NEGATIVE: Airport Passenger Facility Charge

By “Coach Vance” Trefethen

Affirmative plan increases the cap on the Passenger Facility Charge (PFC), a surcharge added by airports to the price of airline tickets. The cap on PFC (currently $4.50/flight) is regulated by the federal government. PFC money goes to fund infrastructure improvements at airports. It currently collects around $3 billion/year. Plan isn't needed because there's no shortage of airport funding in the Status Quo. Raising it would only hurt consumers and distract us from the real problems blocking better airport efficiency.

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HARMS / SIGNIFICANCE – There are no Harms because no one's being harmed

1. No airport capacity problems now

No one can name a single airport project that is blocked by lack of funding

Nicholas E. Calio 2017 (*president and CEO of Airlines for America, the trade association for the nation’s principle airlines*) 27 June 2017 THE HILL " Congress, don’t treat flyers like airport ATMs" <http://thehill.com/blogs/congress-blog/economy-budget/339563-congress-dont-treat-flyers-like-airport-atms>

The nation’s airports argued in a May 31 letter to the White House — signed by the American Association of Airport Executives and the Airports Council International-North America — that the PFC cap is “outdated” and “unnecessary.” But one needs a sound fiscal argument to call for the doubling, or more, of a tax on flyers. Instead, there is a mountain of evidence to the contrary: Airports have been unable to point to a single project that has not proceeded because of a lack of funding.

There is no funding crisis. PFC increase is a solution to a problem that doesn't exist

Nicholas E. Calio 2017 (*president and CEO of Airlines for America, the trade association for the nation’s principle airlines*) 27 June 2017 THE HILL " Congress, don’t treat flyers like airport ATMs" <http://thehill.com/blogs/congress-blog/economy-budget/339563-congress-dont-treat-flyers-like-airport-atms>

If this new amendment is adopted and the FAA reauthorization becomes law, airports would be free to raise the PFC as high as they wanted, until flyers’ pockets are turned inside out. To propose such a drastic move would seem to indicate a funding crisis — that airports can’t afford to upgrade infrastructure and continue improving the flying experience. But the opposite is actually true: Airports are flush with cash and have the ability to complete whatever infrastructure projects they wish. This tax is a solution to a problem that doesn’t exist.

2. No airport capacity problems in the future

Past predictions have proven wrong: Newer studies show we overestimated airport growth. Only a few airports actually need big expansion

Congressional Research Service 2017 (written by Rachel Y. Tang and Robert S. Kirk) "Funding Airport Improvements" 10 May 2017 <https://www.everycrsreport.com/reports/R43327.html> (ellipses in original)

In 2004, then-FAA Administrator Marion C. Blakey stated that the agency's goal was to increase total capacity at the top 35 U.S. airports by 30% over a 10-year period. FAA's Operational Evolution Plan (OEP) is intended to increase the capacity and efficiency of the National Airspace System (NAS) over a 10-year period to keep up with the expected growth in demand for air travel and air cargo. In support of that goal, FAA released a study focused on the 35 busiest airports, Capacity Needs in the National Airspace System: An Analysis of Airport and Metropolitan Area Demand and Operational Capacity in the Future (also referred to as FACT1). The study projected 18 airports would need additional capacity by 2020. In 2007, FACT1 was updated by a second study, FACT2.  FACT2 expanded the study to include 21 non-OEP airports that were identified as having the potential to be capacity constrained or were in capacity-constrained metropolitan areas. The study examined airports that would need capacity increases and also projected which airports would need capacity increases in 2015 and 2025. It identified four airports plus the New York metropolitan area that needed additional capacity in 2007.  It further identified 14 hub airports as likely to be capacity-constrained in 2025. FACT2 found that, in comparison to FACT1, many non-OEP airports "... have higher capacities than originally presumed and thus less need for additional capacity." A further update, FACT3, was released in January 2015. FACT3 forecasted that the 2007-2009 recession, volatile fuel costs, airline consolidation, and replacement of many 50-seat regional jets with larger aircraft would result in 32% fewer operations and about 23% fewer enplanements in 2025 at the 30 core airports than forecast in FACT2. It projected that airport delays would remain concentrated at a few major hub airports, notably the three New York City-area airports, Philadelphia International Airport, and Hartsfield-Jackson Atlanta International Airport.

