

U.S. CONTRACT TOWER ASSOCIATION

NEWSLETTER

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Harold Thomas (left), manager of FAA's Contract Tower Office, and FAA officials outline the program's progress. Photos pages 6-7.

CONTRACT TOWER WORKSHOP VIEWS FUTURE OF PROGRAM

The AAAE/U.S. Contract Tower Association (USCTA)/FAA Contract Tower Program Workshop, held June 22-24 in Washington, D.C., drew more than 100 delegates to discuss the progress of the program and hear projections for its future from congressional, regulatory and industry officials.

Keynote speaker Peter Challan, FAA deputy associate administrator for air traffic services, expressed satisfaction with the program and described it as a "very professional and focused" government-industry partnership.

David Dobbs, assistant DOT inspector general for aviation audits, provided an update on the program from the point of view of his office. The IG has issued three reports that affirm the value of the contract tower program.

Rich Efford, majority clerk for the House transportation appropriations subcommittee, and Paul Doerrer, majority clerk for the Senate transportation appropriations subcommittee, updated workshop attendees on the status of legislation affecting FAA funding. Noting that FAA is under congressional pressure to control its operating budget, Efford said this will lead the agency to support programs such as the contract tower program to alleviate the financial strain.

FAA Contract Tower Program Office Manager Harold Thomas and staff members outlined the status of the program's operation, including security issues, tower dis-

plays and the National Air Traffic Controllers Association (NATCA) lawsuit.

A panel comprised of Shane Cordes, president and CEO of Midwest Air Traffic Control Services; Pete Dumont, director of aviation for Serco Management services, and Will Mowdy, vice president of air traffic control services for Robinson Aviation (RVA), discussed the contract tower program from the perspective of a contractor, as well as customer service issues.



U.S. Senate and House appropriations staff members Paul Doerrer (left) and Rich Efford (right), respectively, discuss FAA funding prospects for next year, including contract tower funding.

An update on tower radar displays and tower construction was given by David Kunen, STARS Lite product manager for Raytheon Co.; Rachel Jackson, marketing manager for Lockheed Martin ATM, and Bryan Lally, control towers project manager for AJT & Assoc.

Tim Rogers, A.A.E., director of Salina Municipal (Kan.) Airport, and J. Bryan Cooper, assistant airport director at St. Augustine (Fla.) Municipal Airport, outlined the process involved in constructing an FAA contract tower.

USCTA Policy Board Chair Jack Schelter, A.A.E., deputy aviation director at Phoenix Sky Harbor, and

(continued on following page)

Spencer Dickerson, AAAE senior executive vice president and executive director of USCTA, presented the first annual Willie F. Card Customer Service Award to Lewiston-Nez Perce (Idaho) Regional Airport and its contract tower, which is operated by Serco Management Services. Tower Manager Wendy Fredrickson accepted the award.

AAAE/USCTA express appreciation to the following workshop sponsors: AJT & Associates; Lockheed Martin ATM; Midwest Air Traffic Control Services; Northrup Grumman, Denro Systems; Quadrex Associates; Raytheon Co.; Robinson Aviation (RVA); Serco Management Services; Solacom, and WSI Corp.

At the conclusion of the workshop, Dickerson conducted a press briefing for a dozen members of the trade and consumer press. Cordes of Midwest ATC and Lynn Kusy, C.M., manager of Arizona's Williams Gateway Airport, also answered media questions about the contract tower program.

BILL JEOPARDIZES OPTION TO EXPAND PROGRAM TO VFR TOWERS

The House- and Senate-passed versions of FAA reauthorization legislation (H.R.2115 and S.824) were set to go to a joint conference committee as this newsletter went to press.

Both bills protect the current FAA Contract Tower Program but eliminate the option for the 71 airports with FAA-staffed Visual Flight Rule (VFR) towers to enter the program where supported by the local airport.

AAAE/USCTA are actively addressing this issue in presentations to key lawmakers and staff, as well as encouraging contract towers and contract tower airports to contact their senators and representatives.

The associations are stressing that, contrary to what some contend, this debate is not about privatizing the air traffic control (ATC) system. It is, rather, about protecting the management and operating flexibility of FAA to efficiently manage the ATC system within extremely tight budget constraints. The associations note that the aviation community has long supported giving FAA the management tools to operate the air traffic control system more effectively. This provision, if included in the final FAA reauthorization bill, would severely limit FAA's management authority and potentially have a negative impact on the entire aviation system.

AAAE/USCTA further are pointing out that the DOT Inspector General supports the expansion of the contract tower program to these 71 FAA-staffed VFR towers.

In addition, the White House has threatened to veto the final bill if it contains the restriction on expanding the

contract tower program.

A letter from DOT Secretary Norman Mineta to House Transportation and Infrastructure Committee Chairman Don Young (R-Alaska) stated that this provision "would restrict the department's ability to manage the air traffic control system. Prohibiting the conversion of government-provided air traffic control functions to the private sector is unnecessary and could hinder the efficient management of the FAA's air traffic control and related responsibilities by preventing the FAA from making strategic decisions on how to best perform its mission."

Mineta went on to say that the legislation does more than tie FAA's hands with respect to ATC management. He pointed out that certain FAA responsibilities are best fulfilled by contract, using a combination of government and private services. "For example," he said, "The FAA's air traffic control systems are increasingly composed of commercial components and software that build upon privately developed computer programs...If the bill is passed, the FAA's cost to maintain and install its systems would most likely increase significantly as the FAA tries to acquire needed data rights or foregoes the advantages of using commercial products."

Mineta said he is "particularly concerned" about the legislation's impact on the department's existing competitive sourcing initiatives. He noted that DOT is currently conducting a competition to evaluate the performance of its 61 flight services stations, which cost the government more than \$400 million annually. "We have every expect-

(continued on page 8)

U. S. C O N T R A C T T O W E R A S S O C I A T I O N

N E W S L E T T E R

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THE U.S. CONTRACT TOWER ASSOCIATION NEWSLETTER is published by the American Association of Airport Executives, the largest professional organization for airport executives in the world.

FAA CONTRACT TOWERS

(218 towers as of July 1, 2003. Towers marked with an asterisk are part of the cost-sharing program.)

| AIRPORT NAME | FAA REGION | STATE | AIRPORT NAME | FAA REGION | STATE |
|---------------------------------|---------------|-------|-----------------------------|---------------|-------|
| Bethel | AAL | AK | Burke Lakefront (Cleveland) | AGL | OH |
| Kenai Municipal | AAL | AK | Ohio State University | AGL | OH |
| *King Salmon | AAL | AK | Lunken Mun. (Cincinnati) | AGL | OH |
| Kodiak | AAL | AK | Cuyahoga County (Cleveland) | AGL | OH |
| Dubuque | ACE | IA | Rapid City Regional | AGL | SD |
| Forbes Field (Topeka) | ACE | KS | Appleton | AGL | WI |
| *Garden City | ACE | KS | Central Wisconsin | AGL | WI |
| Hutchinson Mun. | ACE | KS | Kenosha Municipal | AGL | WI |
| Johnson Co. Exec. | ACE | KS | Lacrosse | AGL | WI |
| Philip Billard Mun. (Topeka) | ACE | KS | Rock County (Janesville) | AGL | WI |
| *Manhattan | ACE | KS | Timmerman (Milwaukee) | AGL | WI |
| New Century Air Center (Olathe) | ACE | KS | Waukesha County Airport | AGL | WI |
| Salina Municipal | ACE | KS | Wittman Regional (Oshkosh) | AGL | WI |
| Columbia | ACE | MO | Bridgeport | ANE | CT |
| *Jefferson City | ACE | MO | Danbury | ANE | CT |
| Joplin Regional | ACE | MO | New London (Groton) | ANE | CT |
| Rosecrans Mem'l (St. Joseph) | ACE | MO | Brainard (Hartford) | ANE | CT |
| *Central Neb. (Grand Island) | ACE | NE | Tweed-New Haven | ANE | CT |
| Martin State (Baltimore) | AEA | MD | Waterbury/Oxford | ANE | CT |
| Washington Co. (Hagerstown) | AEA | MD | Barnes Municipal | ANE | MA |
| Salisbury-Wicomico | AEA | MD | Beverly | ANE | MA |
| Trenton | AEA | NJ | Hyannis | ANE | MA |
| Tompkins County | AEA | NY | Lawrence | ANE | MA |
| Niagara Falls | AEA | NY | Martha's Vineyard | ANE | MA |
| *Oneida County | AEA | NY | New Bedford | ANE | MA |
| Stewart | AEA | NY | Norwood | ANE | MA |
| Capital City (Harrisburg) | AEA | PA | Worcester | ANE | MA |
| Lancaster | AEA | PA | Boire Field (Nashua) | ANE | NH |
| *Latrobe | AEA | PA | *Lebanon Municipal | ANE | NH |
| *Williamsport/Lycoming Co. | AEA | PA | Eagle County | ANM | CO |
| Charlottesville-Albemarle | AEA | VA | Grand Junction | ANM | CO |
| Lynchburg | AEA | VA | Friedman Memorial (Hailey) | ANM | ID |
| Greenbrier Valley | AEA | WV | Idaho Falls | ANM | ID |
| Morgantown | AEA | WV | Lewiston-Nez Perce Co. | ANM | ID |
| Parkersburg | AEA | WV | Pocatello Municipal | ANM | ID |
| Wheeling Ohio Co. | AEA | WV | Gallatin Field (Bozeman) | ANM | MT |
| Bloomington/Normal | AGL | IL | Kalispell | ANM | MT |
| Decatur | AGL | IL | Missoula | ANM | MT |
| St. Louis Regional | AGL | IL | Klamath Falls | ANM | OR |
| So. Illinois/Carbondale | AGL | IL | McNary Field (Salem) | ANM | OR |
| Waukegan Regional | AGL | IL | Medford | ANM | OR |
| Williamson County (Marion) | AGL | IL | Pendleton | ANM | OR |
| *Bloomington | AGL | IN | Redmond | ANM | OR |
| *Columbus Municipal | AGL | IN | Troutdale (Portland) | ANM | OR |
| Gary Regional | AGL | IN | Ogden-Hinckley | ANM | UT |
| *Muncie/Delaware County | AGL | IN | Bellingham Int'l | ANM | WA |
| Battle Creek | AGL | MI | Felts Field (Spokane) | ANM | WA |
| Detroit City | AGL | MI | Olympia | ANM | WA |
| Sawyer | AGL | MI | Renton | ANM | WA |
| Jackson | AGL | MI | Tacoma Narrows | ANM | WA |
| Anoka (Minneapolis) | AGL | MN | *Walla Walla Regional | ANM | WA |
| Minot | AGL | ND | Yakima | ANM | WA |
| Bolton Field (Columbus) | AGL | OH | Cheyenne | ANM | WY |
| | | | Jackson Hole | ANM | WY |

