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Congress passes temporary FAA reauthorization

Differences remain, but shutdown ends

By Dan Namowitz



Congressional leaders agreed Aug. 4 to reauthorize FAA operations through Sept. 16, putting 4,000 agency employees and about 74,000 idled private-sector workers back to work after a two-week layoff. The agreement marked the end of a partial FAA shutdown that began July 23 and cut off collection of aviation fuel taxes, reducing revenue for aviation programs by hundreds of millions of dollars.

Congress is in adjournment until Sept. 6, but the Senate, in pro forma session, passed H.R. 2553 on Aug. 5. President Barack Obama signed the bill the same day.

"This agreement does not resolve the important differences that still remain," said Senate Majority Leader Harry Reid (D-Nev.) in a statement. "But I believe we should keep Americans working while Congress settles its differences."

"I am pleased the Senate has approved the House-pass[ed] FAA extension bill," said House Speaker John Boehner (R-Ohio). "Moving forward, it's time for Senate Democrats to get serious about resolving the remaining FAA issues, complete work on a long-term bill that can be signed into law, and help this troubled economy."

Transportation Secretary Ray LaHood, who had appealed to Congress to complete work on reauthorization before it adjourned, described the agreement as a "tremendous victory."

AOPA President Craig Fuller urged Congress to press forward toward a permanent agreement on FAA reauthorization.

"We are pleased that Congress has restored funding for the FAA, putting thousands of Americans back to work and allowing important construction and repair projects to go forward," he said. "At the same time, we must recognize that this is a temporary solution at best. We strongly urge Congress to move swiftly to reach agreement on a long-term funding measure that will give the FAA the stability it needs to best serve the aviation community and the traveling public."

When [Congress failed to extend the FAA's authority by a July 22 deadline](#), the FAA began shutting down programs funded by the Airport Improvement Program; facilities and equipment; and research, engineering and development accounts. It ordered furloughs of 4,000 employees who could not be paid after FAA authority to spend money from the Airport and Airway Trust Fund expired. The FAA had already stopped processing new airport grants in anticipation of the shutdown.

Public anger at the inaction was palpable across the country, with news media carrying reports of airport construction projects coming to a halt, and idled FAA employees and private-sector workers employed on construction jobs wondering how they would make ends meet with Congress in adjournment until Sept. 6.

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Another impact of the failure to come to an agreement on reauthorization was the FAA's loss of authority to collect [avgas taxes](#) after July 23.

The tax freeze also posed a pricing dilemma for fixed-base operators and dealers selling fuel after the Internal Revenue Service issued guidance that the avgas excise tax should be reduced to 4.4 cents per gallon from 19.4 cents per gallon of avgas. Much of the fuel that was being sold at airports early in the shutdown was produced before the tax was lowered.

The tax-revenue volatility also threw into question the once-stable revenue stream that fed the Airport and Airway Trust Fund.

Trust funds pay for airport projects ranging from safety enhancements to new air traffic control towers, and research for projects vital to the future of the national air transportation system.

AOPA expressed disappointment that congressional inaction caused the aviation trust fund "to be in jeopardy."

Long term, Congress still must find a compromise between a four-year House bill that funds the FAA at a level about \$2 billion less than a two-year Senate bill. Other differences that resulted in the stalemate centered on a ruling affecting unionization elections and rural air service subsidies to small and rural airports.



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