Predictions of inadequate airports are unreliable: We can't predict airport facility needs accurately

Anthony Morgan 2013 (leads Price Waterhouse Coopers accounting firm's construction dispute resolution practice in Europe/Middle East and regularly acts as an independent expert on the project management of large complex capital projects ) "When Airport Projects Fly Off Course" Nov 2013 <https://www.pwc.com/gx/en/capital-projects-infrastructure/publications/assets/pdfs/pwc-the-new-normal-for-airport-investment-nov-2013.pdf>

Airport projects are especially complex because they involve a wide variety of stakeholders and revenue sources. Airport developments also are typically very large in scope and have a long timeline from planning to completion, increasing the likelihood of design and other changes along the way. And perhaps most significantly, airport facilities are being built at a volatile time for air travel when it is difficult to predict accurately an airport’s needs 10 years or even five years into the future.

INHERENCY

Airports are already expanding now without PFC increases. In addition, there are so many sources of funding for airports besides PFCs, the AFF has to prove that ALL of these will fail before we should increase PFCs.

1. Overview: PFC isn't the only source of funding, there are lots of others

3 different federal programs (PFC + 2 others), plus bonds, plus airport fees

Congressional Research Service 2017 (written by Rachel Y. Tang and Robert S. Kirk) "Funding Airport Improvements" 10 May 2017 <https://www.everycrsreport.com/reports/R43327.html>

The federal government supports the development of airport infrastructure in three different ways. First, the Airport Improvement Program (AIP) provides federal grants to airports for planning and development, mainly of capital projects related to aircraft operations such as runways and taxiways. Second, Congress has authorized airports to assess a local passenger facility charge (PFC) on each boarding passenger, subject to specific federal approval. PFC revenues can be used for a broader range of projects than AIP funds, including "landside" projects such as passenger terminals and ground access improvements. Third, federal law grants investors preferential income tax treatment on interest income from bonds issued by state and local governments for airport improvements (subject to compliance with federal rules). Airports may also draw on state and local funds and on operating revenues, such as lease payments and landing fees.

2. Current funding is adequate

A/T "ACI-NA says we need far more funding than FAA" – ACI-NA is counting projects that are already funded

Dr. Gerald L. Dillingham 2017 (PhD; Director of Physical Infrastructure Issues for GAO (Government Accountability Office) 23 March 2017 AIRPORT FUNDING - FAA’s and Industry’s Cost Estimates for Airport Development <http://www.gao.gov/assets/690/683640.pdf>

The principal reason why FAA’s and ACI-NA’s planned development costs differ so significantly is that the ACI-NA cost estimate encompasses substantially more projects than does FAA’s, according to ACI-NA. As we have previously reported, the ACI-NA uses AIP-eligible and AIP-ineligible projects to develop its estimates, while the FAA only uses AIP-eligible projects. Additionally, ACI-NA cost estimates are made up of projects that have already identified funding sources as well as those that have not. According to ACI-NA officials, 77 percent of the cost of planned development for large hub airports in their most recent cost estimate has funding already arranged. In contrast, FAA’s estimates only include projects without financing arranged.

