

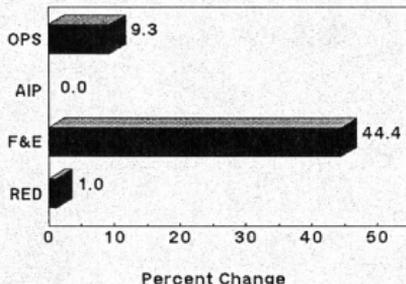


U.S. Department  
of Transportation

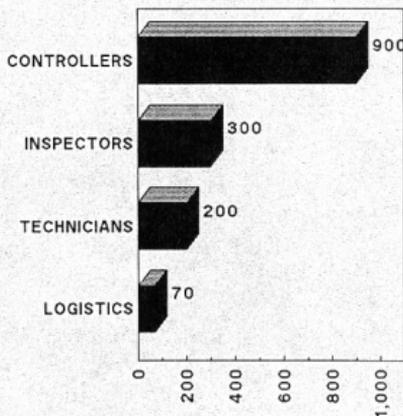
# FY 1989 Budget in Brief FEDERAL AVIATION ADMINISTRATION

PERCENT CHANGE IN BUDGET AUTHORITY  
FY 1988 - FY 1989

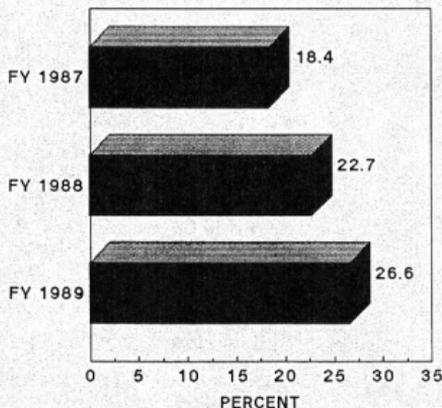
## Major Appropriations



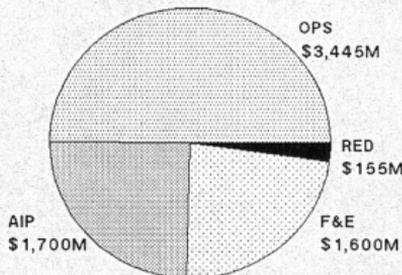
FEDERAL AVIATION ADMINISTRATION  
MAJOR INCREASES FY 1989 EMPLOYMENT



FEDERAL AVIATION ADMINISTRATION  
FAA SHARE OF TRANSPORTATION BUDGET AUTHORITY



FEDERAL AVIATION ADMINISTRATION  
BUDGET AUTHORITY FY 1989



FEBRUARY 1988

FEDERAL AVIATION ADMINISTRATION  
 FY 1989 Budget In Brief  
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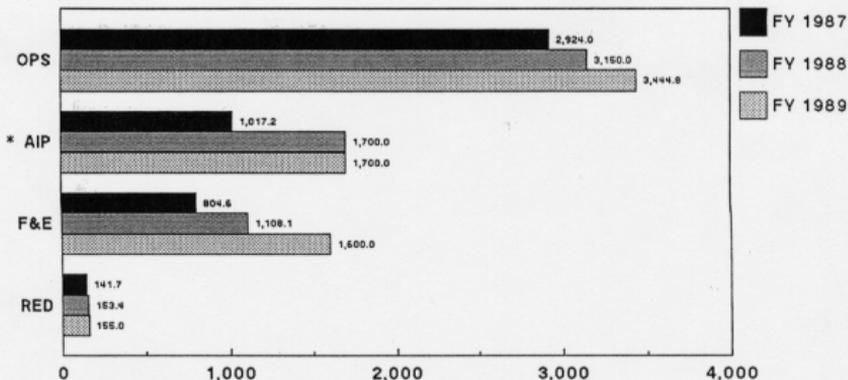
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# FEDERAL AVIATION ADMINISTRATION BUDGET AUTHORITY FY 1987, FY 1988 & FY 1989

(Dollars in Millions)

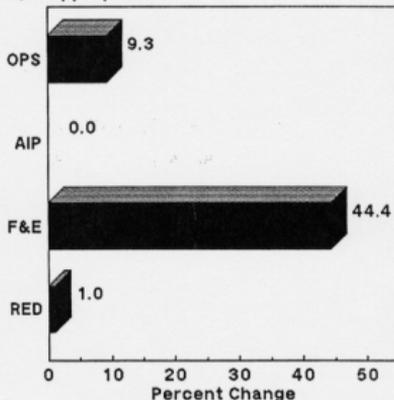
## Major Appropriations



\* OBLIGATION LIMITATION - FY 88 \$1,268.7M FY 89 \$1,200.0M

## FEDERAL AVIATION ADMINISTRATION PERCENT CHANGE IN BUDGET AUTHORITY FY 1988 - FY 1989

### Major Appropriations



For FY 1989, budget authority for the Federal Aviation Administration (FAA) is proposed at \$6,937 million, which is approximately a 13 percent increase above the FY 1988 enacted level. This budget provides for the continued safe operation of the National Airspace System (NAS), emphasis on safety and security regulatory functions, and a strong commitment to modernize and improve air traffic control and airway system facilities.