| AIRPORTNAME | FAA REGION | STATE | AIRPORTNAME | FAA REGION | STATE |
|---------------------------------|---------------|----------------|---------------------------------|---------------|-------|
| Dothan | ASO | AL | Santa Fe Co. Mun. | ASW | NM |
| Brookley (Mobile) | ASO | AL | Ardmore Municipal | ASW | OK |
| Tuscaloosa Municipal | ASO | AL | Enid Woodring Mun. | ASW | OK |
| Albert Whitted (St. Petersburg) | ASO | FL | Lawton Municipal | ASW | OK |
| Boca Raton | ASO | FL | Univ. of Oklahoma/Westheimer | ASW | OK |
| Cecil Field | ASO | FL | *Stillwater | ASW | OK |
| Gainesville | ASO | FL | Wiley Post | ASW | OK |
| Hollywood | ASO | FL | Brownsville Int'l | ASW | TX |
| Craig (Jacksonville) | ASO | FL | Easterwood | ASW | TX |
| Key West | ASO | FL | Grand Prairie | ASW | TX |
| Kissimmee | ASO | FL | Laredo International | ASW | TX |
| Lakeland Municipal | ASO | FL | McAllen | ASW | TX |
| Melbourne | ASO | FL | McKinney Municipal | ASW | TX |
| Naples | ASO | FL | Redbird | ASW | TX |
| Opa Locka | ASO | FL | Rio Grande Valley (Harlingen) | ASW | TX |
| Page Field | ASO | FL | San Angelo | ASW | TX |
| Panama City/Bay Co. | ASO | FL | Stinson Municipal (San Antonio) | ASW | TX |
| Pompano Beach | ASO | FL | Sugar Land | ASW | TX |
| St. Augustine | ASO | FL | Tyler | ASW | TX |
| Stuart/Witham | ASO | FL | Waco | ASW | TX |
| Titusville/Cocoa | ASO | FL | Chandler | AWP | AZ |
| Athens Municipal | ASO | GA | Flagstaff Pulliam | AWP | AZ |
| Fulton County | ASO | GA | Glendale | AWP | AZ |
| Gwinnett County | ASO | GA | Goodyear (Phoenix) | AWP | AZ |
| *Macon | ASO | GA | *Laughlin/Bullhead City | AWP | AZ |
| McCollum | ASO | GA | Mesa/Williams Gateway | AWP | AZ |
| SW Georgia/Albany-Dougherty | ASO | GA | Ryan (Tucson) | AWP | AZ |
| Valdosta Regional | ASO | GA | Chico | AWP | CA |
| Barkley Regional (Paducah) | ASO | KY | Fullerton | AWP | CA |
| Owensboro/Daviess Co. | ASO | KY | Hawthorne | AWP | CA |
| Greenville Municipal | ASO | MS | Mather (Sacramento) | AWP | CA |
| Hawkins Field (Jackson) | ASO | MS | Modesto | AWP | CA |
| Meridian/Key Field | ASO | MS | Oxnard | AWP | CA |
| Tupelo Regional | ASO | MS | Palmdale | AWP | CA |
| *Concord | ASO | NC | Redding Municipal | AWP | CA |
| *Kinston | ASO | NC | Riverside | AWP | CA |
| New Bern | ASO | NC | Sacramento Executive | AWP | CA |
| Smith Reynolds (Winston-Salem) | ASO | NC | Salinas Municipal | AWP | CA |
| *Hickory Regional | ASO | NC | San Carlos | AWP | CA |
| Isla Grande | ASO | Puerto Rico | Brown Field (San Diego) | AWP | CA |
| *Grand Strand/Myrtle Beach | ASO | SC | San Luis Obispo | AWP | CA |
| Greenville Downtown | ASO | SC | Santa Maria | AWP | CA |
| Millington | ASO | TN | *South Lake Tahoe | AWP | CA |
| Smyrna | ASO | TN | *Victorville | AWP | CA |
| *McKeller-Sipes (Jackson) | ASO | TN | Whiteman (Los Angeles) | AWP | CA |
| Henry E. Rohlsen (St. Croix) | ASO | Virgin Islands | William J. Fox (Lancaster) | AWP | CA |
| Fayetteville | ASW | AR | Agana | AWP | Guam |
| Northwest Arkansas Regional | ASW | AR | Kalaeloa | AWP | HI |
| *Springdale | ASW | AR | Kona/Keahole | AWP | HI |
| Texarkana Mun./Webb Field | ASW | AR | Lihue | AWP | HI |
| Acadiana Regional | ASW | LA | Molokai | AWP | HI |
| Chennault | ASW | LA | *Elko | AWP | NV |
| Houma | ASW | LA | Henderson (Las Vegas) | AWP | NV |
| Alexandria | ASW | LA | Saipan International | AWP | MP |
| Shreveport Downtown | ASW | LA | | | |
| Farmington Municipal | ASW | NM | | | |
| Lea County/Hobbs | ASW | NM | | | |

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SCENES FROM THE JUNE 23-24 AAAE/USCTA/FAA CONTRACT TOWER WORKSHOP



USCTA Policy Board members Jack Schelter, A.A.E., deputy director of Phoenix Sky Harbor (left), Lynn Kusy, C.M., executive director of Williams Gateway (Ariz.) Airport (center), and Bryan Elliott, A.A.E., executive director of Charlottesville-Albemarle (Va.) Airport (right).



AJT & Associates was one of several companies to exhibit at the workshop.



AAAE Senior Executive Vice President and USCTA Executive Director Spencer Dickerson (left) and USCTA Policy Board Chair Jack Schelter, A.A.E., present the first Willie F. Card Customer Service Award to Wendy Fredrickson of Lewiston-Nez Perce (Idaho) Regional Airport.



Keynote speaker Peter Challan, FAA deputy associate administrator for air traffic services, praises USCTA services.



More than 100 delegates listen to speeches at the workshop.



Robert Bryant, A.A.E., manager of Salisbury-Ocean City-Wicomico (Md.) Regional Airport, and a USCTA Policy Board member, makes a point.

VISIT THE USCTA WEBSITE AT WWW.AIRPORTNET.ORG/CTA FOR MORE PHOTOS



Delegates heard an update on the FAA Contract Tower Program.



USCTA Policy Board Members Ted Soliday, executive director of the Naples (Fla.) Airport Authority (left), Mike Feeley, C.M., manager of Spinks (Texas) Airport (center), and Jerry O'Sullivan, manager of Greenbrier (W. Va.) Valley Airport (right), are recognized for service to USCTA.



FAA Contract Tower Program Office Manager Harold Thomas outlines the status of the program.



Wes Cozart (right) of Robinson Aviation participates in the exhibit area of the workshop.



Contractors (left to right) Shane Cordes of Midwest ATC Services, Will Mowdy of Robinson Aviation (RVA), and Pete Dumont of Serco Management Services, participate in the program.



The exhibit area was popular with workshop delegates.

tation that competition will identify innovations and lead to greater value for America's pilots at a lower cost to the taxpayer," he said.

The Bush Administration also issued a Statement of Administration Policy (SAP) to the Senate containing a similar position on the anti-ATC outsourcing provision.

In other provisions, both versions of the bill provide \$6.5 million for the contract tower cost-share program in fiscal year 2004, \$7 million in fiscal year 2005 and \$7.5 million in fiscal year 2006.

SENATE FLOOR DEBATE ON ANTI-ATC OUTSOURCING AMENDMENT

The following excerpts are from the Senate floor debate June 12 on Sen. Frank Lautenberg's (D-N.J.) anti-ATC outsourcing amendment to the FAA reauthorization bill, S.824.

