



AMERICAN COUNCIL OF ENGINEERING COMPANIES

## Aviation and Airport Investment

### ISSUE

Federal Aviation Administration (FAA) funding and programs need to be reauthorized this year, giving Congress a crucial opportunity to bolster the U.S. economy by modernizing aviation infrastructure and providing long-term funding stability. **ACEC urges Congress to support an FAA reauthorization bill that boosts investment, promotes uniform procurement and auditing standards, and facilitates the use of unmanned aircraft systems.**

### BACKGROUND

America's airports are powerful economic engines, generating more than \$1.1 trillion in annual activity and supporting more than 9.6 million jobs. Over the next five years, airports will require over \$15 billion annually to update aging facilities, relieve delays and congestion, and promote safety and security. Direct federal funding through the FAA's Airport Improvement Program (AIP) – which has not been increased in more than a decade – covers only a fraction of the total infrastructure projects required to upgrade and maintain our world-class aviation system.

Congress should maximize investment in airport capital improvement projects in the next FAA Reauthorization in order to boost economic growth and enhance the passenger experience. This includes necessary increases in core AIP funding as well as an increase in the cap on Passenger Facility Charges (PFCs) to give airports the tools to meet their capital needs.

Aviation programs and airport projects would also be improved through a consistent, uniform standard for procurement and contracting of engineering and design services. A Qualifications-Based Selection (QBS) procurement process – an open, competitive system where firms compete on the basis of qualifications, past experience, and the expertise they bring to a project – should be in place for all airport capital projects whether funded through AIP or PFCs. In addition, contracts with engineering and design firms should be subject to federal standards for cost accounting and audits. These provisions would provide consistency with existing rules for surface transportation projects, reducing regulatory burdens, enhancing competition and innovation, and ultimately saving taxpayer money.

Lastly, the FAA reauthorization process provides an opportunity for Congress to advance the safe and efficient integration of unmanned aircraft systems (UAS) into the national airspace. Many engineering and design firms have embraced the use of UAS for a wide array of services, including surveying, mapping, site monitoring, and inspections, among many others. Utilizing UAS can often be done with less risk and more accuracy than traditional means, yielding significant efficiencies and savings.

### KEY POINTS

- AIP is a critical source of funding for airports of all sizes, but falls short of meeting system needs. The FAA estimates there will be \$42 billion in AIP-eligible projects over the next five years.
- PFCs are user fees that are reinvested into the aviation system, but the current cap constrains investment opportunities. The \$4.50 cap on PFCs hasn't been adjusted for 16 years, and cost inflation has eroded the purchasing power by half.
- Confusing and costly local airport contracting practices conflict with federal standards. Federal rules outline the QBS process and what contracting costs are reasonable and allowable, while some local airport practices present a barrier to many engineering firms wishing to compete for projects.