December 28, 2018

Senator David Perdue  
455 Russell Senate Office Building
Washington, DC  20510

Senator Tammy Duckworth  
524 Hart Senate Office Building
Washington, DC  20510

Dear Senators:

The 30 national associations and trade unions that make up the Transportation Construction Coalition (TCC) strongly support providing airports the same access to federal credit assistance as highway, transit and water infrastructure projects currently enjoy. We have serious concerns, however, about the approach taken in S. 3647, the “TIFIA for Airports Act” to broaden the eligibility of the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program to achieve this goal. A better approach would be to create a credit assistance program dedicated to airports and funded out of the Airport and Airway Trust Fund (AATF) or the federal General Fund.

While expanding the eligibility of the TIFIA Program, which is funded via the Highway Trust Fund (HTF), may seem like an efficient path to support airport improvements, it is also fiscally dubious. The Congressional Budget Office projects that in just over two years the HTF will again be facing annual revenue shortfalls that will have grown to average $20 billion through FY 2028. By contrast, the Federal Aviation Administration states the AATF began FY 2018 with $15 billion and is projected to receive $15.7 billion during the year.

Congress also established a precedent for creating targeted credit assistance programs rather than broadening TIFIA eligibility when it authorized the Water Infrastructure Finance and Innovation Act (WIFIA) Program in 2014. This program is supported by federal general funds, consistent with the way federal clean and drinking water programs are funded.

As part of the 2015 FAST Act surface transportation program reauthorization law, Congress cut TIFIA program funding from $1 billion in FY 2015 to a five-year annual average of $287 million. Broadening TIFIA project eligibility to include airports after severely cutting funds allocated to the program has the potential to create unnecessary competition between needed surface transportation and aviation infrastructure improvement projects.

Furthermore, recent diversification of the TIFIA program has created administrative challenges and uncertainty about whether sufficient resources will be available for nationally and regionally significant highway and transit projects as originally intended. Additional broadening of the program to include airport projects would likely exacerbate this current situation when a better alternative exists.

We would eagerly support establishing a credit assistance program dedicated to airport infrastructure improvements and supported by the AATF. Raising this issue reinforces the need for a robust legislative package early in 2019 to consider these types of proposals while addressing national multi-modal infrastructure needs. We hope to have the opportunity to work with you to achieve our shared goal.

Sincerely,

The Transportation Construction Coalition

Cc: All United States Senators