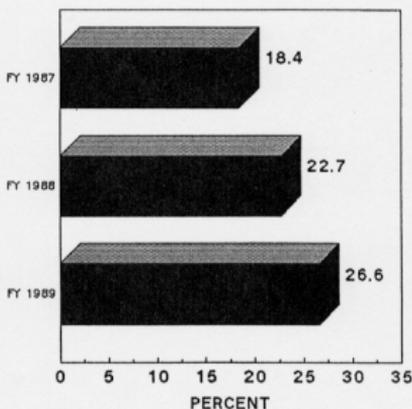
DEPARTMENT OF TRANSPORTATION  
 FEDERAL AVIATION ADMINISTRATION  
 Budget Authority  
 (\$ in millions)

| Appropriation<br>-----                           | FY 1988<br>Enacted<br>-----           | Increase/<br>Decrease<br>-----     | FY 1989<br>Request<br>-----         |
|--|---------------------------------------|------------------------------------|-------------------------------------|
| Operations<br>(General)<br>(Trust)               | \$3,150.0<br>(2,322.6)<br>(827.5) [1] | \$+294.8<br>(-356.1)<br>(+650.8)   | \$3,444.8<br>(1,966.5)<br>(1,478.3) |
| Headquarters Administration                      | 35.5                                  | +1.6                               | 37.1                                |
| Grants-In-Aid-Airports (TRUST)                   | 1,700.0 [2]                           | 0                                  | 1,700.0 [2]                         |
| Facilities and Equipment (TRUST)                 | 1,108.1                               | +491.9                             | 1,600.0                             |
| Research, Engineering and<br>Development (TRUST) | 153.4<br>-----                        | +1.6<br>-----                      | 155.0<br>-----                      |
| Total<br>(General)<br>(Trust)                    | \$6,147.5<br>(2,358.5)<br>(3,788.9)   | \$+789.6<br>(-354.7)<br>(+1,144.4) | \$6,937.1<br>(2,003.8)<br>(4,933.3) |
| Obligation Limitation:<br>Grants-in-Aid Airports | 1,268.7                               | -68.7                              | 1,200.0                             |

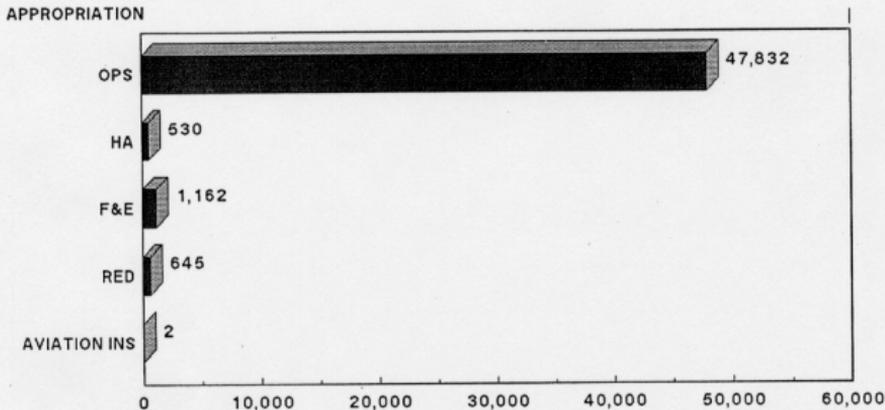
[1] Includes \$1.5 million in FY 88 and \$.75 million in FY 89 authorized for special studies in P.L. 100-223 (FAA Reauthorization Act).

[2] Contract Authority.

FEDERAL AVIATION ADMINISTRATION  
 FAA SHARE OF TRANSPORTATION BUDGET AUTHORITY



# FEDERAL AVIATION ADMINISTRATION AUTHORIZED FULL-TIME PERMANENT POSITIONS



## DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION AUTHORIZED FULL-TIME PERMANENT POSITIONS

|                                | FY 1988<br>----- | Increase/<br>Decrease<br>----- | FY 1989<br>----- |
|--------------------------------|------------------|--------------------------------|------------------|
| Total, Operations.....         | 46,301           | +1,531 *                       | 47,832           |
| Headquarters Administration... | 510              | +20                            | 530              |
| Facilities & Equipment.....    | 1,162            | 0                              | 1,162            |
| Research, Engineering & Dev... | 645              | 0                              | 645              |
| Aviation Insurance.....        | 2                | 0                              | 2                |
|                                | -----            | -----                          | -----            |
| Total, Agency                  | 48,620           | +1,551                         | 50,171           |

\* Includes 900 controller workforce, 300 safety inspectors, 70 logistics and 261 support positions (enforcement attorneys, personnelists, financial management, clerical support).



# OPERATIONS

\$3,445 million, more than a 9 percent increase (\$295 million) over the FY 1988 enacted level, is requested to operate and maintain the Nation's air traffic control and navigation systems, provide for aviation safety and security inspections, establish and enforce civil air regulations, and administer airport grants.

The FY 1989 program will increase controller work force from a minimum of 15,900 at the end of FY 1988 to a minimum of 16,800 by the end of FY 1989.

The field maintenance work force will grow to 8,900 by the end of FY 1989. In addition, the FAA plans to award a pilot contract for the maintenance of certain navigation and landing aid equipment to compare contractor performance and cost against the current FAA performance and cost.

The FY 1989 program provides for the addition of 300 aviation inspectors to perform critical safety inspections and surveillance required to maintain safe air commerce. Fifty positions are requested for aviation security personnel to enhance domestic Civil Aviation Security programs as well as to support foreign airport assessments and Federal Air Marshall missions.

Because FY 1989 will be a year of intense logistics activity in the implementation of the National Airspace System Plan, 70 positions are being requested in support of the logistics function.