Link: FAA says we only need $6.5 billion per year

Congressional Research Service 2017 (written by Rachel Y. Tang and Robert S. Kirk) "Funding Airport Improvements" 10 May 2017 <https://www.everycrsreport.com/reports/R43327.html>

The assessment of airport capital needs is fundamental to determining the appropriate federal support needed to foster a safe and efficient national airport system. The federal government's interest goes beyond capacity issues to include implementation of federal safety and noise policies. Both FAA and the Airports Council International-North America (ACI-NA) have issued projections of airports' long-term financial needs. In its most recent NPIAS report, FAA estimated that the national system's capital needs for FY2017-FY2021 will total $32.5 billion (an annual average of $6.5 billion)

Link: PFC today provides $3.2 billion per year

Nicholas E. Calio 2017 (*president and CEO of Airlines for America, the trade association for the nation’s principle airlines*) 27 June 2017 THE HILL " Congress, don’t treat flyers like airport ATMs" <http://thehill.com/blogs/congress-blog/economy-budget/339563-congress-dont-treat-flyers-like-airport-atms>

Airports collected $3.2 billion through the PFC in 2016, breaking the record set in 2015. This year is on track to be another record-breaker.

Impact: All we have to do is find $3.3 billion more in the Status Quo and Negative wins on Inherency

**And happily, we can do that with our other inherency evidence**…

3. The AIP – federal Airport Improvement Program

The AIP provides federal grants for airports, $3.3 billion per year

Congressional Research Service 2017 (written by Rachel Y. Tang and Robert S. Kirk) "Funding Airport Improvements" 10 May 2017 <https://www.everycrsreport.com/reports/R43327.html>

The AIP has been providing federal grants for airport development and planning since the passage of the Airport and Airway Improvement Act of 1982 ([P.L. 97-248](http://www.congress.gov/cgi-lis/bdquery/R?d097:FLD002:@1(97+248))). AIP funding is usually spent on projects that support aircraft operations such as runways, taxiways, aprons, noise abatement, land purchase, and safety or emergency equipment. The funds obligated for AIP are drawn from the airport and airway trust fund, which is supported by a variety of user fees and fuel taxes. Different airports use different combinations of these sources depending on the individual airport's financial situation and the type of project being considered. Although smaller airports' individual grants are of much smaller dollar amounts than the grants going to large and medium hub airports, the smaller airports are much more dependent on AIP to meet their capital needs. This is particularly the case for non-commercial airports, which received over 27% of AIP grants distributed in FY2016. Larger airports are much more likely to issue tax-exempt bonds or finance capital projects with the proceeds of PFCs. The FAA Modernization and Reform Act of 2012 ([P.L. 112-95](http://www.congress.gov/cgi-lis/bdquery/R?d112:FLD002:@1(112+95))) provided annual AIP funding of $3.35 billion for four years from FY2012 to FY2015. That act left the basic structure of AIP unchanged, but included a provision permitting small airports reclassified as medium hubs due to increased passenger volumes to retain eligibility for up to a 90% federal share for a two-year transition period. It allowed certain economically distressed communities receiving subsidized air service to be eligible for up to a 95% federal share of project costs and expanded the number of airports that could participate in the Airport Privatization Pilot Program from five to 10. The FAA Extension, Safety, and Security Act of 2016 ([P.L. 114-190](http://www.congress.gov/cgi-lis/bdquery/R?d114:FLD002:@1(114+190))) authorized AIP funding through FY2017 at an annual level of $3.35 billion.

4. The AATF

The Airport & Airway Trust Fund (AATF) has a big pot of money - $7 billion - just sitting

Nicholas E. Calio 2017 (*president and CEO of Airlines for America, the trade association for the nation’s principle airlines*) 27 June 2017 THE HILL " Congress, don’t treat flyers like airport ATMs" <http://thehill.com/blogs/congress-blog/economy-budget/339563-congress-dont-treat-flyers-like-airport-atms>

Passengers pay another tax to fund the Airport and Airway Trust Fund (AATF), which supports airport improvement projects across the country. The balance of that fund is nearly $7 billion, which is the highest level since 2001. The Congressional Budget Office estimates that the fund will eclipse $7 billion by the end of the 2017 Fiscal Year.

