



November 14, 2011

The Honorable Patty Murray
Co-Chair
Joint Select Committee on Deficit Reduction
United States Senate
448 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Jeb Hensarling
Co-Chair
Joint Select Committee on Deficit Reduction
United States House of Representatives
129 Cannon House Office Building
Washington, D.C. 20515

RE: Support for Passenger Facility Charge

Dear Senator Murray and Representative Hensarling:

On behalf of the California Airports Council (CAC), we would like to add our voice to the recommendations made by twelve airport operators that operate 16 large hub international gateway airports nationwide.

The CAC represents the 30 commercial service airports in the state and includes three large hubs and six medium hubs. Collectively, we provide essential services to nearly 167.5 million passengers and approximately 3.4 million metric tons of cargo that enter California's airports per year. This accounts for over 11.5% of all U.S. passenger enplanements, and almost 10% of all U.S. air cargo. In addition we are the nation's gateway to the Pacific Rim.

On October 27, 2011, a coalition of twelve airport operators wrote to your Committee recommending consideration of easing the federal regulation of the Passenger Facility Charge. This would allow airports to forego Airport Improvement Program entitlement funds, allowing the federal government to use the savings as spending cuts for deficit reduction.

On November 4, 2011, the Board of Directors of the California Airports Council voted unanimously to support the position expressed by the sixteen large hub international gateway airports in the U.S. regarding the Passenger Facility Charge. The October 27th letter from the nation's largest gateway airports indicated a significant level of savings if all large and medium

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hub airports were to opt in for this proposal. Over the span of 10 years, there would be a savings of \$3.4 billion. The unanimity of the CAC Board effectively illustrates the willingness of many airport operators, not only the country's largest, to accept this program and make a commitment to find alternatives to the federal funding of airport infrastructure.

As you work to identify the best ways to reduce spending while encouraging economic growth, we urge you to carefully consider the proposal to shift responsibility for certain airport revenues and expenditures to local communities, which will result in more transportation infrastructure at a lower cost.

Sincerely,

A handwritten signature in black ink, appearing to read "William Sherry". The signature is stylized with a large, sweeping initial "W" and a long, horizontal stroke extending to the right.

William Sherry, AAE
President
California Airports Council