Written Testimony of
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The Committee on Transportation and Infrastructure

"The Need to Reform FAA and Air Traffic Control to Build a
21st Century Aviation System for America"

Thank you for the opportunity to testify on behalf of the National Air Traffic Controllers Association, AFL-CIO (NATCA) about "the Need to Reform FAA and Air Traffic Control to Build a 21st Century Aviation System for America." NATCA is the exclusive representative for nearly 20,000 employees, including the Federal Aviation Administration's (FAA) air traffic controllers, traffic management coordinators and specialists, flight service station air traffic controllers, staff support specialists, engineers and architects, and other aviation safety professionals, as well as Department of Defense (DOD) and Federal Contract Tower (FCT) air traffic controllers.

The U.S. National Airspace System (NAS) is the safest, most efficient, most complex, and most diverse system in the world. It is an economic engine that sustains over 12 million aviation-related jobs and contributes approximately $1.5 trillion annually to the U.S. economy, or more than 5 percent of America's gross domestic product. The NAS requires a well-trained, highly qualified workforce of air traffic controllers to guide approximately 70,000 flights per day in the U.S. and ensure that over 900 million passengers a year arrive safely at their destinations. To operate effectively, these controllers must work rapidly and efficiently under tremendous stress while maintaining complete concentration.

NATCA has been steadfast in its message: Change is necessary if the United States is going to remain the gold-standard for aviation. The status quo has not provided a stable, predictable funding stream to operate, modernize, and upgrade the NAS.

I. ESTABLISHING A STABLE, PREDICTABLE FUNDING STREAM

Although NATCA believes that change is necessary to ensure a stable, predictable funding stream for the NAS, we do not believe that there is only one viable solution. During the past 2 years, there have been a number of air traffic control (ATC) reform proposals that have been offered as potential solutions to this problem. Although NATCA cannot support a reform model without considering all of its details, we definitively can say that the status quo is unacceptable. We also oppose any model that would derive profit from operating the air traffic control system.

Without change, our nation risks falling behind the rest of the world and losing its status as the global leader in aviation. Globalization and innovation are driving dramatic changes in the aviation industry and, sadly, America's current structure is not keeping up. We must remain vigilant. We cannot ignore the many near-term issues facing the FAA that must be addressed while we develop a long-term, comprehensive plan.

A. NATCA's Four Core Principles For Reform:

To receive NATCA's consideration for support, any proposal must improve upon the status quo, without adopting a for-profit model, and—at minimum—meet NATCA's Four Core Principles for Reform:

1. Any reform model must ensure that our members are fully protected in their employment relationship. It is crucial to maintain our members' pay and benefits, including retirement

and health care, along with our negotiated agreements for their work rules, and indemnification for our members for acts within the scope of their employment.

2. Safety and efficiency must remain the top priorities within the system. We cannot allow maintenance to lag or reduce staffing to save money. The NAS must be fully staffed to ensure both safety and efficiency.

3. A stable, predictable funding stream must adequately support air traffic control services, staffing, hiring and training, long-term modernization projects, preventative maintenance, and ongoing modernization to the physical infrastructure. Stop-and-go funding crises slow the hiring and training process, which create staffing shortages. The lack of a stable funding stream also prevents timely implementation of NextGen modernization projects.

4. Any reform model must also maintain a dynamic aviation system that continues to provide services to all segments of the aviation community, from commercial passenger carriers and cargo haulers to business jets and to general aviation, from the major airports to those in small communities and rural America. We cannot emphasize enough how important it is that a new system continues to provide services to the diverse users of the NAS. The United States has a vibrant general aviation community that relies on us. At the same time, rural America's economic success is connected to the access we create with our comprehensive NAS that serves even the most remote areas.

While the U.S. works on a long-term solution, we need to be mindful of the effects that another round of sequestration cuts would have on the NAS. We all remember the disruptions that the system experienced in 2013 related to sequestration. The FAA scaled down all modernization projects. The Agency looked at closing 238 air traffic control towers and tried to close 149 of them for purely financial reasons, without regard to operational considerations or what was best for the NAS. FAA leadership considered reducing services at many airports across the country. The FAA halted air traffic controller hiring for the full year, a decision that still contributes to the ongoing controller staffing crisis. The FAA was forced to furlough air traffic controllers, causing rippling delays through our system. Further, the Agency went to a fix-on-fail maintenance philosophy and stopped stockpiling critical parts for essential operational equipment. These decisions were made in order to meet the budget restrictions of sequestration, not for operational reasons or to ensure safety.