5. Plenty of expansion going on now

Airports are expanding in Status Quo just fine: Ft Lauderdale, Orlando and Tampa

Shelly Sigo 2016 (journalist) 30 March 2016 "Atlanta Joins Wave of Airports Boosting Capital Spending" THE BOND BUYER <https://www.cdfa.net/cdfa/cdfaweb.nsf/0/A0AFD91817320F7A88257F87006C1272/$file/Atlanta%20Joins%20WWav%20of%20Airports%20Boosting%20Capital%20Spending%20_%20The%20Bond%20Buyer.pdf>

In Florida, Fort Lauderdale-Hollywood International is in midst of a $2.4 billion upgrade using traditional financing. An $826 million runway to ease traffic congestion already is in use after coming in on time and under budget in the fall of 2014. Orlando International Airport started a $3 billion expansion and renovation program last year. Tampa International Airport also launched a $2.5 billion expansion plan last year – its largest CIP in four decades.

Lots of airport expansion underway now: Washington, Chicago, L.A., Des Moines, Nashville, Reno

Nicholas E. Calio 2017 (*president and CEO of Airlines for America, the trade association for the nation’s principle airlines*) 27 June 2017 THE HILL " Congress, don’t treat flyers like airport ATMs" <http://thehill.com/blogs/congress-blog/economy-budget/339563-congress-dont-treat-flyers-like-airport-atms>

In fact, our industry has worked hand-in-hand with airports, and more than $100 billion of capital projects have been completed, are underway or have been approved at the nation’s 30 largest airports since 2008, from Washington Dulles to Chicago O’Hare to LAX. Development is also robust at some of the nation’s smaller airports, including Des Moines, Nashville and Reno-Tahoe. These projects dovetail with the investments airlines are making in the customer experience — at airports, in cabins and in mobile technology — at a rate of more than $1.4 billion per month.

6. Public Private Partnerships (P3)

Definition of Public-Private Partnership

Elizabeth McNichol 2017 (M.A. in political science from Univ. of Chicago;  Senior Fellow with Center on Budget & Policy Priorities, specializing in state fiscal issues including the economy’s impact on state budgets and long-term structural reform of state budget and tax systems ) "It's Time for States to Invest in Infrastructure" updated 10 Aug 2017 <https://www.cbpp.org/research/state-budget-and-tax/its-time-for-states-to-invest-in-infrastructure>

**Public/Private Partnerships.**  In addition, the private sector sometimes partners with states and localities to jointly fund a needed infrastructure project.  Or, in some cases, the private sector builds or maintains a road or a public facility in return for collecting tolls or other user fees associated with the facility.

P3 in Status Quo are solving for capital improvements at airports nationwide

Shelly Sigo 2016 (journalist) 30 March 2016 "Atlanta Joins Wave of Airports Boosting Capital Spending" THE BOND BUYER (first brackets added, second brackets in original) <https://www.cdfa.net/cdfa/cdfaweb.nsf/0/A0AFD91817320F7A88257F87006C1272/$file/Atlanta%20Joins%20WWav%20of%20Airports%20Boosting%20Capital%20Spending%20_%20The%20Bond%20Buyer.pdf>

"Airports, I think, are considering doing some P3s for their projects," he [Randy Gerardes, senior analyst and director of Municipal Securities Research at Wells Fargo Securities] said. "We don't expect to see a fully privatized airport but privatizing certain terminals or operations to move it off the balance sheet of the airport, or to move [projects] faster." On March 24, the Port Authority of New York and New Jersey approved using a P3 to implement a $4 billion overhaul of LaGuardia Airport. At Los Angeles International Airport, several P3s are envisioned to for portions of the $14 billion, short-term LAX Modernization Project, including an automated people mover and a consolidated rent-a-car center, according to a March 3 report on the P3 market by Squire Patton Boggs LLP.