An increase of 50 positions for enforcement attorneys, financial management specialists and support personnel is required to adequately support the increased emphasis on the agency's safety mission.

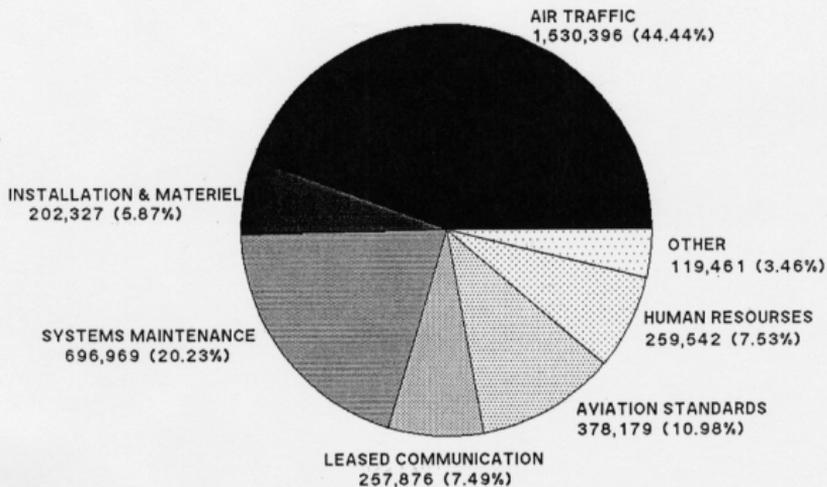
An increase of 47 positions is requested to insure hiring objectives are met for the special interest work forces, such as air traffic controllers, aviation safety inspectors and field maintenance technicians. There are also a number of high-payoff programs that have been pilot tested and are ready to be expanded nationwide such as the Supervisory Identification Development Program, Employee Assistance Program and Employee Involvement Program.

The budget also contains an initiative to introduce state-of-the-art simulators and related training systems to reduce the length of time it takes to train a controller.



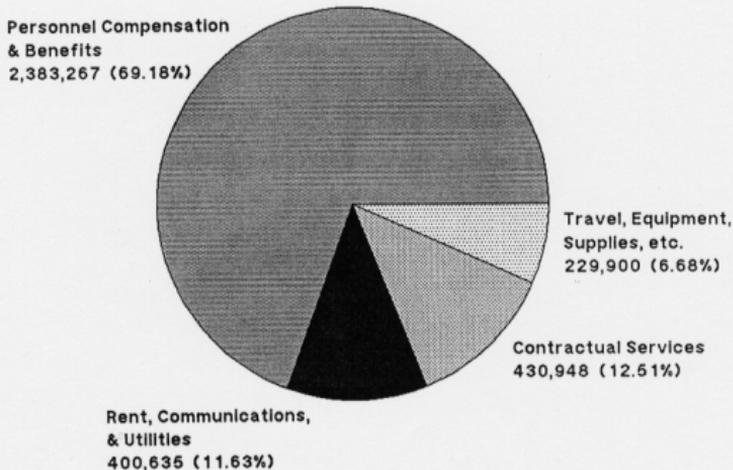
**OPERATIONS APPROPRIATION  
FY 1989 BUDGET BY MAJOR ACTIVITY**

(Dollars in Thousands)



**OPERATIONS APPROPRIATION  
FY 1989 BUDGET BY MAJOR OBJECT CLASS**

(Dollars in Thousands)



## SPECIAL INTEREST WORK FORCE

### Controller Work Force

- o One of the FAA's highest and most essential priorities is to ensure that flying remains one of the safest and most efficient forms of transportation. The current work force is doing a good job. Safety has not and will not be jeopardized.
- o For FY 1988, the Controller Work Force has been redefined in line with GAO and Congressional guidelines. First line supervisors and Traffic Management Coordinators are now included as part of the CWF while Academy trainees are no longer included.
- o As of January 31, 1988, the controller work force employment was 15,452, with almost 90% of these being operational controllers. FAA is committed to reach 15,900 by the end of FY 1988.
- o For FY 1989, we are adding 900 controllers, bringing the controller work force to 16,800 by the end of the fiscal year.
- o The 16,800 for FY 1989 is based on projections of workload for forecasted traffic growth. In addition, it will accommodate organizational changes, such as, airspace reconfiguration, sector changes, addition/expansion of terminal control areas and buffer zones.

### Aviation Safety Inspectors

- o We are continuing the intensified safety inspection program begun in 1984 -- an effort encompassing 14,000 additional inspections of the Nation's airlines and a top-to-bottom review of the general aviation industry.
- o FAA has a sufficient number of aviation safety inspectors on board and budgeted through FY 1988 to ensure that airline travel will continue to be the safest means of travel for U.S. citizens.
- o FAA has requested 300 new inspector positions in FY 1989 as another increment of planned and continuous increases. This will bring total inspector staffing up to 2,498 positions.
- o For FY 1989, we are building more flexibility into our inspection schedules. Provisions to accommodate special ad hoc inspections will be an integral part of the program plan.

