways in the sky. If that spacing were reduced (via reduced vertical separation minima or RVSM), more planes could be accommodated. The standards were set 50 years ago. Satellite-based technology - global positioning system technology - would enable planes to fly closer together, essentially into a 12-lane highway.

The invited witnesses for the July 31, 2001 hearing are: DOT General Counsel-Designate Kirk Van Tine; DOT/FAA Administrator Jane Garvey; Ed Merlis, Senior Vice President, Legislative & International Affairs, ATA; Todd Hauptli, Senior Vice President, Legislative Affairs, AAAE; Henry Ogradzinski, President & CEO, NASAO; and David Krietor, Aviation Director, Phoenix Sky Harbor Airport.