

## COUNCIL AGENDA ITEM

**SUBJECT MATTER/PROJECT:** Resolution to Oppose User Fees in the FAA's Reauthorization Act

**ORIGINATING DEPARTMENT:** Airport      **PRESENTER:** A. Spinks, Airport Director

**COUNCIL DATE:** May 28<sup>th</sup>, 2007      **AGENDA #:** 45

### AGENDA CAPTION:

APPROVAL OF A RESOLUTION TO AUTHORIZE THE OPPOSITION OF THE ENACTMENT OF PROVISIONS IN THE U.S. S.B. 1300, THE AVIATION INVESTMENT AND MODERNIZATION ACT OF 2007 THAT IMPOSE AIR TRAFFIC CONTROL USER FEES, EXCESSIVE INCREASES IN AVIATION FUEL AND GAS TAXES AND REDUCES CONGRESSIONAL OVERSIGHT OVER THE FEDERAL AVIATION ADMINISTRATION.

### RATIONALE:

The Airport Advisory Board wishes to alert City Council about a proposal that is being considered by Congress that could have a profound negative impact on businesses, farms and families in our community. The current system that funds the Federal Aviation Administration (FAA) will expire on September 30, 2007. The FAA, backed by the nation's biggest airlines, is proposing to overhaul the existing funding structure and institute a "user fees" tax plan that would transfer billions of dollars of the airlines' tax obligation onto the backs of small businesses that depend on general aviation. Sadly, the U.S. Senate Committee on Commerce, responsible for drafting the bill, has included new user fees and a significant tax increase on all turbine powered general aviation in its recently introduced plan. This plan would be a disaster for towns and small businesses that depend upon general aviation.

As with many communities, a significant part of our economic development plans revolve around improvements at our local airport to draw in more businesses and create more jobs. General aviation brings billions of dollars annually in jobs and economic activity to our state and our national economy. Here in New Braunfels 285 jobs, with \$12.8 million in payroll and a local economic impact of \$47 million are dependant on general aviation's continued vitality. While the big commercial airlines concentrate most of their service at only the nation's largest airports, general aviation flights can access some 5,000 non-hub airports - almost one per county in rural areas. Many businesses are able to continue to operate from towns not near a major hub served by commercial airlines because of the small airports and the access to general aviation services they provide.

General aviation is also a vital tool to bring emergency services such as transportation to medical facilities, disaster relief, law enforcement and firefighting assistance in and many other areas throughout our state. Should this proposed "user fee" tax increase become law, many areas may no longer have continued access to these vital services and resources.

Perhaps worst of all, in addition to raising taxes on small towns and small businesses, the proposed "user fee" tax would require a large and expensive new government collection bureaucracy and would place our National Air Traffic Control System under the control of the commercial airlines and away from Congressional oversight. We believe that the FAA should be a safety agency, not a revenue-collecting agency.

The FAA "user fee" tax increase proposal is simply a bad deal for our economy, small businesses, and small towns. For this reason, The Airport Advisory Board wishes the City of New Braunfels to join with over 3000 businesses, charitable groups, associations, leading farm and rural organizations, state and local officials and individuals to protect our general aviation assets by passing this resolution and sending copies to the Governor, the State's Congressional Delegation and the Chairs and Ranking Members of the U.S. House Committee on Transportation & Infrastructure, and its Subcommittee on Aviation; the Chair and Ranking Member of the U.S. Senate Committee on Commerce, Senate Committee on Commerce, Science & Transportation, and its Subcommittee on Aviation Operations, Safety & Security.

**Finance:** \_\_\_\_\_  
**Attachments:** 2 pages

*Approved by a 5/0/0  
Vote under Consent Agenda - MR*

**Agenda Item #:** 45  
**Council Date:** \_\_\_\_\_

FISCAL IMPACT:

No immediate impact, but if User Fees are enacted a significant reduction in based aircraft and business activity can be expected.

BOARD RECOMMENDATION:

Unanimously and strongly recommend approval.

STAFF RECOMMENDATION:

Strongly recommend approval.

Finance: \_\_\_\_\_

Attachments: 2 pages

Agenda Item #: \_\_\_\_\_

Council Date: !



RESOLUTION 2007-R 27

A RESOLUTION TO AUTHORIZE THE OPPOSITION OF THE ENACTMENT OF PROVISIONS IN THE U.S. **S.B. 1300, THE AVIATION INVESTMENT AND MODERNIZATION ACT OF 2007** THAT IMPOSE AIR TRAFFIC CONTROL USER FEES, EXCESSIVE INCREASES IN AVIATION FUEL AND GAS TAXES AND REDUCES CONGRESSIONAL OVERSIGHT OVER THE FEDERAL AVIATION ADMINISTRATION.

Be it resolved by the City of New Braunfels of the State of Texas,

**WHEREAS**, general aviation sector is a vital engine of growth in the State of Texas economy providing jobs, economic opportunity and revenue.

**WHEREAS**, the Aviation Investment and Modernization Act of 2007 proposes to remove Congressional oversight over the Federal Aviation Administration (FAA)

**WHEREAS**, given the geography of the State of Texas a great many businesses and communities depend upon small planes and general aviation for access to medical treatment, mobility, economic opportunity, disaster relief and a wide range of critical resources and services.

**WHEREAS**, a user fee system is not necessary to achieve the funding needed to modernize our National Air Transport System

**WHEREAS**, general aviation is vital to the continued growth and prosperity of farmers, small towns and rural areas in the State of Texas.

**BE IT RESOLVED** This day the 29<sup>th</sup> of May, 2007, that the City of New Braunfels of the State of Texas respectfully opposes the enactment of the provisions of U.S. **S.B. 1300, The Aviation Investment and Modernization Act of 2007** that imposes air traffic control user fees, including "per flight charges," excessive increases in aviation fuel and gas taxes and reduces Congressional oversight over the Federal Aviation Administration.

**COPIES** of this resolution shall be transmitted the Governor, the State's Congressional Delegation and the Chairs and Ranking Members of the U.S. House Committee on Transportation & Infrastructure, and its Subcommittee on Aviation; the Chair and Ranking Member of the U.S. Senate Committee on Commerce, Senate Committee on Commerce, Science & Transportation, and its Subcommittee on Aviation Operations, Safety & Security.

PASSED AND APPROVED, this the 29<sup>th</sup> day of May, 2007

CITY OF NEW BRAUNFELS, TEXAS

  
\_\_\_\_\_  
Mayor, Bruce Boyer

ATTEST:

*Michael A. Resendez*  
City Secretary, Michael Resendez




## CERTIFICATION

I, Michael A. Resendez, City Secretary for the City of New Braunfels, Texas, do hereby certify that I am the custodian of the official records for the City of New Braunfels, Texas, and that a true and correct copy of Resolution No. 2007-R27 as adopted by the New Braunfels City Council on May 29, 2007, is attached herewith, as filed in my office.

Dated this 31<sup>st</sup> day of May, 2007.



  
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Michael A. Resendez  
City Secretary  
City of New Braunfels, Texas