## Field Maintenance Staffing

- o Field maintenance technicians are responsible for maintaining and repairing facilities and equipment comprising the National Airspace System. These include air traffic control, navigation and landing aids, and supporting plant facilities for over 20,000 facilities.
- o In FY 1989, we are requesting funds (\$15 million) to begin a pilot contract maintenance program in three regions. The purpose of the pilot program is to compare contractor performance and cost against the current FAA performance and cost. No staffing reductions have been or will be taken until the test is completed and results show that private sector provision of these services is more economically and programmatically beneficial to the U.S. taxpayer than continued Federal provision of these services.
- o In FY 1989, FAA will maintain an end of year employment of 8,900 in the field maintenance work force.
- o In FY 1988, field maintenance employment will be 8,700 by the end of the year.

SPECIAL INTEREST STAFFING POSITIONS AND EMPLOYMENT

|                                  | FY 1986            | FY 1987            | FY 1988               | JAN 88     | FY 1988-89             | FY 1989               |
|----------------------------------|--------------------|--------------------|-----------------------|------------|------------------------|-----------------------|
|                                  | ACTUAL<br>POS. EOY | ACTUAL<br>POS. EOY | ESTIMATED<br>POS. EOY | EMPLOYMENT | DIFFERENCE<br>POS. EOY | ESTIMATED<br>POS. EOY |
| CONTROLLER WORK FORCE:           |                    |                    |                       |            |                        |                       |
| FPL CONTROLLERS                  | 9,528              | 9,798              | 9,932                 | 8,907      | 900                    | 10,832                |
| DEVELOPMENTALS<br>(GS-11/12/13)  | 1,714              | 1,564              |                       |            |                        |                       |
| OTHER CONTROLLERS 3/             |                    |                    | 4,010                 | 2,799      | -64                    | 3,946                 |
| DEVELOP. PIPELINE<br>(GS-5-7) 3/ | 2,047              | 2,622              |                       | 1,762      |                        |                       |
| FIRST LINE SUPV 1/               |                    |                    | 1,958                 | 1,984      | 64                     | 2,022                 |
| AIR TRAFFIC<br>ASSISTANTS 2/     | 1,514              | 1,449              |                       |            |                        |                       |
| TOTAL CONTROLLER<br>WORK FORCE   | 14,803 4/          | 15,433 4/          | 15,900 5/             | 15,452     | 900                    | 16,800 5/             |
| INSPECTOR WORK FORCE:            |                    |                    |                       |            |                        |                       |
| INSPECTORS                       | 1,760              | 1,813              | 2,198                 | 1,935      | 300                    | 2,498                 |
| SUPPORT                          | 345                | 445                | 495                   | 392        | 100                    | 595                   |
| TOTAL INSPECTOR<br>WORK FORCE    | 2,105              | 2,145              | 2,693                 | 2,327      | 400                    | 3,093                 |
| CIVIL AVIATION<br>SECURITY       | 429                | 379                | 404                   | 410        | 50                     | 566                   |
| FIELD MAINTENANCE<br>WORK FORCE  | 9,277              | 8,306              | 9,278                 | 8,400      | 0                      | 9,278                 |
|                                  |                    |                    |                       |            |                        | 8,900                 |

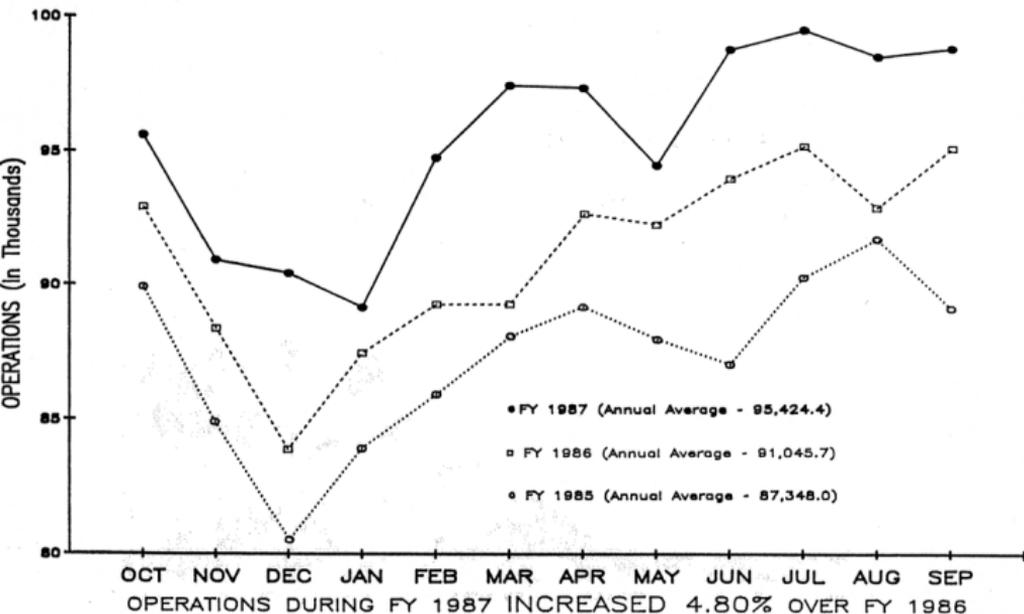
- 1/ First Line Supervisors were excluded from CMF prior to FY 1988.
- 2/ Beginning in 1988, ATA's are not considered part of CMF.
- 3/ Other Controllers reflect the redefinition of CMF in FY 1988 and include other than operational controllers and developmentals. FAA Academy common screen students are excluded from CMF beginning in FY 1988.
- 4/ Based on definition of CMF prior to FY 1988.
- 5/ Based on new CMF definition beginning in FY 1988.

## AIR TRAFFIC ACTIVITY

Daily operations at Continental United States Centers are based on a combined count of landings, take-offs, and flight-overs.