Sen. Lautenberg (D-N.J.): I rise to offer a critical safety and security amendment to this FAA bill. My amendment would ensure that the air traffic control system and its personnel remain a government function. There is an attempt underway right now in the executive branch to open up air traffic control to private contractors. I believe we in the Congress must put a stop to this. There are some areas where it makes sense to contract out to private entities, but air traffic control is not one of them. The safety of our skies should not be put in the hands of the lowest bidder. We should not be looking to buy security on the cheap. I believe those who operate and maintain our air traffic control system are almost like a wing of the military. They keep us safe. They police our skies...

If the American people demanded that baggage screeners become federal employees at substantially increased salaries, this was an enormous cost burden we picked up. We took it out of the hands of the private sector, away from the airlines, to say: You were not buying security appropriately; you were not spending the money needed to keep the people interested, trained, and functioning. Why in the world, if we wanted the baggage screeners to become federal employees, would we contract out air traffic control to the lowest bidder? It does not make sense. One bag getting through at the wrong time could be a terrible tragedy. But one airplane in the wrong place at the wrong time would dwarf many of the opportunities others have to attack an airplane with a piece of baggage. The safety and security of the American people should not be the responsibility of the lowest bidder. It is a core responsibility of our government. To be able to muster the forces we need for our military endeavors, we have to know the people in the towers and their support system are always on the job, that they are reliable, that there is no dispute between a

company or corporate headquarters and the need of the people. That is why it is so shocking the FAA is being asked to take steps to privatize air traffic control in this country. It makes no sense, especially after Sept. 11. It is the opposite of what the public wants.

Sen. Trent Lott (R-Miss.): I, like you, have concerns about privatizing the air traffic controllers themselves. I also have sympathy for the flight weather service people because, in effect, in some areas I am familiar with, they are the air traffic controllers. But the amendment, as I understand it, and I think the Senator admitted, goes beyond demanding the tower or demanding the actual person looking at the screen and the flight weather service, it does expand to the other employees who are employed in the area—the service people, the repairmen, and perhaps even further than that. My question is, is that a fact?

Sen. Lautenberg: We are including all parts of the FAA, of the controller system, systems specialists, and the safety inspectors. As I tried to demonstrate, it is a whole unit. One thing is quite apparent. Very often when you have an organization the size of FAA, when functions are parceled out, very often the segment you have taken out—look at railroads where you have different unions that control different parts. If one of those unions has a disagreement with the management or with the operations of the company, they go out and can tie the whole thing up. Keeping this team together—the nurses in the operating room, the orderlies, all those people, beside the doctor and the guy now who is the person developing the equipment that in many cases now is doing the surgery—is all one thing. Would you think of splitting off parts of that and saying one part ought to be here, one part ought to be there? I think not. We include them all. We say this is one integrated system.

Sen. Lott: I want to make note of the fact for the record that Secretary Mineta has determined that air traffic control is a core function of the FAA and as such the administration would not consider outsourcing beyond the current contract tower program. I note that is a program that is in place, the contract towers, and it has broad general support. Twenty-five percent of all takeoffs and landings, mainly general aviation in the United States, occur at these traffic towers. There is an example of how contracting out has been done and is working. We will continue to work with the Senator. While I have some sympathy with what the Senator is trying to do as the amendment presently exists, it is too broad and I would have to oppose it.

Sen. Lautenberg: We are leaving out the contract tower program. We do not touch that at all. Those are special situations, smaller airports where more is demanded from the operation than can be given as part of the FAA. We have no problem with those. The amend-

ment we offer now is smaller in scope than my original bill. It covers only air traffic control, separation functions, system specialists, and flight service station controllers. There is a world far larger than that, that could be included which we have not included. The administration has already changed the designation of air traffic control from “inherently governmental” to “commercial.” It is more than a technical change. It opens the door to privatizing the air traffic control system. We currently have the best air traffic control system in the world, with 15,000 dedicated federal air traffic controllers who guide home safely more than 2 million passengers a day. They are expert professionals who perform under pressure every day to keep our skies safe. Air traffic controllers play a major role in homeland security...

Some claim privatization will save money, but we have to take a look at other countries' experiments with air traffic control privatization. When you do, you see financial messes and safety hazards. Australia, Canada, and Great Britain have all privatized systems that are now in crisis. Costs have gone up and safety has gone down. Since Great Britain adopted privatization, near misses have increased. That means near misses in the sky...Near misses have increased by 50 percent, and delays have increased by 20 percent. The British government has already had to bail out the privatized air traffic control company twice. Look at this quote from a Member of the British Parliament. The privatization of the U.K.'s air traffic control system was a grave mistake, and one that the United States can still avoid making. British air traffic controllers are among the best in the world, and they fought tooth and nail to keep ATC in the public sector. They insisted that the sale of the National Air Traffic Services—NATS—would lead to a collapse in morale, the unwise introduction of inadequate and unreliable equipment, and an increasing danger of catastrophic accidents. The government did not listen and went ahead. They were wrong and the air traffic controllers were right. This is from Gwyneth Dunwoody, a British MP in the House of Commons. Why should we jeopardize the public's safety in the skies? We have the best system in the world now. Why should we risk making it more dangerous and costly. We should not repeat the mistake other countries have already made. I want to make clear to my colleagues my amendment does not affect the expansion of the contract tower program. That is one that is contracted out away from the FAA, typically in smaller communities, and that service seems to function very well. It has been in place a long time. That program, which affects the small visual flight-rules airports, can be expanded to any of the 4,000 airports that are eligible. My amendment only affects FAA towers.

Sen. John McCain (R-Ariz.): I oppose this amendment and I think we ought to understand this amendment

does more than tie FAA's hands with respect to air traffic control management. It would prevent a host of broader measures as well. Certain FAA responsibilities are best fulfilled by contract, using a combination of government and private services, as is the case today. Congress gave the FAA unique procurement authority for exactly this reason and the amendment would compromise that authority. For example, the FAA's air traffic control systems are increasingly composed of commercial components and software that build upon privately developed computer programs. If this amendment passes, the FAA's costs to maintain and install its systems would most likely increase significantly as the FAA tries to acquire needed data rights to maintain the equipment or forgoes the advantages of using commercial products. Furthermore, the FAA would pay ever-escalating training costs to provide its workforce with the changing skills needed to maintain multiple systems. The amendment prevents the FAA's ability to reduce its operating costs by contracting out certain operations—such as providing weather information to pilots. Congress has been very critical of the FAA's continually increasing operating costs. This amendment would take a very important tool for controlling costs away from the FAA. The FAA is currently conducting a competition to evaluate the performance of its 61 flight service stations, which provide needed services, such as weather briefings, to general aviation pilots. The FAA expects that the competition will identify innovations and lead to greater value for America's pilots at a lower cost to the taxpayer. The bottom line is that the legislation would stop this study. Finally, this amendment prevents the FAA from expanding the existing contract tower program. This program allows smaller airports to continue to have air traffic control where an FAA tower might not be fully justified. The Transportation Department's Inspector General has examined this program. He found that contract towers are just as safe and effective as FAA towers and on average cost \$800 thousand a year less. This amendment would prohibit any other existing towers from becoming contract towers. FAA continues to operate about 71 towers that are similar in traffic and complexity to towers currently in the contract program. For example, in Virginia, the tower at Manassas Regional Airport, which has general aviation only, is FAA-operated but the tower at Charlottesville-Albemarle Airport, which has frequent commercial service, is a contract tower. Converting these towers could save the FAA about \$57 million dollars per year in operating costs and free up 900 controllers that could be used in more complex facilities and help meeting the pending wave of controller retirements. The administration is adamantly opposed to this amendment or any other provisions that would reduce the FAA's flexibility and ability to control

costs. In a letter to the House, Secretary Mineta indicated that he will recommend a veto of any bill that contained provisions similar to this amendment. We will hear today a lot of discussion about how admirably the air traffic controllers performed on Sept. 11, and it is true. It is absolutely true. They did a magnificent job. It is also true that the air traffic controllers in Canada worked extremely well with their partners, the counterparts in the U.S., and they are not government employees. They are privatized air control providers. All of us appreciate the enormous contributions and terrific jobs that our air traffic controllers did, and do. The question is, Will the administration be able to have the flexibility necessary to do such things as contract towers that operate without the complexities and difficulties that are associated with major air traffic control centers?...

Sen. Lautenberg: I want to say that there are places where the contract tower process can be used. There are some 4,000 airports across the country where the contract tower program might apply. I have no objection to those smaller airports converting to that system. But we are grandfathering those that are presently FAA controlled to continue in that vein to make sure that the system is intact, and that the integrity of the functioning is as planned. If there is a point in time at some future date when we want to look at this, I am more than willing to discuss it. But I want to know exactly what the implications are to the total system, and not simply look at this as a financial gain because in the long run, the financial gains are ephemeral..."