Our 24/7 aviation system also has been challenged by 23 authorization extensions including a partial shutdown prior to the passage of the FAA Mondernization and Reform Act of 2012 (P.L. 112-95). Since that bill's expiration, the NAS has also experienced three more extensions. In addition to the risked shutdowns as each extension expired, in the past five years FAA has experienced a partial shutdown, a complete government shutdown, as well as numerous threatened shutdowns due to lapses or near-lapses in appropriations.

The stop-and-go funding stream has caused damage to the system, some of which is difficult to reverse. For example, stop-and-go funding makes planning for long-term improvement and modernization projects difficult. Stopping and restarting makes modernization projects more expensive. Some projects may need to start over from ground zero. For instance,

the April 2013 furloughs caused delays to modernization projects like En Route Automation Modernization (ERAM) that cost $6 million per month of delay.

Without a stable, predictable funding stream, the NAS is in jeopardy of falling behind on efficiency, capacity, and most importantly, safety. As Congress and the White House work together to reauthorize the FAA, it is imperative that all stakeholders within the NAS work together to ensure that the United States remains the world leader in aviation.

B. The FAA's Air Traffic Controller Staffing Crisis Has Been Exacerbated by an Unstable, Unpredictable Funding Stream:

Air traffic controller staffing has been a concern for many years, but it reached a crisis level in 2015. Today, the FAA struggles to adequately staff many of its large, high-volume facilities, which service the busiest and most complex airspace.

Stop-and-go funding for the FAA has made this problem worse, with sequestration forcing the FAA to suspend hiring and shutter its training Academy for most of 2013. Despite some incremental progress since the controller staffing roundtable in December 2015, and the hearing on the same subject in June 2016, Certified Professional Controller (CPC) staffing at the FAA continues to decline and has now reached a 28-year low. As of March 18, 2017, the FAA only had 10,532 CPCs on board. That number is more than 2,300 CPCs short of the FAA's overall operational target of 12,896 CPCs.

AIR TRAFFIC CONTROLLER STAFFING: 2011-2017

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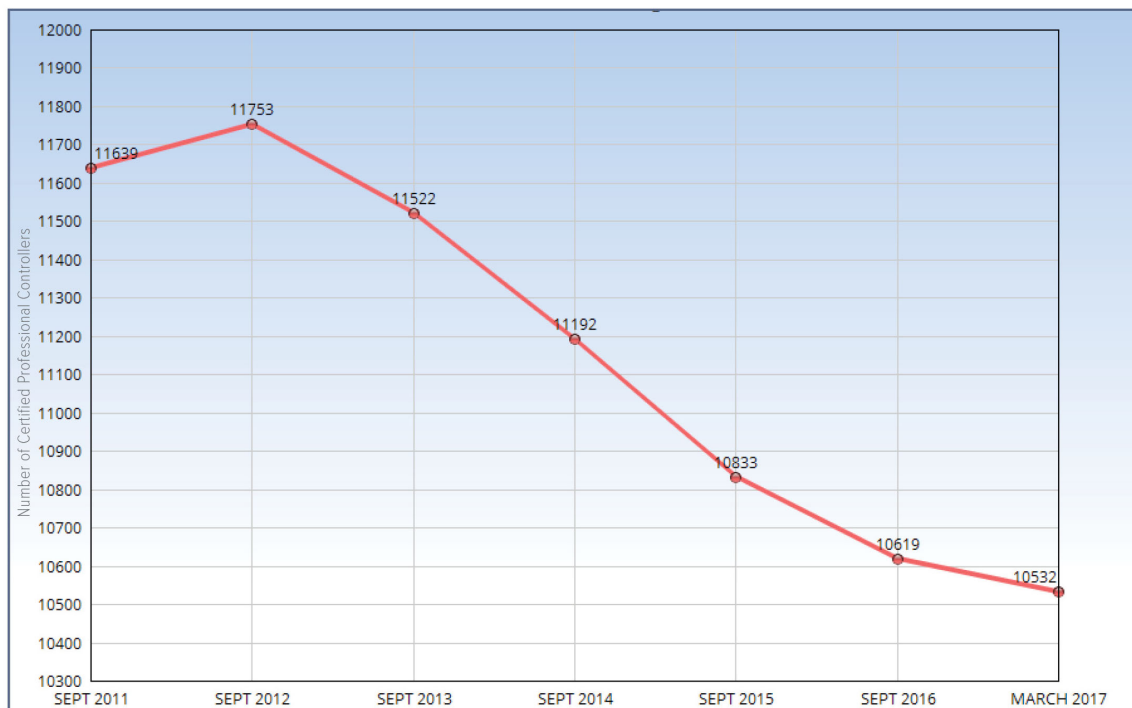
In addition, more than one quarter of CPCs (approximately 3,000) are eligible to retire. There are more retirement eligible controllers than the FAA has people in the pipeline to replace them. The FAA hit its hiring goal last year for the first time in 8 years by lowering its target by nearly 400 controllers below maximum hiring capacity, but the FAA's hiring goal for this fiscal year still does not maximize the FAA Academy's maximum throughput.

