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Over the past 40 years, Congress has intermittently considered proposals to establish a government corporation or private entity to carry out air traffic functions currently provided by the Federal Aviation Administration (FAA). While the issue had been relatively dormant since a proposal offered by the Clinton Administration in the 1990s failed to gain the support of Congress, interest reemerged following budget seguester-related funding cuts to FAA in FY2013. In the 114th Congress, the House Transportation and Infrastructure Committee ordered H.R. 4441, an FAA reauthorization bill that proposed to establish a government-chartered air traffic services corporation, to be reported. However, the bill was never reported in the House, and the FAA extension act passed by Congress in July 2016 (P.L. 114-190) did not make any organizational reforms regarding air traffic services. Authorizations under that extension expire at the end of FY2017, and debate over air traffic services reform has arisen once more. Many other countries have established government corporations, quasigovernmental entities, or private firms to perform air traffic services. While none of these air traffic service organizations are comparable to FAA in terms of their size or complexity, they represent a broad array of organizational models including a large number of wholly government-owned corporations, a public-private partnership model in the United Kingdom, a government-controlled joint stock company in Switzerland, and a fully private nonprofit entity controlled by aviation

industry stakeholders in Canada. Direct comparisons among these models have been limited. There does not appear to be conclusive evidence that any of these models is either superior or inferior to others or to existing government-run air traffic services, including FAA, with respect to productivity, costeffectiveness, service quality, and safety and security. Certain corporate and private air traffic service providers have improved cost-effectiveness and performance as a result of access to financial markets to fund large-scale acquisition projects, and of faster implementation of technologies. In this regard, the tax status of a potential air traffic entity's debt could become a significant issue in the United States, as a privatized or a government-owned corporation could end up paying more to borrow in the financial market than the federal government does.