The Lautenberg amendment passed by a vote of 56-41. The vote was mostly along party lines with most of the Republicans voting against Lautenberg and almost all of the Democrats voting with Lautenberg. Senators who voted with the Democrats were Lisa Murkowski (Alaska), Judd Gregg (N.H.), Christopher Bond (Mo.), Jim Talent (Mo.), Mike DeWine (Ohio), George Voinovich (Ohio), Lincoln Chaffee (Rhode Island), James Inhofe (Okla.), Pete Domenici (N.M.), Arlen Specter (Pa.) and Peter Fitzgerald (Ill). The one Democrat to vote with the Republicans was Zell Miller (Ga.).

COURT RULES NATCA LAWSUIT AGAINST FAA MAY CONTINUE

The U.S. District Court for the Northern District of Ohio on May 23 denied the U.S. Justice Department's request for a protective order to prevent any further discovery in the National Air Traffic Controllers Association's (NATCA) lawsuit against FAA's Contract Tower Program.

Judge Ann Aldrich ruled that additional discovery procedures are appropriate in cases in which additional infor-

mation is needed to determine whether the agency in question—in this case, FAA—considered all relevant factors.

The Justice Department, on behalf of FAA, on Dec. 23, 2002, filed with the court requesting that NATCA's challenge against the contract tower program be dismissed or that the court issue a summary judgment in the case.

FAA considered that it had ended the original case by filing a revised A-76 study July 22, 2002, with the court. FAA's report concluded that air traffic services provided at the VFR towers in the agency's contract tower program are not "inherently governmental" operations that must be performed by federal employees.

NATCA, however, on Aug. 28, 2002, filed a supplement to its original complaint against FAA, saying the agency's July 2002 report was "clearly erroneous" and doesn't meet applicable legal standards. Further, NATCA petitioned the court to require that all privatized formerly FAA-operated air traffic control facilities be restored to FAA operation. NATCA also said FAA should be prohibited from further implementation of its plan to privatize FAA-operated ATC facilities.

25 AIRPORTS PARTICIPATE IN CONTRACT TOWER COST-SHARING

Twenty-five facilities were participating in FAA's contract tower cost-sharing program as of July 1, 2003.

They are: King Salmon (Alaska), Laughlin/Bullhead City (Ariz.), Springdale Municipal (Ark.), South Lake Tahoe (Calif.), Victorville (Calif.), Macon (Ga.), Muncie (Ind.), Columbus (Ind.), Bloomington (Ind.), Manhattan (Kan.), Garden City (Kan.), Jefferson City (Mo.), Central Nebraska/Grand Island (Neb.), Elko (Nev.), Lebanon Municipal (N.H.), Oneida County (N.Y.), Hickory Regional (N.C.), Concord (N.C.), Kinston (N.C.), Stillwater (Okla.), Latrobe (Pa.), Williamsport/Lycoming Co. (Pa.), Grand Strand/Myrtle Beach (S.C.), McKellar-Sipes Regional (Tenn.) and Walla Walla Regional (Wash.).

For information on the contract tower cost-sharing program, contact your FAA regional representative (listed on page 5).

NEW GA RUNWAY OPENS AT SALINA (KAN.) MUNICIPAL AIRPORT

The new 4,300-foot runway at Salina (Kan.) Municipal Airport opened for business June 30.

Salina Airport Authority board member Dr. Randy Hasler piloted the inaugural aircraft flight from the new runway. He took off in a twin-engine piston-powered Aerostar Super 700 from the general aviation runway designated 18-36. The new runway was designed to relieve conges-

RESOURCE LIST FOR NEW FAA CONTRACT TOWER CONSTRUCTION

The following list of officials at airports that have built FAA contract towers is provided to assist airports that are just beginning the process to construct new FAA contract towers.

• **Manhattan (Kan.) Regional Airport**

Russ Johnson, Director
5500 Fort Riley Blvd., S. 120
Manhattan, Kansas 66502
Phone (785) 587-4565
Fax (785) 587-4569
russj@ci.manhattan.ks.us

• **Stillwater (Okla.) Regional Airport**

Gary Johnson, Director
2020 W. Airport Rd., S. 1
Stillwater, Oklahoma 74075
Phone (405) 372-7881
Fax (405) 372-8460
gjohnson@stillwater.org

• **Tupelo (Miss.) Regional Airport**

Terry Anderson, Executive Director
2704 W. Jackson St.
Tupelo, Mississippi 38801
Phone (662) 841-6570
Fax (662) 841-6571
taa@flytupelo.com

• **St. Augustine/St. Johns (Fla.) Airport Authority**

Ed Wuellner, A.A.E., Executive Director
4796 U.S. Hwy 1 North
St. Augustine, Florida 32095
Phone (904) 825-6860
Fax (904) 825-6843
erw@staugustineairport.com

• **Jackson Hole (Wyo.) Airport**

George Larson, Director
P.O. Box 159
Jackson, Wyoming 83001
Phone (307) 733-7695
Fax (307) 733-9270
glarson@wyom.net

• **Boca Raton (Fla.) Airport**

Ken Day, Manager
3700 Airport Rd., S. 304
Boca Raton, Florida 33431
Phone (561) 391-2202
Fax (561) 391-2238
ken@bocaairport.com

• **Sugar Land (Texas) Regional Airport**

Phil Savko, Director
12888 S. Hwy 6
Sugar Land, Texas 77478
Phone (281) 275-2400
Fax (281) 275-2404
psvako@sugarlandtx.gov

• **Garden City (Kan.) Regional Airport**

Gus Esquivel, Director
2225 S. Air Service Dr., S. 112
Garden City, Kansas 67846
Phone (620) 276-1190
Fax (620) 276-1192
gesquivel@garden-city.org

• **Gallatin Field (Mont.) Airport**

Ted Mathis, A.A.E., Director
850 Gallatin Field Rd., S. 6
Belgrade, Montana 59714
Phone (406) 388-6632
Fax (406) 388-6634
ted.mathis@gallatinfield.com

• **Salisbury-Ocean City-Wicomico (Md.) Regional Airport**

Bob Bryant, A.A.E., Manager
5485 Airport Terminal Rd., Unit A
Salisbury, Maryland 21804
Phone (410) 548-4827
Fax (410) 548-4945
bbryant@wicomicocounty.org

• **Northwest Arkansas Regional Airport**

Kelly Johnson, A.A.E., Director
1 Airport Blvd., S. 100
Bentonville, Arkansas 72712
Phone (479) 205-1000
Fax (479) 205-1001
klj@flyxna.com

• **Glacier Park (Mont.) International Airport**

Mike Daigle, Manager
4170 U.S. Hwy 2 E
Kalispell, Montana 59901
Phone (406) 257-5994
Fax (406) 257-5960
mike@glacierairport.com

tion at Salina Airport's much longer parallel 13,337-foot runway and to reduce delays for military, government, corporate, transient, and flight training aircraft activities.

Aircraft activity from Kansas State University, Salina College of Technology & Aviation, military training, flight tests from Wichita's aircraft manufacturers, corporate aircraft, air carrier flights and other GA traffic will be accommodated more efficiently and safely with the opening of the new runway, officials said. There were nearly 100,000 total aircraft operations at the airport in 2002.

Salina Municipal Airport is a popular mid-continent fuel stop for corporate jet operators. Salina's two FBOs—Flower Aviation and Midway Aviation—last year delivered 4.7 million gallons of aviation fuel.

"The new runway at the Salina Airport is an exceptional development for the economy of this region," said Rep. Jerry Moran (R-Kan.), a member of the House aviation subcommittee who participated in the opening ceremonies. "The Salina Airport Authority is to be commended for its foresight in adding to the community's infrastructure and in the process making the Salina Airport and Industrial Center an even stronger participant in the economic recovery of the region," he added.

The board of the Salina Airport Authority was able to finance the \$1.4 million new runway with its own General Obligation Bond funding, making it one of the country's few new runways paid for without using federal funds.

The Salina Municipal Airport and Industrial Center covers 4,000 acres and is home to more than 70 businesses employing more than 4,500 employees. The Salina Airport and Airport Industrial Center are integral components of the region's economy and the state's economic development efforts, officials said.

Airport businesses and organizations such as Eldorado National of Kansas, Kansas Army National Guard, Kansas State University-Salina College of Technology and Aviation, Aerospace Systems and Technologies, Professional Flight Training LC, Flower Aviation, Midway Aviation, Love Box Co., Salina Aircraft Services, ADM Milling Co., Blue Beacon International, Raytheon Aircraft Company's Salina Division, Salina Vortex Corp., and Tony's Pizza Service, combine to contribute more than \$120 million in annual payroll to the Salina economy.

CONTRACT TOWER ASSOCIATION GAINS SIX NEW MEMBERS

The newest members of the U.S. Contract Tower Association (USCTA) are Stillwater Municipal Airport (Okla.), Wiley Post Airport (Okla.), Cuyahoga County Airport (Ohio), Washington Consulting Group, William E. Payne & Assoc., and Chandler Municipal Airport (Ariz.).

Spencer Dickerson, senior executive vice president of AAAE, is executive director of USCTA. Consultants to USCTA are Linda Hall Daschle and Bert Randall of Baker Donelson Bearman & Caldwell; Patrick McCann of McCann Capitol Advocates, and Larry Barnett of AB Management Associates.

