STATEMENT OF BILLY NOLEN, ACTING ADMINISTRATOR FEDERAL AVIATION ADMINISTRATION

HEARING BEFORE THE COMMITTEE ON APPROPRIATIONS, SUBCOMMITTEE ON TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED AGENCIES: THE FISCAL YEAR 2024 BUDGET REQUEST FOR THE FEDERAL AVIATION ADMINISTRATION

APRIL 26, 2023

Good morning, Chairman Cole, Ranking Member Quigley, and Members of the Subcommittee. Thank you for the opportunity to discuss the Administration's Fiscal Year (FY) 2024 Budget request for the Federal Aviation Administration (FAA).

The FAA operates the safest and most efficient aerospace system in the world, but we do not take that for granted. We achieved this safety record because we have made a concerted effort to evolve our approach – both in detecting risks and in responding to risks.

The President's Budget requests \$19.8 billion to operate and enhance our airspace system in FY 2024. When combined with the \$5 billion in advanced annual appropriations under the Bipartisan Infrastructure Law, the total FY 2024 funding request for the FAA is \$24.8 billion. This funding level would allow the FAA to make needed investments to safeguard the most complex airspace in the world while modernizing our aviation systems, equipment, and infrastructure.

Aviation Safety

Aviation is safer today than ever before, but vigilance can never take the day off. Recently, we have seen an uptick in incidents across the aviation system, including events on runways, terminal area ramps, and even unruly passenger incidents. Even though these events may not represent a trend, we must pay attention.

That is why I issued a Safety Call to Action and convened an Aviation Safety Summit in McLean, Virginia on March 15. More than 200 aviation safety leaders, including commercial carriers, regional carriers, airports, labor and other aviation experts, attended and discussed ways to enhance flight safety. I urged attendees to discuss specific steps they could take in their

respective areas to further tighten the U.S. aviation industry's already strong safety net.

Only by working together with our many stakeholders can we continue to enhance safety, but we also know that continued and sufficient investment in our workforce and infrastructure are vital to this effort.

The FAA's aviation safety oversight workforce works tirelessly to uphold our commitment to safety. This Budget requests an additional \$26.2 million to strengthen our safety oversight capabilities in several areas. This amount includes \$16.2 million and 53 new positions to continue a thorough and complete implementation of the Aircraft Certification, Safety, and Accountability Act. It also addresses recommendations from recent investigations and independent reviews following the Boeing 737 MAX accidents.

An additional \$7.9 million and 72 positions will supplement existing core safety programs, including efforts to improve certification of small airplanes, safety data analysis, and other key aviation safety activities. The remaining \$2.1 million will strengthen aviation and hazardous materials safety oversight, a critical component of our overall strategy. This money will enable the agency to continuously raise the bar on aviation safety.

Safeguarding the National Airspace System

More than 44,000 aircraft and nearly 3 million passengers take to our nation's skies every day. Each and every one of those passengers expect us to make their journey as safe as possible. To deliver on that expectation and obligation, this Budget requests significant investments to staff, sustain and modernize our dynamic airspace system.

This Budget seeks \$117 million to continue the push we started this fiscal year to hire additional air traffic controllers. The rapid return of air travel is a great indicator of the resiliency of the American economy, but it also makes accelerating our hiring push a top priority. This Budget provides the investment necessary to ensure that a surge of new controllers can match this resurgence in air traffic. We plan to hire 1,800 new controller trainees in FY 2024, an increase of 300 above the FY 2023 hiring goal, as well as address the backlog of training for developmental controllers currently working in air traffic facilities. This plan will also help the agency overcome the consequences of the COVID-19 pandemic, which resulted in shutting

down the Air Traffic Control Training Academy in 2020 to protect the health and safety of our employees.

Funding to hire and train air traffic controllers is only part of the equation. They need modern equipment in fully maintained facilities to perform their critical duties. One such piece of equipment is the Notice to Air Missions (NOTAM) system. This Budget requests \$19.6 million to retire our aging databases and applications and move to a more reliable, modern system.

The FY 2024 Budget request takes our modernization efforts one step further by targeting \$115 million toward accelerating priority projects. This funding will allow the FAA the flexibility to respond to unexpected events and to increase capital investments where needed. The Budget also seeks an increase of \$25 million in the Operations account to bolster the FAA's field and software maintenance programs, reducing the risk of system outages that could lead to delays and flight cancellations.

The FY 2024 Budget request includes \$390.8 million across our Operations and Facilities & Equipment accounts to update our telecommunications infrastructure, which will offer bandwidth improvements that are critical to our modernization efforts. The FAA is accelerating the transition to a more modern telecommunications infrastructure using Internet Protocol multimedia networks. The end state for our telecommunications infrastructure is the FAA Enterprise Network Solutions (FENS), which represents a generational advancement in network architecture and technology. Starting this year, FENS moves away from point-to-point, hardwired circuits and will enable the innovation needed to support NextGen operations and meet evolving security and resiliency needs.

Facilities Maintenance/Sustainment

The Budget requests \$510.8 million in the Facilities & Equipment account to improve our air traffic control facilities. The FAA must act to replace aging and outdated facilities. As of today, our backlog of uncompleted renovations and repairs for facilities that directly support daily operations totals approximately \$5.3 billion. The average en route traffic control center or Combined Control Facility is 61 years old. More than 50 percent of the terminal radar control facilities are more than 40 years old. Combined with the \$1 billion in advanced appropriations provided through the Bipartisan Infrastructure Law, \$1.5 billion would be available for this

critical work to address the sustainment backlog and to replace aging and outdated facilities.