However, despite this 28-year low, the FAA has not hired all of the qualified experienced controller candidates who were intended to receive "preferential consideration" under the hiring provision included in the "FAA Extension, Safety, and Security Act of 2016" (Pub. L. No. 114-190). We thank Congress for passing this legislation that removed some of the bureaucratic red-tape involved in the FAA's hiring process. It provided an expedited hiring process for experienced controllers, and a more streamlined process for hiring veterans and graduates of the FAA's Collegiate Training Institute (CTI) colleges and universities.

NATCA believes the FAA must continue to take a holistic, collaborative approach to resolving the staffing crisis, as it has done in the last year. We are committed to working with all stakeholders to develop a permanent, sustainable solution. In the interim, NATCA would be deeply concerned with any action that could impede properly staffing the NAS with CPCs, including potential future furloughs or another closure of the FAA Academy.

As a result, we believe that Congress should exempt the FAA from indiscriminate sequestration cuts. Any hiring freeze or furloughs that include air traffic controllers could cripple the FAA and the NAS and have an immediate detrimental effect on capacity, meaning fewer planes in the sky and likely delays for your constituents who rely on air travel. Fewer flights would result in reduced revenues into the Airport and Airway Trust Fund. For the FAA, sequestration would cost the government more, rather than save money.

In the past, NATCA has also recommended the following solutions that would help alleviate the staffing shortage:

1. The FAA should routinely post a vacancy announcement for experienced air traffic controllers and should continue to hire as many experienced controllers as are qualified.

2. The FAA should post, at least annually, an all sources open announcement for non-experienced candidates, many of whom will be military veterans, graduates from CTI schools, and other aviation-related professionals.

3. The FAA should further streamline its hiring process, specifically easing the bottlenecks and bureaucratic delays in HR, security, and medical reviews.

4. The FAA should discontinue its use of finance-driven staffing numbers and replace them with the operationally derived CPC staffing targets, as reflected in its Priority Placement Tool, for all future Air Traffic Controller Workforce Plans.

With regard to the last recommendation, the FAA's 2016 Air Traffic Controller Workforce Plan[1] (CWP) illustrates how the FAA continues to ignore the harsh reality of its staffing crisis. NATCA opposes the CWP's headcount numbers and staffing ranges because they ignore the CPC staffing shortage. If endorsed through congressional action or adopted by the new administration, the CWP would allow the FAA to <u>lower</u> staffing at many of its critical, high-volume facilities that are already short-staffed. The CWP also ignores the CPC targets that were collaboratively developed by the FAA and NATCA to meet the Agency's operational workload needs in each facility and to distribute controller staffing appropriately based on traffic volume and complexity throughout the NAS.

