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AVIATION, HIGHWAY LEADERS JOIN BAUCUS AND GRASSLEY TO ADVOCATE TAX PROVISIONS IN FAA LEGISLATION

Finance Committee-passed provisions can lead to safe skies, safe roads, good-paying jobs

Washington, DC – Senate Finance Committee Chairman **Max Baucus** (D-Mont.) and Finance Ranking Member **Chuck Grassley** (R-Iowa) led a news conference today with general aviation and highway leaders to stress the need for key tax provisions in the pending Federal Aviation Administration reauthorization bill. The tax title developed by the Finance Committee in its FAA bill last September provide funding for the FAA’s NextGen satellite air traffic control system, designed to improve safety and efficiency in air travel, and to make the system current with those in Europe and elsewhere. The tax title also restores \$5 billion to the depleted U.S. highway trust fund to enable vital infrastructure repairs and new projects that will create jobs for tens of thousands of Americans.

“Every American air traveler is relying on an overloaded, outdated, radar system to get in the air on time and safely back on the ground. The highway trust fund is short, and states are putting off vital repairs and new projects. The Finance Committee crafted a tax title for the FAA bill to give all Americans access to safer skies, safer roads, and good-paying infrastructure jobs here at home,” said Baucus. **“The Senate should move quickly to pass this comprehensive FAA bill, with Finance-provided funds to improve air traffic control and to jump-start important highway projects.”**

“This legislation makes a vital contribution to securing and strengthening the transportation infrastructure needed for our economy and quality of life in America,” Grassley said.

Baucus and Grassley worked closely together with colleagues on the Senate Commerce Committee to agree on a tax title for the FAA/highway bill. More information on the agreement here: <http://www.finance.senate.gov/sitepages/leg/LEG%202008/FAA%20ReAuthorization.pdf>

Supporters joining the Senators today included leaders from the Aircraft Owners and Pilots Association (AOPA), the American Association of State Highway and Transportation Officials (AASHTO), the American Road and Transportation Builders Association (ARTBA), Associated General Contractors of America (AGC), the General Aviation Manufacturing Association (GAMA), and the National Business Aviation Association (NBAA). **See their comments on the following page.**

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GENERAL AVIATION, HIGHWAY LEADERS PRAISE THE TAX TITLE OF THE FAA REAUTHORIZATION ACT

American Association of State Highway and Transportation Officials Executive Director John Horsley: “The State Departments of Transportation support and deeply appreciate the efforts of Senators Max Baucus and Charles Grassley on two fronts – a financing package for the modernization of our nation’s aviation system and a fix for the Highway Trust Fund. With our Nation’s economy limping along, this is precisely the time that we need to be investing in our transportation infrastructure – both aviation and highways. Unless we can fill the \$3.3 billion hole in the Highway Trust Fund, the federal-aid highway funds going to the States will be dramatically reduced by \$13.5 billion by the end of September, 2009. This would be a severe economic blow to the states, at least half of which are facing their own budget shortfalls and would be unable to make up the difference. It would also cost thousands of good paying American jobs. Thank you, Senators, for your leadership.”

Aircraft Owners and Pilots Association President Phil Boyer: “The Aircraft Owners and Pilots Association congratulates and thanks Chairman Baucus and Senator Grassley for their leadership in crafting an FAA reauthorization bill that ensures modernization of the air traffic control system, provides needed funds for airport improvement, and enhances safety. But, of most importance to AOPA members, their bill does this through the current system of aviation taxes that have generated a stable and reliable funding stream for 40 years.”

American Road & Transportation Builders Association President and CEO Pete Ruane: “The Baucus-Grassley proposal is an economic stability measure that ensures thousands of American families won’t lose their jobs next year and signals to the stock market that the highway construction sector remains solid.”

Associated General Contractors of America CEO Steve Sandherr: “Failure to pass the Baucus/Grassley fix will reduce highway funding to states by 32 percent—about \$16 billion. The Baucus/Grassley provision will ensure that the Highway Trust Fund does not go into deficit next year.”

General Aviation Manufacturers Association President and CEO Pete Bunce: “We are grateful to Chairman Baucus for his tremendous leadership in reaching out to all segments of the aviation industry to find common ground that will increase funding for air traffic control modernization. Working with Senators Rockefeller, Grassley and Hutchison, Senator Baucus was able to craft an equitable solution that ensures a robust aviation trust fund through an efficient general aviation fuel tax mechanism.”

National Business Aviation Association President and CEO Ed Bolen: “Senators Baucus and Grassley have used their collaborative approach to working with other Members of the Senate to produce a bill that is clearly in the best interests of the United States and everyone who depends on aviation, including general aviation. We’re grateful for their hard work and leadership on this issue.”

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Highway Users Alliance President Gregory M. Cohen: “On behalf of millions of motorists, truckers, and 270 associations and businesses that care deeply about the health of our national highway system, the American Highway Users Alliance enthusiastically endorses the Senate Finance Committee's provision to correct the fiscal year 2009 shortfall in the Highway Account of the Highway Trust Fund. The Senate Finance Committee is to be commended for its bipartisan approach to developing and approving this provision. We urge the Senate to include these provisions in the final FAA bill.”

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