



FAA Budget Briefing

⋮ ⋮ Ramesh Punwani, CFO

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FY 2009 Appropriations by Account

(Dollars in millions)

Account	FY 2008 Enacted	FY 2009 Request	FY 2009 Enacted ¹
Operations	8,740	8,998	9,042
Facilities & Equipment	2,514	2,724	2,942
Research, Engineering & Development	147	171	171
Airport Grants	3,515	2,750	4,615
Total*	14,915	14,643	16,770

¹ Includes funding provided by the American Recovery & Reinvestment Act of 2009. This act provides supplemental funding of \$200 million to Facilities & Equipment and \$1.1 billion to Grants-in-Aid for Airports.

*Totals may not add due to rounding



FY 2009 Appropriations

- FY 2009 Omnibus Appropriation (P.L. 111-8) enacted March 11, 2009 provides \$15.5 billion, \$555 million above FY 2008.
- The bill supports the hiring and staffing targets published in the 2009 updates to the Controller Workforce and Aviation Safety Workforce Plans.
 - Net increase of 204 controllers
 - Net increase of 215 “safety critical” staff in AVS
 - Also provides \$23 million above request for enhanced controller training programs.
- The bill provides \$695 million for NextGen programs such as ADS-B and SWIM, and fully funds high profile projects like ERAM, ILS, Runway Status Lights, and Terminal Automation Modernization.
- Prohibits funds to be used for slot auctions or congestion pricing.





FY 2010 President's Budget Request

FY 2010 Budget Highlights

- CONTROLLERS – The request includes \$4.5 million to hire and train a net increase of 107 air traffic controllers.
- SAFETY INSPECTORS – The budget maintains recent staffing gains to our aviation safety workforce and includes \$3.1 million for 33 additional safety critical staff.
- NEXTGEN - The budget supports the President's priority of funding the future of air travel by making a major investment of over \$865 million – an increase of \$170 million from last year.



FY 2010 Request

(\$ in Millions)

Accounts	FY 2008 Enacted	FY 2009 Enacted (OMNIBUS)	FY 2009 Enacted (Total)*	FY 2010 Request	2009-2010 Change
Operations	8,740	9,042	9,042	9,336	3.3%
Facilities and Equipment	2,514	2,742	2,942	2,925	6.7%
Research, Engineering & Development	147	171	171	180	5.3%
Airport Grants	3,515	3,515	4,615	3,515	0.0%
FAA Total	14,915	15,470	16,770	15,956	3.1%

*Includes funding provided by the American Recovery and Reinvestment Act of 2009. This act provides supplemental funding of \$200 million to Facilities & Equipment and \$1.1 billion to Grants-in-Aid for Airports.



NextGen Funding

NextGen Share of F&E and RE&D Budget FYs 2010 – 2014

Dollars in Millions

	FY10	FY11	FY12	FY13	FY14	Total
Total F&E	2,925	3,122	3,345	3,558	3,621	16,571
NextGen Portfolio	791	1,089	1,297	1,591	1,675	6,443
Total RE&D	180	190	191	192	192	945
NextGen Portfolio	65	75	75	76	76	367
Total NextGen	856	1,164	1,372	1,667	1,751	6,810

Note: Does not include NextGen funding in the Operations account.



Facilities and Equipment (F&E)

- The FY 2010 request is \$2,925 million, an increase of \$183 million over the FY 2009 enacted level.
- The majority of our investment -- \$2,135 million -- will be in legacy areas, including aging infrastructure, power systems, information technology, navigational aids, and weather systems.
- The F&E NextGen portfolio grows to \$790 million, a 24% increase over FY 2009.



Research, Engineering, and Development

- The request is \$180 million, an increase of \$9 million over the FY 2009 enacted level.
- \$19.5 million is requested for reducing environmental impacts. The majority of these funds will be used for the Continuous Low Energy, Emissions, and Noise (CLEEN) Technologies program.
- Includes \$65 million for NextGen: \$50.6 million for new and existing projects and \$14.4 million for the Joint Planning and Development Office (JPDO).



Grants-in-Aid for Airports (AIP)

- The request provides a total of \$3.5 billion.
 - \$3,384 million for Airport Improvement grants.
 - \$93.4 million for Administrative Expenses.
 - \$22.5 million for Airport Technology Research.
 - \$15 million for Airport Cooperative Research.
- FAA authorization is extended until September 30, 2009. Without an FAA reauthorization in place, there is no contract authority to support any new airport grants in FY 2010.