### AVERAGE DAILY OPERATIONS 20 CONUS CENTERS

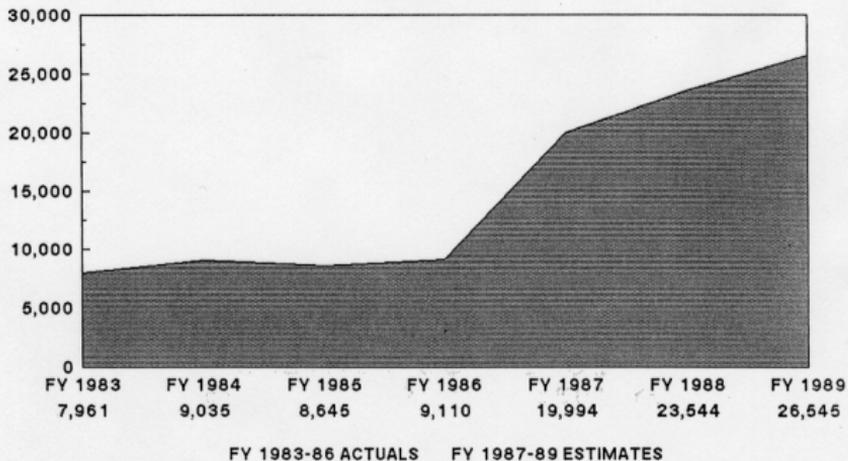
◦ FY 1985 - FY 1986 - FY 1987 ◦



Source: Air Traffic Operations Service 10-20-87

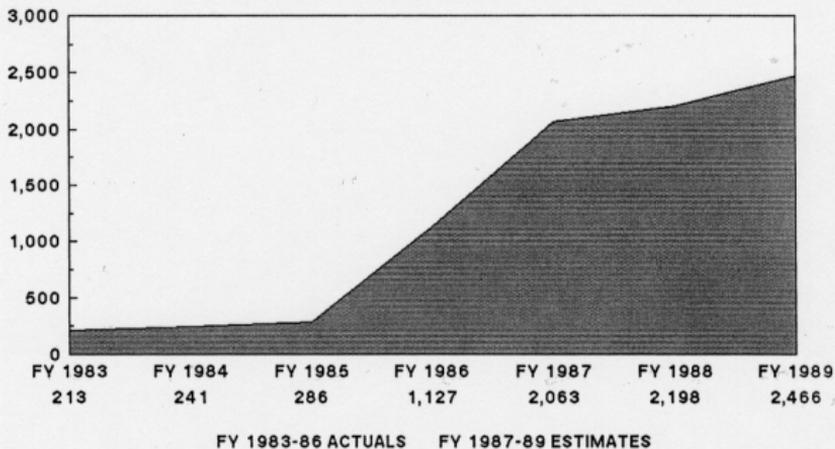
## FEDERAL AVIATION ADMINISTRATION

Domestic Airport/Air Carrier  
Security Inspections



## FEDERAL AVIATION ADMINISTRATION

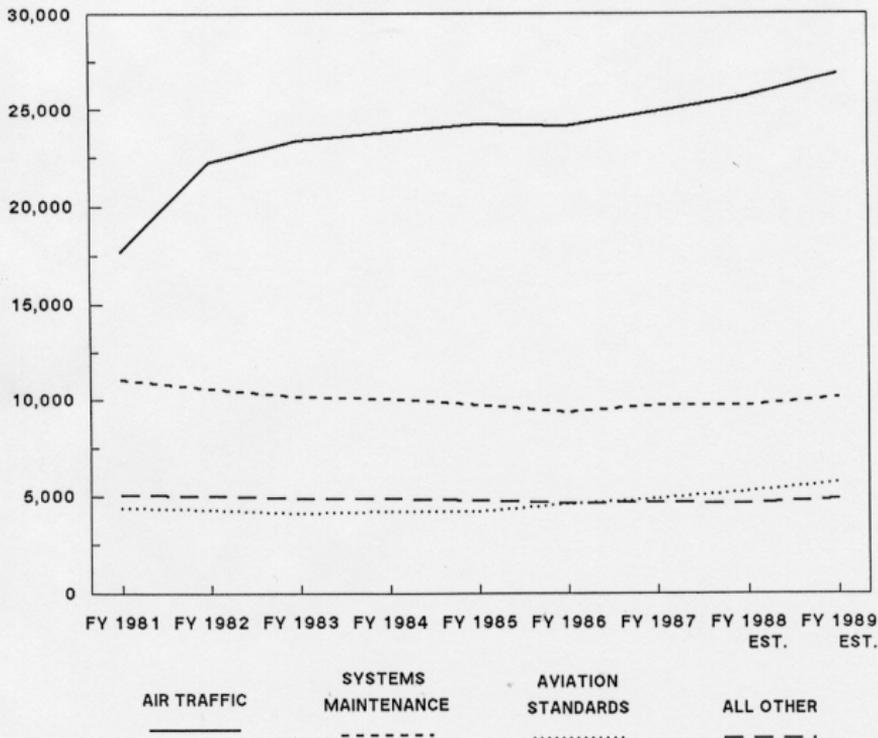
Foreign Airport/Air Carrier  
Security Inspections/Assessments