Members of the 2003 USCTA Policy Board are: Jack Schelter, A.A.E., deputy director of aviation, Phoenix Sky Harbor International Airport, chair; Bryan Elliott, A.A.E., executive director, Charlottesville Albemarle Airport Authority (Va.); James Hansford, A.A.E., manager, Central Wisconsin Airport; Tim Rogers, A.A.E., executive director, Salina Airport Authority (Kan.); Ted Soliday, executive director, Naples Airport Authority (Fla.); Steve Stockam, manager, Joplin Regional Airport (Mo.); Michael Covalt, manager, Flagstaff Pulliam Airport (Ariz.); Lynn Kusy, executive director, Williams Gateway Airport (Ariz.); Walt Strong, C.M., administrator, Max Westheimer Airport (Okla.); Richard Howell, A.A.E., director, S.W. Georgia Regional Airport; Bill Gatchell, C.M., airports supervisor, Lea County Airports (N.M.); Jerry O'Sullivan, manager, Greenbrier Valley Airport (W. Va.); Richard Baird, manager, Freidman Memorial Airport (Idaho); Robert Bryant, A.A.E., manager, Salisbury-Ocean City-Wicomico Regional (Md.); Steve Harvey, director of operations, Chennault International (La.); Scott Carr, C.M., deputy executive director, Titusville-Cocoa Airport Authority, (Fla.); Russ Chandler, manager, Craig Airport (Fla.); Michael Feeley, C.M., manager, Spinks Airport (Texas); Russ Johnson, director, Manhattan Regional Airport (Kan.); Shane Cordes, president and CEO, Midwest ATC; Steve Christmas, vice president-aviation, Serco Management Services; Will Mowdy, director-ATC services, RVA, and Brian Lally, vice president/manager engineering services, AJT & Assoc.

The following are members of the association: Hawaii Department of Transportation, Oregon Department of Aviation, Mobile Downtown Airport (Ala.), City of Phoenix Aviation Department (Ariz.), Chandler Municipal Airport (Ariz.), Mesa/Williams Gateway (Ariz.), Flagstaff (Ariz.) Pulliam Airport, Laughlin/Bullhead City, (Ariz.) International, Tucson (Ariz.) Airport Authority, Northwest Arkansas Regional Airport, Sacramento (Calif.) County Department of Airports, San Luis Obispo County Airport (Calif.), Modesto City-County Airport (Calif.), Los Angeles County Aviation Division (Calif.), Ramona Airport-County of San Diego (Calif.), San Diego (Calif.) Brown Field, Redding (Calif.) Municipal Airport, Salinas (Calif.) Municipal Airport, Santa Maria Public Airport District (Calif.), Eagle County (Colo.) Regional, Boca Raton Airport (Fla.), Jacksonville/Craig (Fla.) Airport, Kissimmee (Fla.), Martin County Stuart/Whitham Airport (Fla.), Na-

ples Municipal Airport (Fla.), New Smyrna Beach Municipal Airport (Fla.), Titusville-Cocoa Airport (Fla.), Page Field (Fla.), Lakeland (Fla.) Linder Regional Airport, St. Augustine Airport (Fla.), Vandenberg Airport (Fla.), Ormond Beach Municipal (Fla.), Southwest Georgia Regional Airport, Cobb County-McCollum Field Airport (Ga.), Gwinnett County Airport (Ga.), Valdosta Regional Airport (Ga.), Friedman Memorial Airport (Idaho), Idaho Falls Regional Airport (Idaho), Pocatello Regional Airport (Idaho), Lewiston-Nez Perce County Regional Airport (Idaho), Waukegan Regional Airport (Ill.), Quincy (Ill.) Municipal Airport, Southern Illinois Airport, St. Louis Regional Airport (Ill.), Williamson County Regional Airport (Ill.), Delaware County Airport (Muncie, Ind.), Columbus Municipal Airport (Ind.), Johnson County Municipal Airport (Kan.), Metro Topeka Airport Authority (Kan.), Salina Municipal Airport (Kan.), Manhattan (Kan.) Regional Airport, Garden City Regional Airport (Kan.), Paducah Airport (Ky.), Shreveport Downtown Airport (La.), Alexandria International Airport (La.), Chennault International Airport (La.), Salisbury-Ocean City Wicomico (Md.) Regional Airport, Martin State Airport (Md.), Worcester (Mass.) Regional Airport, St. Cloud Regional Airport (Minn.), W.K. Kellogg Airport (Mich.), Sawyer International Airport (Mich.), Jackson Municipal (Miss.), Olive Branch Municipal Airport (Miss.), Tupelo Regional Airport (Miss.), Columbia Regional Airport (Mo.), Joplin Regional Airport (Mo.), Jefferson City Memorial Airport (Mo.), Rosecrans Memorial Airport (Mo.), Glacier Park (Mont.) International, Gallatin Field (Mont.), Missoula (Mont.), Central Nebraska Regional Airport, Elko Municipal Airport (Nev.), Henderson (Nev.) Executive Airport, Nashua (N.H.) Airport Authority, Lea County Airports (N.M.), Double Eagle II Airport (N.M.), Concord Regional Airport (N.C.), Craven Regional Airport (N.C.), Hickory Regional Airport (N.C.), Smith Reynolds Airport (N.C.), Bolton Field (Ohio), Cuyahoga County Airport (Ohio), Cleveland Burke Lakefront Airport (Ohio), Cincinnati Municipal-Lunken Airport (Ohio), Ohio State University Airport (Ohio), Ardmore Municipal Airport (Okla.), Max Westheimer Field (Okla.), Stillwater Municipal Airport (Okla.), Wiley Post Airport (Okla.), Eastern Oregon Regional Airport, Redmond Municipal Airport (Ore.), Arnold Palmer Regional Airport (Latrobe, Pa.), Capital City Airport (Pa.), Greenville Downtown Airport (S.C.), Rapid City Regional Airport (S.D.), Smyrna Rutherford County (Tenn.), Jackson Madison County Airport (Tenn.), Arlington Municipal Airport (Texas), Ellington Field (Texas), Laredo International Airport (Texas), Harlingen Valley International (Texas), Brownsville/South Padre Island International (Texas), Grand Prairie Municipal Airport (Texas), McKinney Municipal Airport (Texas),

Spinks Airport (Texas), Charlottesville-Albemarle Airport (Va.), Lynchburg Regional Airport (Va.), Spokane (Wash.), Walla Walla Municipal Airport (Wash.), Olympia Airport (Wash.), Greenbrier Valley Airport (W.Va.), Chippewa Valley (Wis.) Regional Airport, Kenosha Regional Airport (Wis.), Milwaukee Timmerman (Wis.) Airport, LaCrosse Municipal (Wis.), Central Wisconsin Airport (Wis.), Outagamie County Regional Airport (Wis.), Waukesha County Airport (Wis.), Cheyenne Airport (Wyo.), Jackson Hole Airport (Wyo.), AJT & Associates, CI2 Aviation, Engineering & Installation Services (EIS), Northrup Grumman ES Denro Systems, Lockheed Martin ATM, Marsh USA, Midwest Air Traffic Control Services Inc., Quadrex Associates, Raytheon Company-Air Traffic Management Systems, Robinson Aviation (RVA), Serco Management Services, SolaCom Technologies, Stonefield LLC, Washington Consulting Group, Weather Services International and William E. Payne & Assoc.

NEWSPAPER ARTICLES ABOUT FAA'S CONTRACT TOWER PROGRAM

Contract Tower Battle: 71 Airports

Airports, July 8, 2003

The Contract Tower Association wants FAA to retain the authority to privatize VFR operations at another 71 airports while protecting the status of the 218 towers currently privatized, Spencer Dickerson, executive director of the association, said last month.

Dickerson, who also serves as senior executive vice president of the American Association of Airport Executives, outlined his concerns recently at a press luncheon in Washington. His comments come as the Bush administration threatens to veto the fiscal 2004 FAA authorization if provisions barring any further ATC privatization are not removed (Airports, June 24).

Other goals include the appropriation of \$82.5 million to fund the contract tower program next year and another \$6.5 million to continue the cost-sharing program, in which airports that do not fully meet FAA's cost-benefit formula can make up the difference to trigger privatization.

The National Air Traffic Controllers Association suit against contract towers is now in its ninth year. NATCA has always been concerned about privatization expanding further into air traffic control, which is the underlying issue in the dispute between the Bush administration and the non-privatization provisions in the Senate FAA reauthorization, proposed by Sen. Frank Lautenberg (D-N.J.). Dickerson, however, said that CTA's goal is not to gradually "chip away" at government-run air traffic control. CTA's interest is in preserving that option for the 71 air-

ports, he said, in the event the airports are interested and FAA deems an application appropriate.

Part of NATCA's argument has been the success of FAA's controllers in rapidly and safely landing thousands of aircraft after the terrorist attacks of Sept. 11. Dickerson acknowledged that feat but said there were "hundreds of contract-tower controllers who also guided planes that day." He added that contract towers handle President Bush's flights at Waco, Texas, and Vice President Dick Cheney's into Jackson Hole, Wyo. Dickerson cited reports from the DOT Inspector General's office endorsing the cost-effectiveness and safety of the program, and said the numbers show that their safety record is "extremely good."