7. Airport bonds

Airports sell bonds to raise capital for expansion, and investment climate is good now for even more

Shelly Sigo 2016 (journalist) 30 March 2016 "Atlanta Joins Wave of Airports Boosting Capital Spending" THE BOND BUYER (brackets added) <https://www.cdfa.net/cdfa/cdfaweb.nsf/0/A0AFD91817320F7A88257F87006C1272/$file/Atlanta%20Joins%20WWav%20of%20Airports%20Boosting%20Capital%20Spending%20_%20The%20Bond%20Buyer.pdf>

[Senior analyst and director of Municipal Securities Research at Wells Fargo Securities, Randy] Gerardes also said it is "a pretty decent time" to invest in airports as credit spreads have tightened. In the current low-interest-rate environment, he said airport bonds can offer a little pickup in incremental yield over high-quality general obligation debt. "Performance has been reasonably good, although it hasn't been as strong as toll roads," he said. "If interest rates move up significantly, there could be a flight to quality so that may benefit some double-A rated credits in the airport space." Atlanta likely will benefit from a recent lift in its airport credit ratings as it moves forward financing its $6 billion capital improvement plan. On March 8, Moody's raised its ratings to Aa3 from A1 on the airport's outstanding $856.63 million of passenger facility charge and subordinate lien hybrid bonds.

Airport bond revenue is growing in Status Quo

Congressional Research Service 2017 (written by Rachel Y. Tang and Robert S. Kirk) "Funding Airport Improvements" 10 May 2017 <https://www.everycrsreport.com/reports/R43327.html>

Bonds have long been a major source of funding for capital projects at primary airports. According to Bond Buyer, a trade publication, airports raised $13.4 billion in 86 bond issues in 2016, a substantial increase over the $11.5 billion raised in 122 issues in 2015.Most airport-related bonds are classified as tax-exempt private activity bonds (PABs). These bonds, issued by a local government or public authority, allow the use of landing fees, charges on airport users, and property taxes on privately controlled on-airport buildings, such as cargo facilities, to service debt without obligating tax revenue.

8. State funding

States average $477 million / year in airport funding

Dr. Gerald L. Dillingham 2017 (PhD; Director of Physical Infrastructure Issues for GAO (Government Accountability Office) 23 March 2017 AIRPORT FUNDING - FAA’s and Industry’s Cost Estimates for Airport Development <http://www.gao.gov/assets/690/683640.pdf>

State grants: Airports can also obtain funding for capital development projects from state grants. This money is often used to provide the airport’s share of matching funds required for AIP-funded projects. According to the results of a survey we conducted in collaboration with the National Association of State Aviation Officials (NASAO), for fiscal years 2009 through 2013, states provided an annual average of $477 million to national system airports, with $345 million (72 percent) going to smaller airports and $131 million (28 percent) going to large and medium hub airports.

States can and should pay for airports. They have the money to do it, or can sell bonds

Elizabeth McNichol 2017 (M.A. in political science from Univ. of Chicago;  Senior Fellow with Center on Budget & Policy Priorities, specializing in state fiscal issues including the economy’s impact on state budgets and long-term structural reform of state budget and tax systems ) "It's Time for States to Invest in Infrastructure" updated 10 Aug 2017 <https://www.cbpp.org/research/state-budget-and-tax/its-time-for-states-to-invest-in-infrastructure>

Opportunities to finance infrastructure investment abound.  States often pay for building new schools, roads, airports, water treatment facilities, and the like using debt, a sound practice for financing infrastructure that can serve generations.  Today’s historically low interest rates are especially favorable to such borrowing, and state and local debt is below pre-recession levels. But with the Federal Reserve raising interest rates, this opportunity may diminish soon.  States also have many other revenue sources available including user fees, like tolls, as well as federal grants. Most states are in a relatively strong position to afford these investments.  The nation’s economy has slowly recovered from the Great Recession, finally lifting state revenues above pre-recession levels, better enabling states on average to afford infrastructure investments.

States have every incentive to fund good infrastructure investments

Elizabeth McNichol 2017 (M.A. in political science from Univ. of Chicago;  Senior Fellow with Center on Budget & Policy Priorities, specializing in state fiscal issues including the economy’s impact on state budgets and long-term structural reform of state budget and tax systems ) "It's Time for States to Invest in Infrastructure" updated 10 Aug 2017 <https://www.cbpp.org/research/state-budget-and-tax/its-time-for-states-to-invest-in-infrastructure>

States should address unmet infrastructure needs *now* for several reasons: The investment will improve state economies, now and in the future.  Higher-quality and more efficient infrastructure will boost productivity in states that make the needed investments, lifting long-term economic growth and wages.  In the short term, even though employment is recovering, millions of Americans are working less than they would like and making less than it takes to get by.  Key infrastructure investments would provide immediate job opportunities.