# FEDERAL AVIATION ADMINISTRATION

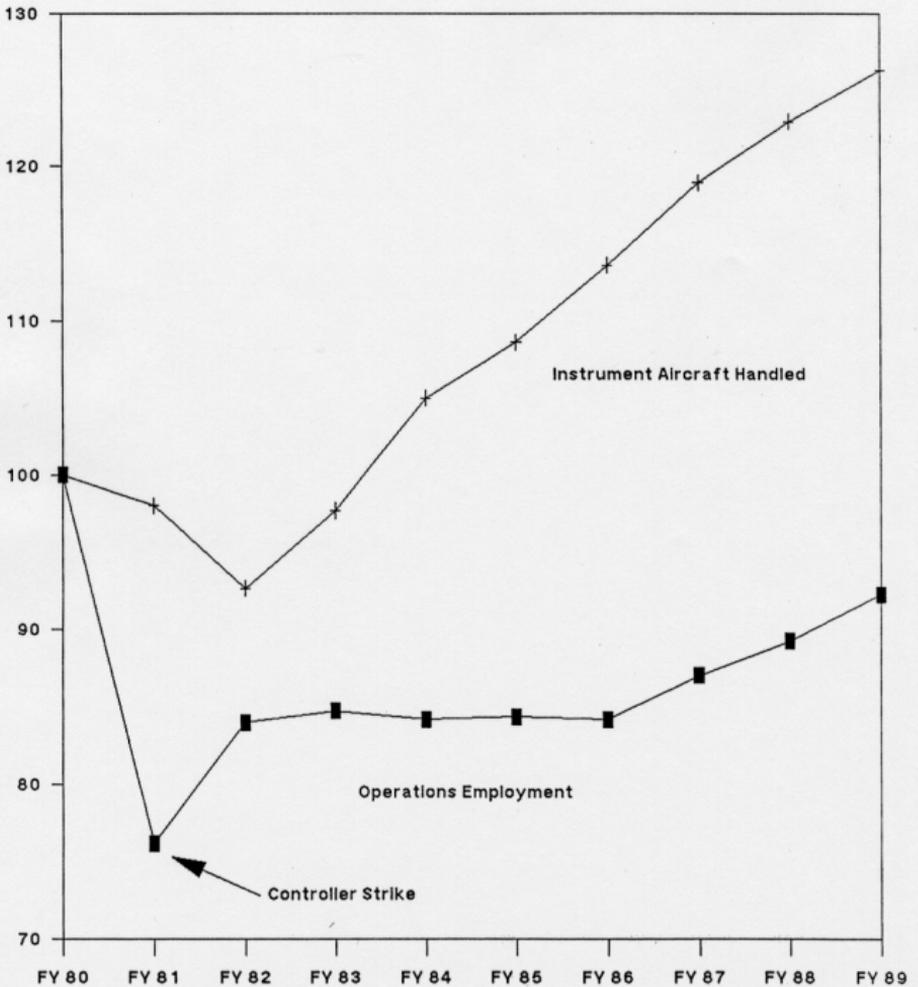
## END OF YEAR EMPLOYMENT

OPERATIONS AND HEADQUARTERS ADMINISTRATION



- o Total Operations employment was stable between FY 1983-FY 1986.
- o Significant increases in employment in each of FY 1987, FY 1988, FY 1989, mainly in air traffic, inspectors and field technicians.
- o Operations appropriation is 70 percent payroll.
- o Growth in employment drives overall budget increases, especially annualization of rapidly-promoted controllers plus the additional costs of the Federal Employment Retirement System beginning in FY 1987.

# INDEX OF COMPARATIVE RATES OF GROWTH INSTRUMENT OPERATIONS VS. EMPLOYMENT



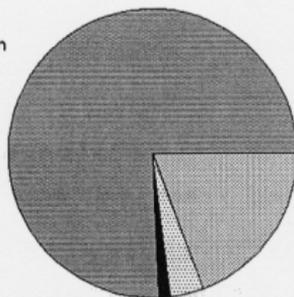
# HEADQUARTERS ADMINISTRATION

\$37 million, a 4.5 percent increase, is requested for continuing Washington headquarters functions that provide for the central direction of the FAA.

## HEADQUARTERS APPROPRIATION FY 1989 BUDGET BY MAJOR OBJECT CLASS

(Dollars in Thousands)

Personnel Compensation  
& Benefits  
28,014 (75.6%)



Travel, Equipment,  
Supplies, etc.  
1,387 (3.7%)

Rent, Communications,  
& Utilities  
489 (1.3%)

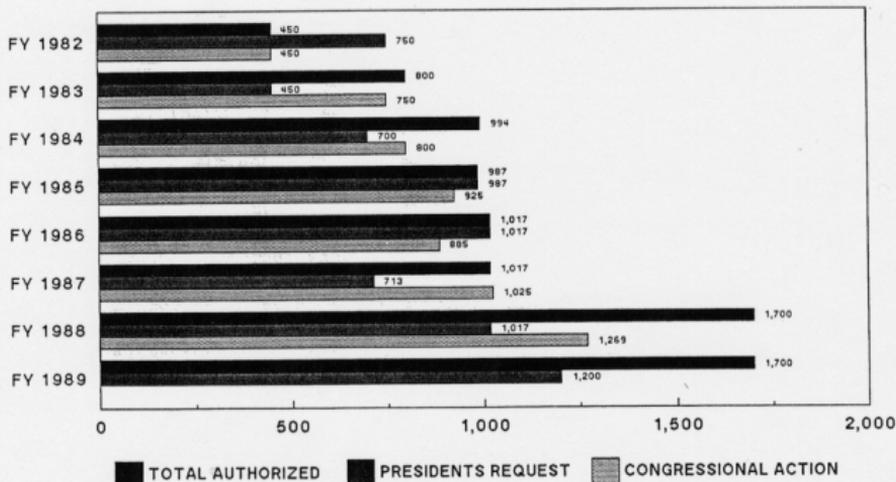
Contractual Services  
7,167 (19.4%)



# GRANTS-IN-AID TO AIRPORTS

\$1,200 million (obligation limitation level), a decrease of 5 percent, is requested for airport improvement grants, which emphasize capacity development, safety and security needs.