Dickerson also pointed out that the 17 largest contract towers handle more traffic than the 15 smallest FAA towers. NATCA, which opposes any further privatization, criticizes the record of privatization in the United Kingdom, Canada and Australia. NATCA describes those "experiments" with privatization as "at best, financial messes and, at worst, safety hazards."

Ruth Marlin, NATCA executive vice president, told Airports that "just" 71 airports "is a fairly major invasion" of privatization. Those airports also consist of what used to be called Level 2 and Level 3 facilities, she said - larger, more complex operations than those that have already entered the contract tower program.

Marlin said NATCA is not opposed to all contract towers. Of the 218 now privatized, 90 are run under the cost-sharing program, "and legitimately those towers are airports that otherwise would not have a tower," she said.

Asked whether NATCA anticipates having to fight the expansion of privatization every year, Marlin pointed to easy passage of amendments attached to FAA reauthorizations in the House and Senate backing NATCA's position on privatization.

"I think once this [FAA] reauthorization passes, it will be clear that those who are elected to speak for the American people, spoke."

NATCA Opposes Calls To Alter Contract Tower Compromise

Aviation Daily, June 30, 2003

Congress should ignore calls from the contract tower industry to change proposed legislation allowing expansion of the contract tower program, says National Air Traffic Controllers Association (NATCA) President John Carr.

Carr said both the House and Senate already voted to include a provision that would prevent further outsourcing of towers in their versions of FAA reauthorization legislation. There is a chance this provision could be altered during the House-Senate conference committee that is expected to begin soon, but Carr said he is "hopeful"

that lawmakers will not be influenced by the Administration or industry lobby groups and will leave it unaltered.

Language in both bills would prevent future privatization of the air traffic control system. It would leave current contract towers untouched and would still allow non-towered airports to enter the contract tower program. However, it would not allow the 71 VFR towers that are staffed by FAA to be outsourced. The U.S. Contract Tower Association (USCTA) said this would put an unwelcome constraint on FAA, and the White House opposed the anti-privatization provisions (DAILY, June 25).

Carr said these provisions are essentially a compromise preserving the status quo for the contract tower program, and the USCTA helped develop the language.

Separately, Carr said he is optimistic a resolution may come soon in NATCA's nine-year legal challenge alleging the contract tower program was established illegally. Carr said NATCA offered a settlement to FAA, but it is no longer on the table

Federal Board Releases Findings On Deerfield Beach Plane Collision

South Florida Sun-Sentinel, June 27, 2003

Just before the collision that left five dead, a southbound Cessna 172 raised its wing, as if its pilot suddenly saw another airplane in his path. Still, the plane clipped the wing of the northbound Cessna 182.

The Cessna 172, carrying a family of three, spun almost straight down and crashed just south of the Deerfield Beach International Fishing Pier.

The Cessna 182, with two missionaries on board, seemed to be under control for a moment. Then it, too, fell out of the sky, crashing north of the pier.

These details were released Thursday in a National Transportation Safety Board preliminary report, showing how the two planes might have slammed together at 7:50 p.m. on June 17.

Based mostly on witness accounts, the report seems to contradict NTSB evidence that the two planes hit head-on, notably that the metal atop both planes was peeled back.

However, investigators still think the two planes rammed almost head-on, with the wings of both planes hitting the roof of the other, said Jeff Kennedy, head of the NTSB's Miami office. "So it wasn't truly head-on, but slightly off center," he said.

Witnesses placed the Cessna 172 slightly lower than the faster, more powerful Cessna 182, said the report, prepared by safety board investigator John Lovell. According to radar information captured at Boca Raton Airport, both planes were flying at about 1,100 feet above the ocean.

At the controls of the Cessna 172 was private pilot Johnny Mark Willey, 39, of Margate, who was taking his

wife, Susan, 43, and daughter, Shelbi, 12, for a ride. He was heading back to Fort Lauderdale Executive Airport, where he was training to be an airline pilot.

Steve Ross, 46, of Boca Raton, a chaplain who had a commercial pilot's license, was flying the other plane, planning to land at Boca Raton Airport. He and passenger Douglas Bauer, 48, were returning from the Bahamas and had just cleared U.S. Customs at Fort Lauderdale-Hollywood International Airport.

The safety board determined neither plane was "actively being worked by air traffic control" and thus did not receive a traffic advisory that the other was in the vicinity, Kennedy said.

Kennedy said Ross, in the Cessna 182, contacted the Boca Raton control tower, announcing he was approaching for landing. Although the 172 had passed through Boca Airport's airspace, Willey apparently made no call to the control tower, he said.

Kennedy said in any case, both pilots were responsible for seeing and avoiding the other.

"Where the collision occurred was not controlled airspace," he said. "Therefore, you're on your own."

(Editor's Note: Boca Raton is an FAA Contract Tower facility.)

Contract Tower Group Calls On Congress To Protect Program

Aviation Daily, June 25, 2003

The major industry group representing contract towers is urging lawmakers to ensure the FAA reauthorization bill protects the current crop of contract towers and secures FAA's ability to expand the program.

U.S. Contract Tower Association (USCTA) Executive Director Spencer Dickerson said yesterday the apparent intent of both versions of the reauthorization bill is to prevent anti-privatization clauses from affecting the 218 contract towers and let FAA bring non-towered airports into the program. While Dickerson applauds these efforts, he also wants lawmakers to make these protections "crystal-clear."

However, both bills also include language that would take away the agency's right to contract out the 71 VFR towers staffed by FAA controllers, Dickerson said. He called on lawmakers to reverse these provisions, which would "handcuff" FAA's ability to manage its budget. FAA has no immediate plans to outsource these 71 towers, but its option to do so should be preserved, said Dickerson.

FAA spokesman Greg Martin agreed the outsourcing option should be retained, saying lawmakers should not "give us clear directions to operate more efficiently and effectively and then remove the tools for us to do that." The White House has threatened to veto the reauthoriza-

tion bill if it includes anti-privatization language (DAILY, June 12), and Dickerson said he hopes the Administration will "get engaged in this issue."

Dickerson said the contract tower program saves FAA about \$50 million-\$60 million a year because the outsourced towers would cost twice as much if staffed by FAA controllers. Contract towers account for about 25% of annual U.S. aircraft operations, he said.

The National Air Traffic Controllers Association (NATCA), a vociferous opponent of the program, launched litigation to bring contract towers back into the FAA fold. Dickerson said it is uncertain what effect the anti-privatization language in the reauthorization measure would have on this nine-year-old lawsuit, but the agency is unlikely to expand the program until the litigation is resolved.

White House Threatens Reauthorization Veto

Airports, June 24, 2003

Bush administration threatens to veto FAA reauthorization over the inclusion of language preventing any further privatization of air traffic control (ATC) are likely hollow, congressional and industry sources say.

In a "statement of administration policy" released June 11, the White House said while it supported FAA reauthorization, it strongly opposed a provision that would block ATC privatization. "Such restrictions are unnecessary and would hinder the ability of the [FAA] to manage the air traffic control system," the statement read. "If the final legislation includes provisions that would inappropriately prohibit the conversion of FAA facilities or functions from the Federal Government to the private sector, the President's senior advisors would recommend that he veto the bill."

At the center of the administration's maneuvers, sources say, is an amendment attached to the reauthorization bill by Sen. Frank Lautenberg (D-N.J.) during debate that would preserve all ATC controllers, specialists such as maintenance technicians, and flight service station controllers as "inherently governmental" functions. A similar amendment was attached to the House version by Transportation Committee Chairman Don Young (R-Alaska) and ranking member James Oberstar (D-Minn.). The language would counter the administration's reclassification of ATC earlier this year as a commercial activity. Despite making the new classification, FAA Administrator Marion Blakey has assured members of Congress the administration does not intend to seek ATC privatization.

Blakey is under pressure to adhere to President Bush's goal of contracting out 15% of federal agency work, according to Lautenberg staffers. "[Office of Management and Budget] watchdogs, armed with spreadsheets on the federal workforce, are pushing agencies hard to meet this 15% quota," said an e-mail from Lautenberg's office to

congressional members clarifying the lawmaker's position. "Ms. Blakey was hoping to get away with her action of deeming air traffic control 'commercial' so that she could fulfill her quota, and get OMB off her back."

The administration would be "crazy" to veto reauthorization over the issue of ATC privatization, said Dan Katz, chief counsel for Lautenberg. "The public wanted the baggage screeners federalized, so why would the public want Bush to put those Wackenhut guys in charge of air traffic control?" Katz said.

Furthermore, said another staffer for the lawmaker, holding up the multibillion-dollar reauthorization would risk upsetting the nation's aviation system "in a manner almost as severe as 9/11 did. There's a reason why the aviation bill is moving faster than all the other transportation bills this year," the staffer said.

Congressional sources say DOT Secretary Norman Mineta toned down the veto threat immediately after the reauthorization bill was passed out of the Senate. A DOT spokesman, however, said there was no indication Mineta said anything contrary to the statement. "We stand behind the statement of administration policy," he said.