9. Other fees

Airports can raise all kinds of other fees to increase their capital budgets. Example: Spokane Airport did it

LeeAnn Bjerken 2016 (journalist) Spokane Airports’ spending on capital projects to rise, 15 Dec 2016 <https://www.spokanejournal.com/local-news/spokane-airports-spending-on-capital-projects-to-rise/>

The Spokane International Airport budget is $66.7 million, with $31.2 million devoted to operations and $35.5 million to capital projects. The Airport Business Park budget of $1.8 million includes $225,000 for capital projects, and the Felts Field budget of $3.9 million includes $2.8 million for capital projects. Funds also have been allocated for marketing, maintenance projects, strategic planning, and design of future capital projects, including improvements to infrastructure and buildings.  Other notable changes in the 2017 Spokane Airports budget include increases in landing fee rates, terminal lease rates, and ground transportation trip fees. The 2017 landing fee rate will be $2.06 per 1,000 pounds of landed weight, an increase of 4.5 percent from 2016. The terminal lease rate will be $50.82 per square foot a year, an increase of 4 percent. Although there is no change in regular parking rates, the ground transportation trip fee, which the airport charges to outside shuttle services, is budgeted at $1.00 per trip, increasing to $1.50 per trip beginning July 1, 2017.

SOLVENCY

1. PFC revenue wasted

PFC revenue is wasted on useless projects, some of which aren't even at the airport

Congressional Research Service 2017 (written by Rachel Y. Tang and Robert S. Kirk) "Funding Airport Improvements" 10 May 2017 <https://www.everycrsreport.com/reports/R43327.html>

The permissible uses of revenues are an ongoing point of contention. Airport operators, in particular, would like more freedom to use PFC funds for off-airport projects, such as transportation access projects, and want the process of obtaining FAA approval to be streamlined. Carriers, on the other hand, often complain that airports use PFC funds to finance proposals of dubious value, especially outside airport boundaries, instead of high-priority projects that offer meaningful safety or capacity enhancements. The major air carriers are also unhappy with their limited influence over project decisions, as airports are required only to consult with resident air carriers instead of having to get their agreement on PFC-funded projects.

2. Consumers won't benefit

Current rules on federal funding block any chance of real improvement for consumers

Michael Sargent 2016 (policy analyst, transportation & infrastructure at Heritage Foundation) 23 Nov 2016 " End of the Runway: Rethinking the Airport Improvement Program and the Federal Role in Airport Funding" <http://www.heritage.org/transportation/report/end-the-runway-rethinking-the-airport-improvement-program-and-the-federal>

The rules governing current sources of funding do little to empower airports to make improvements that could increase air carrier competition and yield benefits for travelers, such as building new terminals with increased gate access. Incumbent airlines with established gates at an airport have an incentive to maximize their market share at that airport. Because airlines are able to negotiate how their fees and capital investment are used in contractual agreements, they are unlikely to support the use of their revenues or investment on the construction of new gates for the use of other airlines or shared use, which could threaten their market share.

DISADVANTAGES

1. Over-expansion

Link: Status Quo slow capacity expansion is the best way to reduce risk of over-expansion

Dr. Andrew Sentance 2013 (Senior Economic Adviser at Price Waterhouse Coopers accounting firm and is a former Chief Economist at British Airways and a former member of the Bank of England Monetary Policy Committee) What is the “new normal” for aviation? Nov 2013 <https://www.pwc.com/gx/en/capital-projects-infrastructure/publications/assets/pdfs/pwc-the-new-normal-for-airport-investment-nov-2013.pdf>

There is no simple strategy for managing these vulnerabilities—but there are three very useful lessons from past experience of managing economic and financial volatility in the aviation industry. First, ensure that capacity expansion is cautious and gradual, reducing the risk of having to fill large numbers of new aircraft, or a large airport expansion, in very weak demand conditions.