## FEDERAL AVIATION ADMINISTRATION GRANTS-IN-AIDS AIRPORTS, OBLIGATION LIMITATION (Dollars in Millions)

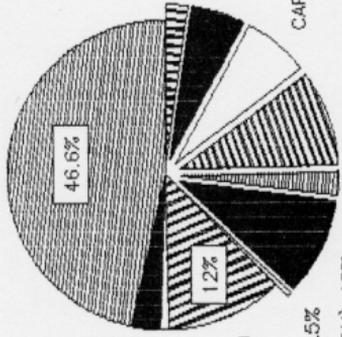


# AIRPORT IMPROVEMENT PROGRAM SPONSOR ENTITLEMENT/CAPACITY DISCRETIONARY APPORTIONMENT

AIRPORT & AIRWAY SAFETY AND CAPACITY EXPANSION ACT OF 1987

ENTITLEMENTS(\$748.5M)

PRIMARY AIRPORTS(\$558.8M)



CARGO(\$35.2) 2.9%

ALASKA SUPPL.(\$10.5M) .9%

STATES(\$144.0M)

SYSTEM PLANNING(\$6.0M) .5%

RELIEVERS(\$120.0M) 10%

COMMERCIAL SERVICE(\$30.0M) 2.5%

REMAINING DISCRETIONARY(\$27.1M) 2.3%

CARRYOVER ENTITLEMENTS(\$66.9M) 5.6%

CAPACITY/SAFETY/NOISE/SECURITY(\$81.5M) 6.8%

NOISE(\$120.0M) 10%

DISCRETIONARY(\$451.5M)

OBLIGATION LIMITATION \$1.2 BILLION

LEVELS BASED ON FY 88 CARRYOVER & ENTITLE. WHICH ARE SUBJECT TO CHANGE

# FACILITIES AND EQUIPMENT

\$1,600 million, almost a 45 percent increase (\$492 million) over FY 1988, is requested to fund planned facilities and equipment procurements and installations. FY 1988 began the second half of the planned 10-year program to essentially build a new, modern air traffic control system. During the first 5 years, most projects were completed through their development and preliminary engineering stages and are currently in production and delivery stages. The FY 1989 budget provides for follow-on procurement and continues funding for the multi-year NAS Plan to update existing obsolescent, labor-intensive facilities with new, solid-state equipment, and to provide new facilities with equipment capable of handling the volumes of air traffic predicted to develop by the 1990's.

A plan to accelerate the capacity expansion of existing facilities is included in the FY 1989 budget. Traffic growth has occurred much more rapidly than expected at some facilities due to airline hubbing requirements. Expansion of computer memory, additional controller workstations and similar equipment is needed during the period FY 1988 - FY 1995.

Significant investments for major programs are: (\$ in millions)

|  |      |
|--|------|
| Long Range Radar (LRR) . . . . .                                   | \$58 |
| Radar Microwave Link (RML) System. . . . .                         | 41   |
| En Route Doppler Weather Radar . . . . .                           | 41   |
| Advanced Automation System (AAS) . . . . .                         | 212  |
| Replace or Modernize Terminal Air Traffic Control Facilities . . . | 62   |
| Terminal Doppler Weather Radar (TDWR). . . . .                     | 120  |
| Remote Maintenance Monitoring (RMM). . . . .                       | 56   |
| Flight Service Stations (FSS's) and associated programs. . . . .   | 52   |
| Systems Engineering and Integration. . . . .                       | 106  |
| Interim Support Plan . . . . .                                     | 150  |

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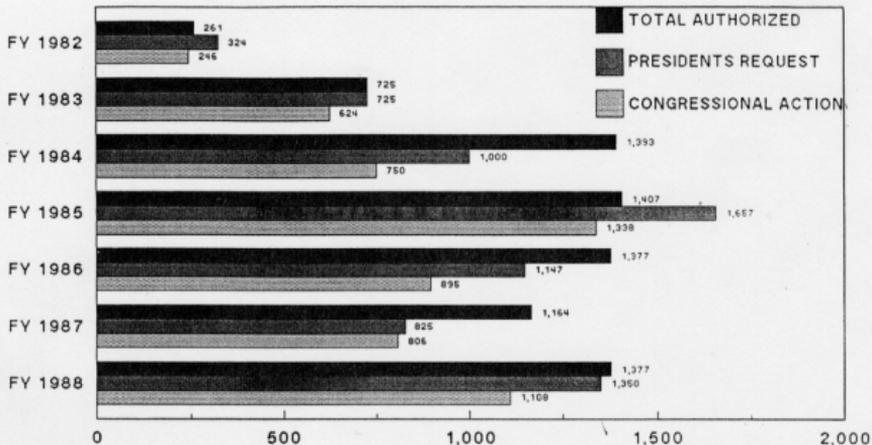
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FACILITIES AND EQUIPMENT  
Summary of Requirements by Activity