The CWP, which is developed on a yearly basis by FAA Financial Services, uses numbers that are inaccurate and misleading because they are based on actual on-board numbers ("headcount"), rather than using the operational staffing targets developed by the FAA's Air Traffic Organization (ATO). Alongside CPCs, these headcount/actual-on-board numbers deceptively include developmental stage trainees (who have never been certified at any FAA air traffic control facility), as well as CPC-ITs (CPCs who reenter training at a new facility due to a transfer, but who are not yet certified at that facility). This methodology does not account for the functional day-to-day operational needs of each facility when it comes to staffing all positions, as well as carrying out other functions that only CPCs can perform, such as training developmental controllers and serving as the controller-in-charge (CIC).

Finally, the CWP's numbers are even more dubious because of the FAA's consistent practice of adjusting its definition of "controllers" within different reports in order to manipulate current and projected staffing levels. Sometimes it includes CPCs and CPC-ITs; other times it also includes developmental stage controllers. Such a practice is detrimental to the staffing process as it creates a moving target for all parties who are working toward a resolution.

Recently, NATCA and the FAA have started to cut through some of the bureaucratic red-tape by collaboratively implementing a better transfer process for CPCs and a more efficient placement process for new hires. These new processes make it easier for CPCs to transfer from well-staffed or lower activity facilities that are better equipped to accept and train new academy graduates, to higher volume, more complex facilities that have the most dire staffing shortages.
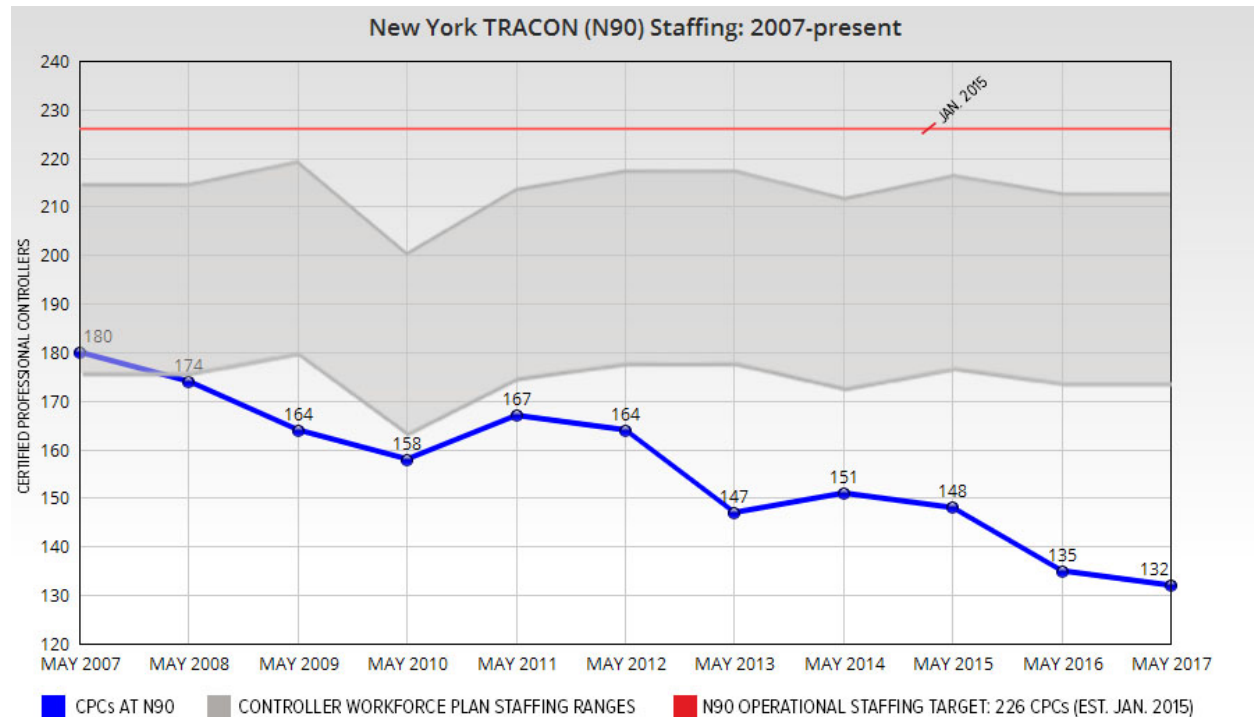
For years, the FAA had been placing many academy graduates/new hires into the most complex, highest volume Terminal Radar Approach Control facilities (TRACONs). This practice led to higher training failure rates and is not an optimal career-growth pipeline for controllers. NATCA consistently has maintained that employees assigned to the terminal option should begin their career at low volume terminal facilities. If they desire, they can then transfer to more complex facilities, culminating in their progression to the most complex, highest volume facilities, once they have more experience. Now that NATCA and the FAA have collaboratively established CPC targets and processes, we have been able to more successfully implement a transfer policy that encourages career progression. This new, jointly developed transfer process