NextGen

This Budget request also continues the deployment of NextGen, with \$977.1 million across multiple accounts for initiatives aimed at delivering the maximum amount of benefits from these new technologies.

For example, the Budget proposes \$70 million for Data Communications, or DataComm, which enables text-based communication between the pilot and controller. This technology improves safety and efficiency by reducing communication errors and lessening radio frequency congestion.

The Budget proposes \$138.4 million to continue deploying Automatic Dependent Surveillance – Broadcast (ADS-B). ADS-B is an advanced surveillance technology that uses an aircraft's broadcasted position instead of relying on traditional radar. It is a foundational capability that enables the more complex and data-focused aspects of NextGen to happen.

The Budget request also includes \$45.2 million for the Terminal Flight Data Manager system, which enables real-time collection, distribution, and updating of electronic flight data information in the terminal area, contributing to increased efficiency.

These key capabilities are already delivering benefits. Through calendar year 2021, NextGen delivered more than \$8.5 billion in benefits to airlines and the flying public.

Environment

The FAA, the Department, and this Administration place a priority on making aviation more environmentally friendly and sustainable, and thus guaranteeing its viability for future generations. This Budget includes significant and ongoing investments in aircraft technology, sustainable aviation fuels, operations, and policy measures. The FY 2024 Budget request includes \$109.7 million in the Research, Engineering and Development account to work toward the goal of achieving a quiet, clean, and efficient air transportation. A great example is the development of sustainable aviation fuels, which are the most promising near to medium-term solutions to meet long-term aviation climate goals.

The budget also includes an additional \$4.2 million in the Operations account to reduce the environmental footprint of FAA facilities, reduce energy consumption, ensure facility compliance with environmental and safety requirements, and meet air quality standards.

New Entrants

This Budget request continues to invest in the integration of new entrants into the national airspace system.

Almost seven years ago the FAA published Part 107, aimed mainly at drones smaller than 55 pounds. Now, our efforts have expanded to include Advanced Air Mobility, covering much larger drones capable of carrying people and cargo in complex environments. To support these efforts, this Budget requests \$135.9 million across multiple accounts.

Since 1995, the FAA has licensed or permitted more than 500 commercial space launches and reentries. This Budget requests \$49.2 million to continue supporting this increased activity through efforts such as the implementation of the Streamlined Launch and Reentry Licensing Requirements in the new PartPart 450.

Workforce

The FAA remains committed to fostering a strong and diverse workforce, both internally and for the aviation industry as a whole. The agency has taken tremendous strides in promoting education and increasing the aviation professional workforce of tomorrow. This Budget invests in those efforts with an additional \$1.3 million to implement FAA's Diversity & Inclusion Strategic Plan. The Budget also seeks an additional \$3.7 million to address anticipated shortages and a lack of diversity in aerospace technical fields. As part of this initiative, the FAA will continue to build and grow on the Minority Serving Institution (MSI) Internship Program, which enables interns to develop their skills, gain hands-on experience, and learn about the FAA. In addition, on March 2, the FAA awarded the second round of Aviation Workforce Development Grants totaling \$10 million. These programs provide meaningful experiences to stimulate interest and encourage a new generation of pilots and maintenance technical workers.

Airports and Research

The nation's airports are an important component of aviation infrastructure and serve as economic engines for America's cities and communities. The \$3.35 billion requested in FY 2024 for the Airport Improvement Program grants reflects the FAA's commitment to support safety, capacity, and efficiency at our nation's airports. It supports safety-related airfield development projects, including those to reduce runway incursions and the risk of wrong-surface takeoffs and landings.

The Bipartisan Infrastructure Law greatly expanded the resources available to airports. The Airport Terminal Grant and the Airport Improvement Grants combined make \$4 billion available in FY 2024, providing an important lifeline for airports as aviation surges back from its CY 2020 lows.

This budget supports these critical grant programs by providing an additional 47 positions to provide oversight in a wide range of areas, including safety and compliance, engineering, community planning, safety, and environmental protection.

The FY 2024 Budget request includes more than \$41.8 million for the Airport Technology Research program to support the safe and efficient integration of new and innovative technologies at airports. This includes supporting the FAA Office of Security and Hazardous Materials with the execution of the Unmanned Aircraft Systems Detection and Mitigation Airport Pilot Program, as established by Section 383 of the FAA Reauthorization Act of 2018.

This Budget request also includes \$255.1 million in the Research, Engineering & Development (RE&D) account to continue the FAA's research across all aspects of aviation. This includes \$111.2 million for research in essential safety areas, including \$21.1 million for safety research related to drones. Other research areas include advanced materials, aircraft icing, continued airworthiness, aircraft fire detection and suppression systems, and safeguards to protect against fires involving lithium batteries, fuel cells, and hazardous materials. Some of these efforts, such as Sustainable Aviation Fuels, I've already highlighted. Much of our research is performed at the FAA's William J. Hughes Technical Center, the nation's premier air transportation system laboratory.

Federal Contract Towers

Finally, this Budget request includes \$194 million for the Contract Tower Program. The FAA recognizes the importance and value of contract towers to rural America and smaller communities. This funding level is expected to fully fund all towers currently participating in the program.

Conclusion

Members of the committee, civil aviation contributes roughly \$1.8 trillion annually to the national economy, provides 10.9 million jobs and constitutes 5.2 percent of the gross domestic product. The FAA contributes to the success of this industry while always upholding our commitment to maintain the safest, most efficient airspace in the world. We look forward to your support in enabling the U.S. to remain the gold standard in world aviation.