FY 2010 Request by Funding Source

Account	Airport and Airway Trust Fund	General Fund
Operations	66%	34%
Facilities & Equipment	100%	0%
Research, Engineering & Development	100%	0%
Grants-in-Aid for Airports	100%	0%
Total	80%	20%



Airport & Airway Trust Fund

(\$ Millions)	FY 2008 Actual	FY 2009 Enacted	FY 2010 Request
Total Revenue	\$12,425	\$11,538	\$11,951
Cash Balance	9,706	9,511	8,751
Uncommitted Balance	1,435	928	334 ¹

The FY 2010 request assumes that:

Under current law, 80 percent of funding will come from the Trust Fund (primarily ticket taxes).

Trust Fund	12,572 (84.3%)	11,666 (75.4%)	12,828 (80.4%)
General Fund	2,343 (15.7%)	3,804 (24.6%)	3,128 (19.6%)

The remaining 20 percent will come from the General Fund.

¹Assumes AIP Contract Authority of \$3.5 billion in FY 2010 and rescission of \$407 million of excess contract authority carried over from FY 2009.



Budget Supports Increased Safety and Capacity

Performance Measure	Target FY 2008	Results FY 2008	Target FY 2009	Target FY 2010
Commercial Air Carrier Fatalities/ 100 million Persons On Board	8.7	0.4	8.4	8.2
Number of General Aviation Fatal Accidents	325	299	N/A	N/A
General Aviation Fatal Accidents/100,000 Flight Hours ¹	N/A	N/A	1.11	1.09
Runway Incursions (Category A&B - Rate/Million Operations)	0.509	0.427	0.472	0.450
Operational Errors (Category A&B - Rate/Million Activities)	2.15	2.25	2.10	2.05
Average Daily Airport Capacity at the 35 OEP Airports	101,868	103,222	100,707	102,648
NAS On-Time Arrivals (≥ 15 min. late)	88.00%	87.29%	88.00%	88.00%

¹In FY 2009, the FAA began measuring General Aviation (GA) safety using the rate of GA fatal accidents per 100,000 flight hours.



FAA Reauthorization Principles

- The FAA's current excise tax system is largely based on taxes that depend on the price of customers' airline tickets, not FAA's cost for moving flights through the system.
- The Administration believes that the FAA should move toward a model whereby FAA's funding is related to its costs, the financing burden is distributed more equitably, and funds are used to pay directly for services the users need.
- The Administration recognizes that there are alternative ways to achieve these objectives. Accordingly, the Administration will work with stakeholders and the Congress to enact legislation that moves toward such a system.



Building on our Accomplishments

- FAA's Commitment to Continuous Improvement
 - We have an ambitious 5-year strategic plan (*Flight Plan*).
 - We align annual business plans and our compensation system with agency performance.
 - Our budget request supports the achievement of strategic goals.
 - We received our fifth Certificate for Excellence in Accountability Reporting for our FY 2008 Performance & Accountability Report.
- Safety
 - The risks of flying are lower than ever. For the past 5 years, nearly 3.6 billion passengers have reached their destinations safely.
 - General aviation fatal accidents have been reduced by nearly 20% since FY 2003.
 - In August 2008, we received a score of 91 out of 100 in an International Civil Aviation Organization safety audit--the global average is 56.
 - In October 2008, we were awarded a contract to install runway safety lights at 22 major airports.



Building on our Accomplishments

- Congestion
 - Last year, Chicago O'Hare extended a runway and opened a new one, allowing for the elimination of flight caps imposed in 2004.
 - In November 2008, we began deployment of Automatic Dependent Surveillance – Broadcast in Florida, clearing the way for nationwide deployment of this key NextGen satellite system.
 - In December 2008, we broke ground on a new state-of-the-art Air Traffic Control System Command Center to house the sophisticated equipment needed to manage NextGen.
- Financial Management
 - In January 2009, GAO dropped the FAA ATC modernization program from its High Risk List after 14 years, citing our efforts to eliminate cost overruns and delays.
 - We received another unqualified opinion on our FY 2008 financial statements from our auditors, who found no material weaknesses – a truly clean audit.

