

Leaked memo shows House Freedom Caucus is really fighting this new FAA restructuring plan

Jazz Shaw, HotAir.com | February 9, 2016

Edit note: We were contacted by a House Freedom Caucus aide who wished to clarify that while the document published below was authored by both HFC and non-HFC sources, it is not officially the position of the entire House Freedom Caucus.

Last week [we talked about](#) a congressional move which introduced a plan to “de-federalize” air traffic control, shifting 30,000 federal workers into a non-profit corporation. I expressed some misgivings at the time, even though any move to reduce the size of the federal government gets high marks at first glance. I questioned why the unions were so gung-ho in favor of it, as well as whether or not there would really be any savings coming from the plan.

It turns out that I wasn’t alone in my questions over the wisdom of such a move. Hot Air has obtained a copy of a memo which is currently circulating around the House and it comes from the Freedom Caucus. In it, they lay out a number of points which indicate that this plan may not be the conservative goal which is portrayed in its selling points. I wouldn’t normally put in such a long quote, but since I can’t release the source of the memo you may as well read the entire thing for yourselves.

The AIRR Act is Not Conservative

H.R. 4441 – The AIRR Act, is anything but a conservative, free-market approach to air traffic control reform (ATC). The bill would establish a non-profit regulatory entity that would be designed and run by a board of self-interested industry stakeholders, absent congressional oversight. The costs of carrying out the proposal are undoubtedly high, largely unforeseen, and would be paid for by American taxpayers and the traveling public. In addition, separating ATC from the Federal Aviation Administration (FAA) and congressional oversight would create jurisdictional and regulatory ambiguities, and in this case, present blatant conflicts of interest.

New Special-interest Bureaucracy

H.R. 4441 would let a non-government board of industry and union special interests run the new entity created to regulate the ATC system, but the American people would still pay for it.

H.R. 4441 lets this 11-person board of directors make its own rules inside of very wide parameters set by the bill.

The new board would have the ability to collect charges and fees, also known as taxes, on system users – airline passengers and plane operators – and to modify those fees as it sees fit.

Diminished Congressional Oversight

Under H.R. 4441, Congress cannot control this new regulatory entity, surrendering its oversight function over this critical system.

Without congressional control or oversight, the American people would have less of a say in how U.S. airspace is governed, while still being forced to pay into the system.

The regulatory entity does not require reauthorization, eliminating regular review of the system by Congress.

High Cost to Taxpayers and a Sweet Deal for Unions

This is the first FAA bill in twenty years to be introduced without a including a way to pay for the bill.

The 30,000-plus current ATC employees and all U.S. ATC assets would be transferred, an undertaking of huge magnitude and cost that H.R. 4441 does not adequately capture.

Under H.R. 4441, air traffic controllers would retain all the benefits of a federal government union, but would no longer be subject to federal salary caps.

These employees can also choose to stay in federal pension programs and continue to draw federal healthcare benefits, even though they no longer are government employees.

The special interest-run entity would be given billions of dollars' worth of equipment originally paid for by taxpayers.

Less Safe

The U.S. has the safest, largest, and most complex air transportation system in the world. It is viewed worldwide as the gold standard of aviation safety.

Completely upending this system could introduce problems such as regulatory ambiguities and operational complications that could pose serious safety risks.

Some of this falls directly in line with the reservations I expressed. This new “non-profit” which would oversee the flight controllers would be, as quoted above, a non-government board of industry and union special interests. This structure would also remove them from a lot of government oversight while still allowing them to collect all of the associated “fees” which are already running wild. (And the memo’s author is correct that these are still de facto taxes and nothing more.) Who will pay for all of this? As I originally guessed, that would be the airlines. And since they never lay out a dime that they don’t squeeze back out of their customers with interest, you know who winds up paying for it in the end.

Not only that, but check out the benefits plan that the workers will be getting. (Listed toward the end of the memo.) They will still be enrolled in all of the taxpayer funded benefits of federal workers, so what’s the difference as to who is printing their paychecks? The idea that this will “shrink the size of government” is getting less and less plausible the more we learn.

Give this a look and let us know what you think. It’s a great sounding title for a bill, what with the idea of reducing the size of the federal government baked into the cake. But does it really? This is sounding more and more dodgy to me.

**Copied 2/24/2016 from: <http://hotair.com/archives/2016/02/09/leaked-memo-shows-house-freedom-caucus-is-really-fighting-this-new-faa-restructuring-plan/>
(Highlights, footnotes and minor edits may have been added by aiREFORM)**