

# AIRPORT INFRASTRUCTURE



In the next decade, passenger enplanements are forecast to reach almost **996 million**, which could add **\$236 billion** in annual travel spending and support **772,000 new** American jobs.

## PROBLEMS THREATEN FUTURE GROWTH

### Declining Airline Options

- Just four U.S. carriers now control approximately 80 percent of domestic seat capacity, down from 11 carriers in 2005.
- In the Transatlantic market, seats controlled by joint venture alliances have increased from 20 percent in 2009 to more than 80 percent in 2016.

### Aging Airport Infrastructure

- The American Society of Civil Engineers rated airport infrastructure a D and not one U.S. airport ranks among the world's top 25.
- Airport investment needs total \$100 billion over the next five years, or \$20 billion per year, which far exceeds the federal and local funding that's currently available.

## THE IMPACTS

### Reduced Air Service at Small and Medium Airports

- Declining airline competition has significantly reduced air service connectivity. In two-thirds of U.S. states, air service quality and convenience is worse today than in 2007. This means fewer direct flights to fewer destinations, with smaller planes and fewer seats available.
- From 2006 to 2016, nearly 270 airports lost air service connectivity to domestic and international markets.

### Greater Congestion at Large Airports

- In 2016, one-in-five flights in the U.S. was delayed or cancelled. In the next six years, the top 30 U.S. airports will experience passenger volumes equal to the day before Thanksgiving at least once per week.
- The Federal Aviation Administration (FAA) predicts that travel demand will exceed capacity at 12 airports in the next 15 years, unless additional airport funding becomes available.

### Billions in Lost Revenue

- In 2016, Americans avoid 32 million air trips, costing our economy more than \$24 billion—due in large part to travel hassles. If America's airports were improved and hassles reduced, two-in-five frequent travelers say they would take at least three more trips a year.

# AIRPORT INFRASTRUCTURE (CONT.)



## THE SOLUTION

Congress should support legislation to raise the federal limitation on airport user fees, known as the passenger facility charges (PFC), as part of the FAA reauthorization bill, an infrastructure package or annual appropriations bill. Members of the House and Senate are encouraged to support provisions in the Senate's FY18 transportation funding bill (S. 1655), which adjusts the PFC cap to \$8.50 for originating passengers. S. 1655 provides airports with the option to adjust the PFC in order to fund projects that enhance competition among airlines, reduce congestion, strengthen security or reduce airport noise. This would:



**MODERNIZE** airport infrastructure



**ENHANCE** airline competition and expand air service



**REDUCE** air traffic congestion



**IMPROVE** the passenger experience