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[1] The 2016 Air Traffic Controller Workforce Plan (CWP) is the most recent version available to the public. The 2017 CWP was due to Congress on March 31, 2017.

allows employees to transfer much more efficiently. It also ensures that new hires can be placed at lower level facilities where they have a much higher rate of certifying.

However, there are still shortages that simply cannot be remedied by making it easier for people to transfer more expeditiously. NATCA and the FAA agree that the significant staffing needs at New York TRACON (N90) and Chicago TRACON (C90) require employees who meet the minimum qualifications for those facilities and who express a desire to transfer to those facilities be released within the shortest amount of time allowed under the transfer process (three months). Nevertheless, N90 and C90 are still in the most dire of the staffing situations.

As of May 2, 2017, N90 had a mere 132 CPCs, which is 94 CPCs short of the collaboratively-developed operational staffing target of 226 CPCs, or 58.4% of the target. N90 is also slated to lose another 13 CPCs on or before Sept. 30, 2017. The FAA only has four partially-qualified developmental controllers (not yet fully qualified CPCs) at N90 who <u>may</u> reach full certification within that same time period. Of the approximately 24 developmentals assigned to N90, including those who are partially qualified, the earliest any of them could reach full CPC level is—at best—15 to 18 months away. And historically, only about six to eight of those 20 will actually reach CPC status. So, at New York TRACON, the problem will get worse before it gets better.

New York TRACON (N90) Staffing: 2007-present

CPCs AT N90   CONTROLLER WORKFORCE PLAN STAFFING RANGES   N90 OPERATIONAL STAFFING TARGET: 226 CPCs (EST. JAN. 2015)

This staffing crisis at N90 also demonstrates why the FAA's continued use of actual on-board "headcount" numbers within its yearly CWP is flawed. None of the 24 developmental controllers at N90 are guaranteed to ever reach full CPC status, and yet, the 132 CPCs on hand must dedicate a significant amount of time off-position training them. Although FAA's CWP actual-on-board headcount remains below its staffing range, it does make the facility appear to

be better staffed than if the FAA used the ATO's operational staffing target it uses for employee transfers.

The picture is not much brighter for other large terminal facilities around the country. Atlanta TRACON (A80) has 63 CPCs, while the operational staffing target is 102 CPCs (61.8%). Chicago TRACON (C90) has 62 CPCs, while the operational staffing target is 100 CPCs (62.0%). Dallas TRACON (D10) has 59 CPCs, while the operational staffing target is 93 CPCs (63.4%). And, finally, Los Angeles Tower (LAX) has 38 CPCs, while the operational staffing target is 49 CPCs (70.3%).

C. A Stable, Predictable Funding Stream is Also Necessary for Modernization:

The Next Generation Transportation System (NextGen) describes the primary, comprehensive modernization project that is shifting the FAA from its current ground-based radar system to smarter, satellite-based aircraft tracking system and digital technologies, along with new procedures that will enable the FAA to guide and track aircraft more precisely on more direct routes. NextGen is vital to preserving the United States' position as the world's leader in aviation.

The FAA has frequently been criticized for its management of NextGen. Although it is true that the Agency is lagging behind in its effort to modernize the NAS, many of the FAA's detractors have not seen the full picture. NATCA takes great pride in our role as a partner in developing and implementing important modernization projects in recent years. The FAA, NATCA, and other aviation stakeholders have enjoyed a positive, productive, and collaborative relationship for nearly a decade.

