



July 19, 2010

Senator Charles E. Grassley
U.S. Senate
135 Hart Senate Office Building
Washington, DC 20510

Dear Senator Grassley:

On behalf of the Board of Directors of the Iowa Public Airports Association (IPAA) I am writing to thank you for all your help with the pending Federal Aviation Administration (FAA) reauthorization legislation, and to urge you to adopt a number of airport-related priorities as you consider the final version of the bill.

Reject Aircraft Rescue and Fire Fighting Proposal: Although there a number of provisions in both FAA bills that IPAA strongly supports, we also recommend that you reject a provision in the House-passed legislation that could force airports to comply with excessive National Fire Protection Association (NFPA) standards. If enacted into law, this proposal could dramatically increase staffing, training, infrastructure and equipment requirements for airports of all sizes without improving the level of aviation safety under currently enacted FAA standards.

According to an independent Transportation Research Board (TRB) report released last year it would cost airports approximately \$2.9 billion in one-time infrastructure and equipment costs and between \$1 billion and \$1.5 billion in annual operating expenses to comply with NFPA standards. Approximately \$3 billion in new infrastructure requirements would eliminate almost a full year's worth of Airport Improvement Program (AIP) funding and reduce the amount of funding available for other necessary infrastructure projects.

The increased operating costs associated with the proposed NFPA standards would impact airports of all sizes and would be particularly hard on small airports. The TRB report indicates that the cost per enplaned passenger at some smaller airports would

jump by approximately \$28 -- almost a 40 percent increase. Airports would have no choice but to pass those costs onto the airlines if able, or discontinue commercial air service altogether. This would further negatively impact the unemployment rate as these fire and rescue jobs disappear.

July 19, 2010

Senator Charles E. Grassley

Page 2

Raise the Cap on Passenger Facility Charges: We are urging Congress to support a provision in the House-passed version of the FAA bill that would raise the cap on Passenger Facility Charges (PFCs) from \$4.50 to \$7. Raising the cap to \$7 would generate more than \$1 billion annually for critical safety, security and capacity projects at airports and create tens of thousands of jobs per year without relying on Federal funds.

As you may know, airports have experienced a dramatic increase in construction costs in the past ten years. Construction costs have increased by more than 50 percent since 2000 – the last time Congress raised the cap on PFCs. Raising the cap to \$7 would help to offset some – but not all – of that loss in purchasing power. In fact, if Congress were to raise the PFC to cap to the full amount to cover construction cost inflation rather than increase it to \$7, Congress would need to increase it to \$8.14.

Raising the cap would also help small airports generate additional revenue for their critical infrastructure projects. Even those small airports that don't collect PFCs benefit from the program through the Small Airport Fund. We urge you to support the House-passed proposal to raise the PFC cap to \$7 so that large and small airports have the financial tools they need to improve safety, increase capacity and accommodate rising passenger levels.

Increase Airport Improvement Program Funding: Airports are grateful that the House- and Senate-passed FAA bills propose to increase AIP funding to \$4 billion or more per year. Like raising the PFC cap, increasing AIP funding would improve aviation safety, increase capacity and create jobs. We encourage Congress to include those higher funding levels in the final version of the bill and adopt a Senate provision that would maintain the 95% federal share for projects at small airports.

Increase Funding for Small Community Programs: As you know, General Aviation and Commercial air service are key to economic development and job creation in small communities around the country. I urge you and your colleagues to continue to support provisions in the House- and Senate-passed bills that would increase funding for the Essential Air Service, Small Community Air Service Development, Non-Primary

Airport Entitlement and Contract Tower programs. These critical programs help small communities retain and attract commercial air service and improve aviation safety.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory G. Gobble". The signature is written in a cursive style with a large initial "G".

Gregory G Gobble
President
Iowa Public Airports Association