Brink: Economic volatility & uncertainty. Airline demand can drop suddenly just when you think it's expanding

Dr. Andrew Sentance 2013 (Senior Economic Adviser at Price Waterhouse Coopers accounting firm and is a former Chief Economist at British Airways and a former member of the Bank of England Monetary Policy Committee) What is the “new normal” for aviation? Nov 2013 <https://www.pwc.com/gx/en/capital-projects-infrastructure/publications/assets/pdfs/pwc-the-new-normal-for-airport-investment-nov-2013.pdf>

Air travel is very sensitive to fluctuations in GDP and financial shocks, as we saw in the global financial crisis, after 9/11 and in the late-1990s Asian crisis. In addition, the slim operating margins and high proportion of fixed costs in the airline industry mean that fluctuations in demand can create very large swings in profitability and cashflow.

Impact: Financial losses. Big investments based on rosy expectations get ramped up just as demand goes down

Dr. Andrew Sentance 2013 (Senior Economic Adviser at Price Waterhouse Coopers accounting firm and is a former Chief Economist at British Airways and a former member of the Bank of England Monetary Policy Committee) What is the “new normal” for aviation? Nov 2013 <https://www.pwc.com/gx/en/capital-projects-infrastructure/publications/assets/pdfs/pwc-the-new-normal-for-airport-investment-nov-2013.pdf>

These vulnerabilities are exacerbated by the lags in the investment cycle. There are many examples of airlines and airports which have found that investments planned in the upswing of the cycle come on stream just as demand is turning down—creating a double whammy for profitability and cashflow.

Impact: Slow incremental expansion avoids inaccurate forecasts and redesign costs

Anthony Morgan 2013 (leads Price Waterhouse Coopers accounting firm's construction dispute resolution practice in Europe/Middle East and regularly acts as an independent expert on the project management of large complex capital projects ) "When Airport Projects Fly Off Course" Nov 2013 <https://www.pwc.com/gx/en/capital-projects-infrastructure/publications/assets/pdfs/pwc-the-new-normal-for-airport-investment-nov-2013.pdf>

Another way to avoid disputes is to expand in smaller increments. While it might be more economical to design an airport expansion to meet expected demand for 10 years down the road rather than just five, that longer time horizon increases the risk of making inaccurate passenger demand forecasts and needing to modify designs during the construction process.

2. Economic damage

PFC increase damages the economy

Nicholas E. Calio 2017 (*president and CEO of Airlines for America, the trade association for the nation’s principle airlines*) 27 June 2017 THE HILL " Congress, don’t treat flyers like airport ATMs" <http://thehill.com/blogs/congress-blog/economy-budget/339563-congress-dont-treat-flyers-like-airport-atms>

Finally, a tax of this magnitude would be bad for the economy and a drag on an aviation industry that supports 5 percent of GDP and more than 10 million jobs. Every $1 increase in the PFC would cost airline passengers an additional $800 million annually, a restrained estimate considering the push for no limit.

3. Masking DA: "More funding" distracts us from needed reforms

Calls for more funding distract us from the real problem: Excess federal regulation

Michael Sargent 2016 (policy analyst, transportation & infrastructure at Heritage Foundation) 23 Nov 2016 " End of the Runway: Rethinking the Airport Improvement Program and the Federal Role in Airport Funding" <http://www.heritage.org/transportation/report/end-the-runway-rethinking-the-airport-improvement-program-and-the-federal>

These demands for more federal funding ignore the structural problems with how airports are funded and financed in the U.S. The lack of adequate federal grants is not what inhibits airports from building necessary infrastructure and modernizing; rather, the federal government’s heavy hand in administering these grants—and the outmoded regulations that accompany them—hampers the development of the nation’s airports and harms taxpayers, travelers, and the aviation industry alike. Calls for spending more through the current middle-man arrangement should be dismissed in favor of reform.

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