As a result of this collaboration, NextGen is already producing efficiencies that enhance safety, reduce delays, save fuel, and reduce aircraft exhaust emissions. To date, NextGen has delivered $2.7 billion in benefits, and the FAA has completed 103 commitments of the NextGen and NextGen Advisory Committee's (NAC) Prioritization Plan. Recently, we have achieved several successes on NextGen projects including ERAM, DataComm, and Metroplex. But in order for all remaining NextGen projects to be successfully completed in a timely fashion and at the lowest possible cost to taxpayers, the FAA needs a stable, predictable funding stream.

Without a stable and predictable funding stream, NextGen modernization programs will continue to be threatened by delays that will jeopardize their success. Congressional attacks on official time would also severely cripple the FAA's ability to deliver NextGen technologies on time and under budget, as would any further staffing reduction such as a hiring freeze or furloughs.

In 2013, sequestration and the resulting April 2013 furloughs, as well as the October 2013 government shutdown, created needless delays in the development, design, and implementation of NextGen, and increased costs in these key modernization programs. The shuttering and reactivation of NextGen programs not only delayed their progress, but also increased costs to American taxpayers. We cannot allow this stop-and-go funding uncertainty to undermine NextGen.

For example, both ERAM and Metroplex experienced significant delays in 2013, as work was stopped on these key NextGen programs for several months. Originally, the waterfall schedules for ERAM and Metroplex were designed to complement each other, so that installation for one did not conflict with or negatively affect installation for the other. However, because of this multi-month delay, the ERAM team was forced to shuffle its waterfall schedule, creating numerous, unnecessary conflicts with Metroplex schedules, which in turn further delayed both programs.

Moreover, many of the controllers who were working as subject matter experts (SME) on the programs were forced to go back to their facilities while they were waiting for the FAA to restart the programs. However, when the FAA restarted the programs, some of the SMEs were unable to be re-released to resume their work due to poor staffing levels at their facilities. This resulted in a significant loss of institutional knowledge, expertise, and experience on these NextGen teams.

D. The FAA's Rapidly Aging Infrastructure Cannot Be Maintained Without a Stable, Predictable Funding Stream:

The FAA operates more than 300 air traffic control facilities of varying ages and conditions. The FAA's 20 Air Route Traffic Control Centers (ARTCCs) located in the continental United States were built in the 1960s and are more than 50 years old. The FAA's large, stand-alone TRACONs are, on average, 25 years old. In addition, the FAA has 132 combined TRACON/Towers, which average nearly 35 years old. Finally, the FAA has another 131 stand-alone towers which average almost 30 years old, the oldest being 75 years old.

The FAA has begun the process of addressing its aging infrastructure through a combination of realignments, sustaining and maintaining some facilities, and replacing a handful of others. However, that process is hampered by the lack of a predictable funding stream that provides certainty.

For example, the FAA is replacing Charlotte TRACON/Tower (CLT), which was approximately 35 years old. The replacement cost is more than $113 million. Similarly, San Francisco Tower (SFO) was approximately 28 years old when it was replaced, with the total cost of that project running greater than $82 million. To replace Las Vegas Tower and Las Vegas TRACON, which were about 31 and 29 years old respectively, the FAA built one facility to replace two buildings. That project cost more than $110 million. Even for smaller facilities such as Wilkes-Barre, Pa., TRACON/Tower (AVP) and Abilene, Texas TRACON/Tower (ABI), the replacement costs were approximately $23 million and $21 million respectively.

These facility replacement costs are expected to continue to rise with inflation as the FAA's facility infrastructure ages and it struggles to keep up with NextGen technological advancements and operational demands. The FAA needs a stable, predictable funding stream in order to adequately maintain and replace its aging infrastructure in the coming years.

II. NATCA SUPPORTED THE 2016 AIRR ACT BECAUSE IT WOULD HAVE PROVIDED A STABLE, PREDICTABLE FUNDING STREAM AND IT SATISFIED NATCA'S FOUR CORE PRINCIPLES FOR REFORM

NATCA supported the House Transportation and Infrastructure Committee Chairman Bill Shuster's proposal, H.R. 4441, the "Aviation Innovation, Reform & Reauthorization Act of 2016" (AIRR Act), which was introduced during the 114th Congress. The AIRR Act was intended to reform the FAA by separating the air traffic control system operations from the FAA's regulatory and oversight activities.

