



The National Air Transportation Association (NATA), the voice of aviation business, is the public policy group representing the interests of aviation businesses before the Congress, federal agencies and state governments. NATA's 2,000 member companies own, operate and service aircraft. These companies provide for the needs of the traveling public by offering services and products to aircraft operators and others such as fuel sales, aircraft maintenance, parts sales, storage, rental, airline servicing, flight training, Part 135 on-demand air charter, fractional aircraft program management and scheduled commuter operations in smaller aircraft. NATA members are a vital link in the aviation industry providing services to the general public, airlines, general aviation and the military. The following is a brief description of NATA's policy priorities for the second session of the 112th Congress.

Fuel Fraud Provision

Background

The fuel fraud provision, which was included in the 2005 Highway Bill, changed the collection of taxes for non-commercial aviation jet fuel and required the funds to be deposited into the Highway Trust Fund. This diversion of aviation fuel tax revenue has cost the Airport and Airway Trust Fund approximately \$50 million annually since the bill's enactment and is anticipated to cost another \$500 million over the next ten years. This policy has increased Highway Trust Fund revenues at the expense of the Airport and Airway Trust Fund. In addition, the onerous process of filing for the 2.5-cent-per-gallon refund with the IRS has put an undue burden on aviation businesses although there is no substantial evidence to prove that fuel fraud is taking place.

Issue

NATA is seeking support for the inclusion of legislative language in H.R. 7, the American Energy and Infrastructure Jobs Act of 2012 (the Highway Bill) to repeal the "fuel fraud" provision. NATA is requesting that members contact their Members of Congress in support of this repeal by [visiting the association's legislative action center](#).

President's Fiscal Year 2013 Budget

Background

On February 13, 2012, President Obama released a federal budget proposal for the United States Government to the U.S. Congress that recommended funding levels for fiscal year 2013 (FY13). Budget committees set spending limits for the U.S. House of Representatives and the U.S.

Senate committees and for twelve appropriations subcommittees, which ultimately approve individual appropriations bills to allocate funding for various federal programs.

Issue

The President's FY13 budget proposal includes a \$100-per-flight fee on the aviation industry in order to help reduce the federal budget deficit. The administration estimates that this user fee will generate \$7.4 billion over 10 years and this revenue would finance roughly three-fourths of airport investments and air traffic control system costs. The budget also recommends reducing the depreciation schedule of general aviation aircraft from five years to seven years to match the depreciation schedule of commercial aircraft. The administration claims this provision would reduce the deficit by \$2 billion over 10 years.

Over the past few years, the U.S. Congress has opposed any type of user fees on aviation to supplement the aviation trust fund. NATA understands the importance of sustaining the trust fund to ensure the safety and modernization of our national airspace system, and for this reason we have supported a sensible tax increase on general aviation fuels. NATA will also support an extension of bonus depreciation to help maintain the economic stability of our industry.

Freedom from Government Competition Act

Background

The Freedom from Government Competition Act, H.R. 1474 and S. 785, was introduced last year to reduce unfair government competition with the private sector, including small businesses. If a government-performed activity is available from private enterprise, that activity should be reviewed for performance by a tax-paying, for-profit company, rather than the government entity. Not only do federal agencies duplicate private business, many also engage in unfair government competition with the private sector.

Issue

Many aviation businesses have been affected by unfair government competition in cases where an airport sponsor, the landlord and a government entity, uses state and federal funding to construct or renovate facilities to compete directly with existing fixed base operators (FBO) at an airport. NATA is increasingly concerned that this could become a growing paradigm for our industry. This legislation would help level the playing field between airports and FBOs if airports continue to compete in the market unfairly.

[To read the white paper on this issue, please click here.](#)

Temporary Flight Restrictions

Background

The federal government limits air traffic around certain airports or regions, also known as temporary flight restrictions (TFRs) to protect the U.S. President and sporting events and for other reasons related to safety and security.

Issue

TFRs create a direct economic impact through loss of revenue for aviation businesses, including fixed base operators, on-demand air charter operators, maintenance facilities, flight schools and others. NATA believes there are ways to minimize the impact of TFRs on aviation businesses without compromising the safety of the President or special events, such as developing security procedures and protocols to enable general aviation operators that are subject to federal security programs to obtain access to airspace during TFRs. NATA will continue working with the U.S. Department of Homeland Security as well as the United States Secret Service in developing these procedures.

[To read the white paper on this issue, please click here.](#)

Large Aircraft Security Program

Background

In October 2008, the Transportation Security Administration (TSA) proposed the Large Aircraft Security Program (LASP) to govern operations for all aircraft weighing more than 12,500 pounds and require operators of those aircraft to implement an approved security program. The LASP proposal would, for the first time ever, require security programs for thousands of privately operated general aviation aircraft and ultimately seek to combine a number of security programs currently in place for general aviation, including the Twelve-Five Standard Security Program, into a single, uniform program.

Issue

Overall, this notice of proposed rulemaking demonstrates the TSA's troubling lack of knowledge and understanding of the general aviation community. The proposed rule is a very discouraging outcome after years of work at the agency, during which the industry offered assistance to provide an effective, feasible means to address the TSA's concerns. These offers of assistance were repeatedly declined by the TSA, and the resulting proposal reflects the agency's refusal to work with the industry. NATA has been working with the TSA to arrive at a compromise on the LASP program and to develop more appropriate methods to increase the already outstanding security record of general aviation.

[To read the white paper on this issue, please click here.](#)

Security Directive Issued for Airports

Background

In December 2008, the Transportation Security Administration (TSA) issued a security directive (SD) to the directors of airports serving commercial air carriers. This SD mandated changes to the issuance of airport identification media and expanded the base of individuals who would be required to obtain airport identifications. The SD mandates that any individual requiring unescorted access to the airport operations area (AOA) of an airport serving commercial air carriers must apply for and receive airport-issued identification media. This requirement may expand the airport identification process to include individuals not already required to be badged, which includes FBO employees, private aircraft owners, general aviation maintenance providers, flight instructors, flight school students and other airport tenants needing unescorted access to the AOA.

Issue

While this SD became final in May 2009, NATA has worked with Congress to find ways to combat future SDs that are issued without imminent threat. H.R. 3101, the Transportation Security Administration Reauthorization Act includes a provision to ensure that the TSA doesn't offer security directives in place of the federal regulatory processes without the presence of an imminent threat.

[To read the white paper on this issue, please click here.](#)

Congressional General Aviation Caucus

In 2009, the U.S. House of Representatives and the U.S. Senate established general aviation caucuses in their respective chambers to help educate Members of Congress and their staff about the vital role of general aviation. The primary goal of the House and Senate caucuses is to work with pilots, aircraft owners, the general aviation community and relevant government agencies to ensure that a safe and vibrant environment exists for general aviation in our country. Each caucus holds regular briefings for Members of Congress and their staff on specific issues affecting the industry. Both the House and Senate caucuses are open to all Members of the House and Senate despite party affiliation and committee assignments.

Currently, there are more than 140 members of the U.S. House of Representatives who have joined the House General Aviation Caucus. There are 28 members of the Senate General Aviation Caucus.

[To read the white paper on this issue, please click here.](#)