The American Association of Airport Executives (AAAE) is worried that the House and Senate provisions would handcuff FAA's ability to manage operations efficiently. AAAE, a staunch advocate of the contract tower program, has long advocated expanding the program from the current 218 visual flight rule (VFR) towers to FAA's remaining 71 VFR towers. But the reauthorization bill language would block that, said Spencer Dickerson, senior executive VP of AAAE and executive director of the Contract Tower Association. "The prohibition in both bills would protect those airports that would qualify for the program," such as current contract towers, non-federal towers and certain other non-towered airports, he said. "All we're saying is preserve the option where it's supported by the local airport," he said.

"Veto threats are not to be taken lightly," Dickerson said. "Right now, we're hearing they're pretty serious about it."

Ken Montoya, lobbyist for the National Air Traffic Controllers Association believes the administration is bluffing. He pointed to the strong Senate vote protecting ATC from more privatization — 56 to 41, including 11 Republicans — as an example of the bipartisan support, which he hopes will carry the provision through conference. "We're going to fight for the Lautenberg amendment as it stands," he said.

Although the administration protests it has no intention of privatizing ATC, Blakey has qualified her statements by saying there's no intention to privatize roles at en route centers or large TRACONs [Terminal Radar Approach Control], which could leave about 265 facilities

eligible for contracting out, Montoya said. "It gives us pause, if they're true to their statement that they plan not to contract out," he said. If that's true, according to Montoya, then with Lautenberg's language, "all Congress is doing is codifying their agreement."

Aircraft Owners and Pilots Association President Phil Boyer also is wary. "The administration can protest all it wants that it has no plans to contract out air traffic control, but the fact that they're willing to threaten a veto of an FAA spending bill that contains so many good things for aviation over this language makes clear their real intent," Boyer said. "The Administration's tough stance leaves nothing to the imagination of those of us in aviation who fear a privately run air traffic system.... It's clear what their agenda is."

Congress and Bush Split On Privatizing at F.A.A.

New York Times, June 20, 2003

Air traffic control has become a flashpoint of the Bush administration's effort to contract out hundreds of thousands of federal jobs to the private sector.

Both the House and Senate voted last week to forbid further privatization of the air traffic system, after vigorous lobbying by the controllers' unions, supported by a group representing private pilots. Soon, negotiators for the two houses will iron out differences in the bill to which the measures were attached. The underlying bill authorizes the Federal Aviation Administration to spend money for the next few years; the House version is for \$58.9 billion over four years, and the Senate version is for \$43.5 billion over three years.

The administration is threatening to veto the bill over the privatization provision. On June 11, it announced that "restrictions are unnecessary and would hinder" the ability of the aviation agency to manage the air traffic control system. In May, the administration said that of 850,000 government jobs that it says could be handled by private contractors, it would like to open 15 percent of them to private-sector competition in the current fiscal year, which ends on Sept. 30. Officials have said they would like to find some of those jobs at the F.A.A.

More than 200 airports, mostly small, already have "contract towers" with privately employed air traffic controllers, and as the aviation agency has bought new air traffic computers, it has bought maintenance contracts on some of that equipment from the vendors, rather than using its own technicians.

In 2000, President Bill Clinton declared that the air traffic function was "inherently governmental," but last year, the Bush administration reversed that position.

The controllers argue that their jobs cannot be done by private workers. "Air traffic control is too important to the public's safety to be sold off to the lowest bidder," John

Carr, president of the National Air Traffic Controllers Association, known as NATCA, told a House panel in March.

Mr. Carr has repeatedly cited Sept. 11, 2001, when, he noted, government air traffic controllers safely brought 4,500 airplanes to landings around the country in just over two and a half hours. In contrast, he has argued, suicidal terrorists were able to seize four planes because of a privatized security system.

Senator Frank R. Lautenberg, Democrat of New Jersey, who sponsored the amendment in the Senate, said, "Your luggage is important enough to be screened by trained federal workers."

It is not clear, however, that the jobs of those controllers are the ones the Bush administration has in mind. Marion C. Blakey, administrator of the aviation agency, said in an interview that she would like to contract out the jobs of about 2,000 F.A.A. workers at 61 flight service stations, offices that give briefings to pilots on weather, special notices and temporary flight restrictions.

Those briefings cost the agency about \$15 each, Ms. Blakey said, and the agency believes a private company can do the job for far less.

The flight service stations also provide some services to planes in flight, although they do not direct traffic the way that radar controllers do. They also serve corporate and military pilots, and sometimes airline pilots. A consultant who studied the issue for the aviation agency last year concluded that privatization was feasible.

Wally Pike, president of the union for the flight briefers, the National Association of Air Traffic Specialists, who opposes privatization, said that the \$15 figure was not accurate and that part of the problem was that the flight service stations were top-heavy with management. With proper government investment, Mr. Pike said, costs would fall.

But the fate of Mr. Pike's members has been taken up by a more powerful organization, Natca, which represents about 15,000 radar controllers. Natca represents some contract tower controllers and is trying to get their jobs returned to government positions.

So far, there has been no public discussion at the administration level of privatizing the part of the air traffic system that has historically been the most troublesome, the management. The most prominent criticisms of air traffic control are about its failures to modernize, an activity in which the rank-and-file controllers play only a small role.

The track record of privatized air traffic systems abroad is in dispute. The British National Air Traffic System got off to a bad start in 2001, when it could not handle all the traffic. It had to be bailed out by the government. In 2002, a privatized air traffic control system mishandled traffic in southern Germany, and a Boeing 757 cargo plane collided with a Tupolev passenger jet.

Canada privatized its system in 1996. The private company cut costs for airlines, raised controllers' pay and modernized, but ran into financial trouble when the volume of air traffic fell after the Sept. 11 attacks.

In the House version of the authorization bill at issue, another amendment would require that in future airliner crashes, the National Transportation Safety Board's hearings be made available for viewing in the city where the plane originated and at its destination city. The amendment was sponsored by Representative Anthony Weiner, Democrat of Brooklyn, who complained that relatives of some of the passengers on American Airlines 587, which crashed in November 2001 in Queens, could not travel to Washington to attend the hearing. The safety board used to hold the hearings near the site of the crash, but now conducts them in Washington in a move to cut costs.

Senate FAA ATC Privatization Ban Goes Too Far, Mica Says

Aviation Daily, June 16, 2003

Sen. Frank Lautenberg's (D-N.J.) block on ATC privatization that became part of the Senate's FAA reauthorization last week (DAILY, June 13) may have to go or be dramatically scaled back in conference in order for Congress to pass the bill, Rep. John Mica (R-Fla.) said Friday day.

The Senate Thursday passed a \$43.5 billion FAA reauthorization package that funds FAA operations at \$7.6 billion for Fiscal Year 2004; \$7.7 billion for FY 2005, and \$7.9 billion for FY 2006; funds the Airport Improvement Program at \$3.4 billion for FY 2004; \$3.5 billion for FY 2005, and \$3.6 billion for FY 2006, and the Airway Facilities Improvement Program at \$2.9 billion for FY 2004; \$2.97 billion for FY 2005, and \$3.0 billion for FY 2006.

It also contains language from Sens. Arlen Specter (R-Pa.) and Barbara Boxer (D-Calif.) requiring non-U.S. repair stations to meet the same safety standards as domestic repair stations.

Mica, chair of the House Transportation aviation subcommittee, said Lautenberg's amendment went "way too far in putting a cap" on efforts to change the government's definition of air traffic controllers, which is at the heart of a debate between the White House and Congress on opening the way to privatization. The Lautenberg amendment doesn't affect the contract tower program but extends protections to non-ATC specific personnel. The White House could veto the bill if the ATC privatization language remains.

Mica said there were few large gaps between the Senate and House bills that need to be worked out in conference, which will probably begin after the July 4 recess. Key lawmakers will keep pushing for more slots at Washington National over the protests of the Northern Virginia and Wash-

ington, D.C., delegation. The House bill added 20 slots. Mica noted that DCA is down three million passengers and more than 100 flights per day, so lawmakers want “as many [slots] as we can get.” The House did manage to pass a measure sponsored by Del. Eleanor Holmes Norton (D-D.C.) that kills off a “Come-and-See Me” provision that would have required the Metropolitan Washington Airports Authority to come back before Congress by September 2004 to continue to get federal grants and collect passenger fees.

Meanwhile, the House Transportation Committee is tentatively scheduled on June 25 to mark up the aviation technical corrections bill, which was held up over a jurisdiction debate with the Select Committee on Homeland Security.

Mica also plans to press forward with support for anti-aircraft missile defense systems for aircraft, noting that two \$30 million contracts will be awarded—reportedly to BAE Systems and Northrop Grumman—to produce a product quickly that can be deployed on some aircraft. House Appropriations homeland security subcommittee

Chair Rep. Harold Rogers (R-Ky.) included a \$60 million provision during markup last week for research and development. That bill is expected to go to markup before the full committee tomorrow.

Ensuring Friendly Skies

The Washington Times, June 17, 2003

By Robert Poole, The Reason Foundation

Given the political makeup of Congress, you’d think an executive order signed by President Bush just last year would be safe. After all, the executive order simply removed four words calling air traffic control “an inherently governmental function.”

But apparently, the decline of unions has been greatly exaggerated. Ten Republican senators ignored multiple veto threats from the administration and deserted Mr. Bush so they could cater to an inefficient union, the National Air Traffic Controllers Association. The GOP ten joined all but one Democrat in approving a bill that would force all air traffic control (ATC) functions to be done solely by the U.S. government.