The AIRR Act would have created a not-for-profit, independent organization run by a board of stakeholders. In theory, this model could deliver results similar to those we have seen in Canada, where NAV CANADA has proved itself to be a safe and innovative Air Navigation Service Provider over the past two decades. We supported the AIRR Act because it dealt with the unstable, unpredictable status quo funding stream, did not establish a for-profit entity to provide air traffic control services, and addressed NATCA's Four Core Principles. Specifically, the 2016 AIRR Act would have:

- Protected NATCA's members in their employment relationship, including their rights and benefits, work rules, and negotiated agreements;
- Ensured that safety and efficiency remain the top priorities;
- Provided a stable, predictable funding stream to adequately support air traffic control services, staffing, hiring and training, long-term modernization projects, preventative maintenance, and ongoing modernization to the physical infrastructure; and
- Maintained a dynamic aviation system that would continue to provide services to all segments of the aviation community, from commercial passenger carriers and cargo haulers to business jets and to general aviation, from the major airports to those in small communities and rural America.

NATCA will carefully review and consider any future proposal that improves upon the unstable, unpredictable status quo and does not include a for-profit model. It is imperative that the FAA must be properly funded with a stable, predictable funding stream.

III. A ROBUST, WELL-THOUGHT OUT TRANSITION PROCESS MUST ENSURE THAT THE WORKFORCE IS PROTECTED AND ATC SERVICES ARE MAINTAINED WITHOUT DEGRADATION

NATCA believes that any proposal must include a robust, detailed, and well-thought out transition process. This transition is necessary, not just for the workforce, but also for all aviation stakeholders. Without a robust transition process, America runs the risk of entering into a lame-duck period in which the FAA scales back on resources before the transition is complete. The FAA must have a stable, predictable funding stream and clear policy priorities to continue performing its current mission, as well as during the transition to a new model. Failing to properly address these issues during transition could have a detrimental effect on the users of the system and the workforce that will be expected to maintain the integrity of the largest and most

complex airspace system in the world. There is a significant concern that a haphazard transition process could lead to an inadequate hiring pipeline, personnel training constraints, and technological and infrastructure modernization delays. Additionally, retirement-eligible controllers (over 3,000 of the current 10,532 CPCs) might end their FAA service ahead of schedule if they fear the ramifications of an inadequate transition, or if the FAA's funding stream is not properly addressed during the period leading to and during the transition.

IV.   RECOMMENDATIONS & CONCLUSION

All aviation stakeholders must remain vigilant. While the U.S. National Airspace System remains the safest, most efficient, most complex, most diverse in the world, we cannot afford to become complacent. We must always strive to improve not only the system, but the support mechanisms for the system. Below are NATCA's recommendations for FAA Reauthorization:

1. NATCA is hyper-focused on the need for a stable, predictable funding stream for the operation, maintenance, and improvement of the NAS. And, while we do not believe there is a single solution to the problem, NATCA will consider supporting proposals that improve upon the unacceptable status quo and do not establish a for-profit model for operating the ATC system as long as they meet our four core principles.

2. Congress should exempt the FAA from indiscriminate sequestration cuts. Any hiring freeze or furloughs that include air traffic controllers could cripple the FAA and the NAS and have an immediate detrimental effect on capacity, meaning fewer planes in the sky and likely delays for your constituents who rely on air travel.

3. The FAA must continue to take a holistic, collaborative approach to resolving the staffing crisis:

    a. The FAA should routinely post a vacancy announcement for experienced air traffic controllers and should continue to hire as many experienced controllers as are qualified.
    b. The FAA should post, at least annually, an all sources open announcement for non-experienced candidates, many of whom will be military veterans, graduates from CTI schools, and other aviation-related professionals.
    c. The FAA should further streamline its hiring process, specifically easing the bottlenecks and bureaucratic delays in HR, security, and medical reviews.
    d. The FAA should discontinue its use of finance-driven staffing numbers and replace them with the operationally derived CPC staffing targets, as reflected in its Priority Placement Tool, for all future Air Traffic Controller Workforce Plans.

We appreciate the opportunity to offer testimony on this important issue and look forward to working with the Committee and all aviation stakeholders to improve the system for the flying public.