But is ATC inherently governmental? In 2001, a dozen retired senior Federal Aviation Administration (FAA) officials, including four former administrators, didn’t think so, stating, “Air traffic control is a 24 hour-a-day, 7 day-a-week high-tech service business. It can and should be operated by a separate corporate entity, paid directly by its customers, and directly accountable to its customers for its performance. This country can no longer afford to provide this 21st-century service using a 1950s-type organizational and funding approach.”

Those officials, with decades of experience, knew first hand that our system has become increasingly inefficient

and a wasteland that gobbles up taxpayer money. In 2000, the Department of Transportation Office of Inspector General noted that the number of operational errors in U.S. air traffic control had increased by 51 percent over five years, and complained the FAA’s efforts to reduce the rate were “ineffective” and lacked a “sense of urgency.”

More recently, Inspector General Ken Mead detailed five ATC modernization projects that went \$3 billion over budget. On the advice of the former officials, and in attempts to stop the fiscal bleeding, Mr. Bush set out to determine if air traffic control can be provided in ways other than a tax-funded government bureaucracy. It can be 29 countries, including Great Britain, Germany, Canada and New Zealand have successfully corporatized their air traffic control operations. And both the International Civil Aviation Organization and the International Air Transport Association, two of aviation’s most important bodies, endorse this global shift toward corporatization.

Britain, Australia and Canada have all shown cost reductions since reorganizing their systems. In Australia, operating costs are down 26 percent while handling much more air traffic. In Canada, user fees are less than the taxes they replaced and operational irregularities have decreased since NavCanada, a nonprofit corporation, took over.

Mr. Bush’s goal is to make air traffic control more efficient and high-tech thus able to handle more planes safely with (ultimately) fewer controllers. By taking advantage of airliners’ computerized flight management systems and GPS navigation capabilities, many routine decisions could be made in the cockpit, with the air traffic control system evolving into an air traffic management system, in which controllers serve more as guides and advisors, helping pilots avoid conflicts but not dictating their every move.

But controllers launched an all-out lobbying campaign full of misinformation to block these valuable technological and efficiency gains and succeeded in fooling nine Republican senators. (In an ironic twist, call it karma, the union will undoubtedly spend its money and work tirelessly to take the seats of the nine Republican turncoats who abandoned Bush and voted with them on this bill.)

The union falsely accuses Mr. Bush of trying to “privatize” air traffic control by contracting it out to the lowest bidder. That is completely false. None of the major plans for reform call for the system to be run by a for-profit company. Transportation Secretary Norm Mineta, in 1997, recommended converting air traffic control into a businesslike operation within the FAA. A 1994 plan by former Vice President Al Gore called for it to be run as a separate government corporation. And a 2001 Reason Foundation plan suggested creating a nonprofit corporation similar to Canada’s system. The union is opposed to all three.

Meanwhile, we aren’t as safe in the skies as we should

be. More than 200 small U.S. airports use non-union, private air traffic controllers. In 2000 and 2001, the average error rate at generously staffed, union operated FAA towers was more than twice as high as the error rates at private towers. And the private towers cost less than half as much to run as comparable FAA towers.

Secretary of Transportation Norman Mineta stated he will recommend that Mr. Bush veto the entire FAA Reauthorization Bill if it contains its current air traffic language. Congressional Republicans should be smart and remove the language in committee. If they don't, they will be saying that having controllers remain federal employees is more important than increasing airspace capacity, safety and accountability. While ours remains the world's busiest air traffic control system, it is no longer the most efficient or the most modern. Freezing the bureaucratic status quo would only worsen this troubling situation.

White House Threatens to Veto FAA Bill Over Privatization Language

GovExec Newsletter, June 3, 2003

The White House is threatening to veto the Federal Aviation Administration reauthorization bill if it includes language that blocks the agency from outsourcing air traffic control jobs.

Despite repeated statements that it has no plans to outsource air traffic controllers, the Bush administration is resisting a measure in the House version of the FAA bill, H.R. 2115, which would prohibit outsourcing. In a statement issued Wednesday, the Office of Management and Budget said the outsourcing provision, sponsored by Rep. James Oberstar, D-Minn. could derail the \$58 billion reauthorization bill.

"If the final legislation includes provisions that would inappropriately prohibit the conversion of FAA facilities or functions from the federal government to the private sector, the president's senior advisers would recommend that he veto the bill," said OMB.

Will Congress Protect the Unionized Government Monopoly at the FAA?

Published by The Heritage Foundation, June 19, 2003

President George W. Bush's effort to improve government services and reduce costs by requiring competitive contracting for commercial-type jobs in the federal bureaucracy has been actively opposed by many civil servants, their unions, and Members of Congress who want to protect select employees from private-sector competition.

Under the Federal Activities Inventory Reform Act signed by President Bill Clinton in 1998, federal agencies are required to identify those positions that are commer-

cial in nature, as opposed to those that are "inherently governmental." This year, the federal government identified 850,000 such commercial jobs, and the Bush Administration is requiring agencies to open a portion of them each year to competition from the private sector to determine who can do the best work at the least cost. The U.S. Department of Defense (DOD) has used this process for several decades and has realized average savings of 30 percent when positions are exposed to formal competition. Although many opponents misrepresent this policy as an anti-federal worker outsourcing program, the existing government work force wins about half the competitions by improving operations and lowering costs.

Despite the success of competitive contracting at the federal, state, and local levels, opposition to it is formidable. So far this year, Members of Congress have introduced several bills to protect influential groups of workers. In June 2003, the House and Senate passed reauthorization legislation for the Federal Aviation Administration (FAA), and both versions include provisions shielding controllers (the Senate version also shields flight service station personnel) in the FAA's air traffic control system from competitive competition. The legislation would do this by reclassifying these FAA jobs as inherently governmental, thereby prohibiting any competitive contracting for them. The congressional declaration that these jobs are inherently governmental would surprise the hundreds of private-sector controllers working in the 218 U.S. control towers already contracted out to private business. It would also surprise the thousands of controllers working in the privatized and/ or commercialized air traffic control systems in the United Kingdom, Canada, Switzerland, Australia, Germany, and more than a dozen other countries.

An April 2000 study by the Office of the Inspector General at the U.S. Department of Transportation confirmed that the 187 Level 1 towers that FAA had contracted out to private operators (as of 1999) saved the agency \$250,000 per tower per year. The report also estimated that extending the contracting program to 71 additional FAA-staffed Visual Flight Rule towers could yield an even greater annual savings of \$881,000 per tower because of a new FAA pay system for government controllers. Significantly, the study found that there was "little difference in the quality or safety of services provided at Level 1 towers whether they were operated by the FAA or by contractors." The contracted towers were slightly more error-free (0.05 errors per 100,000 operations) than comparable FAA towers (0.06 errors per 100,000 operations).

Behind the prejudice exhibited by some Members of Congress against private companies and their workers is the misperception that they will not perform as well as government workers and that any federal competitive con-

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tracting—if allowed at all—should be limited to simple, unskilled tasks. In contrast to these congressional prejudices, the DOD has aggressively embraced competitive contracting for a variety of vital services and has been doing so for several decades. Money saved on contracted services can be redirected to defense needs, and competitive contracting frees highly trained uniform personnel for more vital tasks. From 1995 to 2000, the DOD conducted 286 separate competitions under the guidelines of Office of Management and Budget (OMB) Circular A-76 with an estimated annual savings of \$290 million. Examples of contracted national security services range from the simple to the highly sophisticated and include housing, tank repair, communications, supply management, and aircraft maintenance, including the B-2 stealth bomber. As is evident from the military's recent swift successes in Afghanistan and Iraq, DOD's aggressive use of competitive contracting does not seem to have undermined military performance. However much proponents of unionized controllers argue that the proposed FAA prohibition reflects a special situation, it is in fact just another legislative effort to preserve the status quo and shelter government workers from the competitive forces with which most Americans comfortably exist. One notable example is last year's effort to preserve the Government Printing Office's printing monopoly; yet, when OMB opened the contract to print the federal budget to competition, the cost dropped

by 24 percent from the previous year. Another example is the effort by Sen. Edward Kennedy (D-Mass.) to prevent competitive contracting at the National Park Service, where much of the work force is involved in routine maintenance, lawn care, and janitorial work. Despite DOD's proven contracting success with sophisticated services, Sen. Kennedy contends that contracting will "put many of our great national treasures in the hands of private contractors who may put their profits above national interests." Similar efforts include attempts to derail the Army's ambitious effort to open 200,000 jobs to competition and an amendment sponsored by Sen. Barbara Mikulski (D-Md.) that forbids the White House from spending any money to manage its competitive contracting program.

These attempts have not yet succeeded, although an earlier effort in the Senate to protect the U.S. Army Corps of Engineers from complying with the program was successful.

In response to House and Senate passage of FAA bills that protect contractors from competition, the White House has issued a Statement of Policy threatening to veto any bill that includes such prohibitions on the President's ability to manage the federal work force effectively on behalf of the taxpayers and service users. The White House is to be commended for this stand, and President Bush should carry out that threat if Congress fails to remove the offending prohibitions in conference.