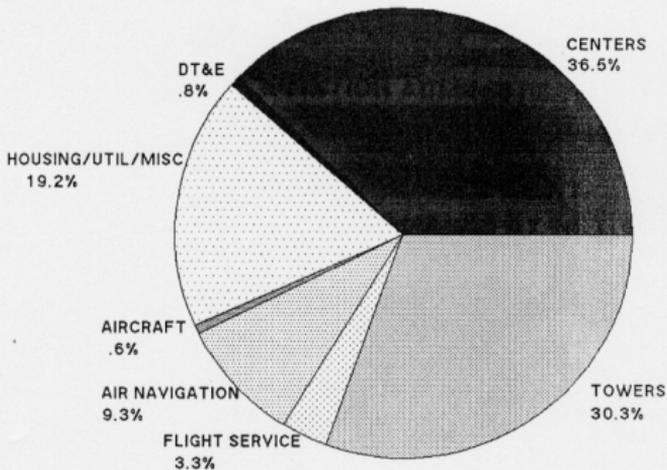
| <u>Activity</u>   | <u>1989 Request</u>         |
|---|-----------------------------|
| 1. <u>Air route traffic control centers</u>   |                             |
| a. Long range radar   | \$161,134,300               |
| b. Automation equipment   | 258,702,000                 |
| c. Other center facilities  | <u>164,116,000</u>          |
| Total, Activity 1.  | <u>\$583,952,300</u>        |
| 2. <u>Airport traffic control towers</u>  |                             |
| a. Terminal area radar  | \$142,083,000               |
| b. Terminal area automation   | 36,800,000                  |
| c. Other tower facilities   | <u>305,292,500</u>          |
| Total, Activity 2.  | <u>\$484,175,500</u>        |
| 3. <u>Flight service facilities</u>   |                             |
| a. Flight service stations  | \$ 52,200,000               |
| b. International flight service stations  | -0-                         |
| Total, Activity 3.  | <u>\$ 52,200,000</u>        |
| 4. <u>Air navigation facilities</u>   |                             |
| a. VORTAC   | \$ 48,899,500               |
| b. Low and medium frequency facilities 1,   | 3,589,800                   |
| c. Instrument and visual landing systems  | <u>97,223,800</u>           |
| Total, Activity 4.  | <u>\$149,713,100</u>        |
| 5. <u>Housing, utilities, and miscellaneous facilities</u>  |                             |
| a. Housing  | \$ -0-                      |
| b. Utilities and miscellaneous facilities   | 159,414,900                 |
| c. Provide various air navigational aids/air<br>traffic control facility improvements and support | <u>147,737,100</u>          |
| Total, Activity 5.  | <u>\$307,152,000</u>        |
| 6. <u>Aircraft and related equipment</u>  |                             |
| a. Facilities and flight inspection   | \$ 8,687,100                |
| b. Training   | 1,180,000                   |
| c. Logistics, job performance, and other  | -0-                         |
| Total, Activity 6.  | <u>\$ 9,867,100</u>         |
| 7. <u>Development, test, and evaluation facilities</u>  |                             |
| a. Buildings, construction, and improvements  | \$ 6,590,000                |
| b. Equipment  | <u>6,350,000</u>            |
| Total, Activity 7.  | <u>\$ 12,940,000</u>        |
| <br>TOTAL, ALL ACTIVITIES   | <br><u>\$ 1,600,000,000</u> |

# FEDERAL AVIATION ADMINISTRATION FACILITIES & EQUIPMENT

(Dollars in Millions)



## FACILITIES AND EQUIPMENT PERCENT OF REQUIREMENTS BY ACTIVITY

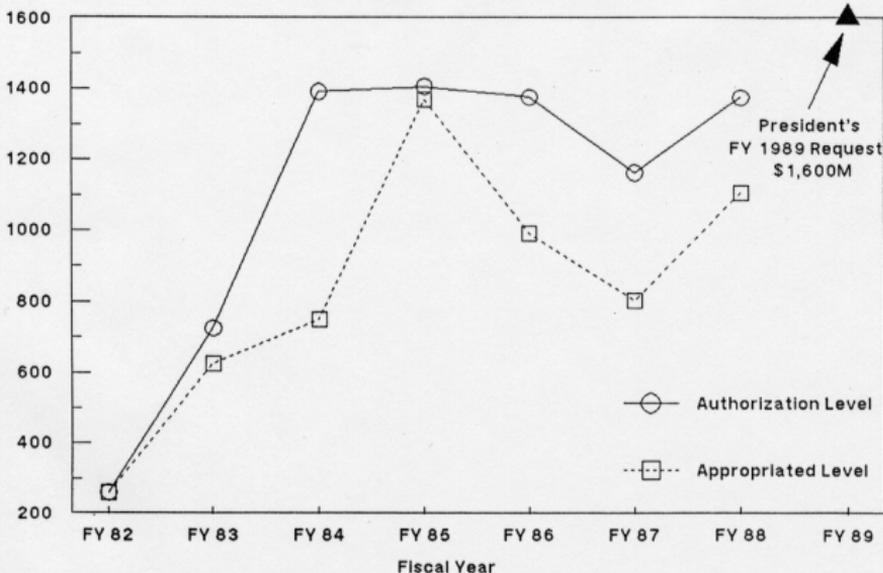


89: TA 1730  
 PR 1600  
 CA 1293  
 1385

90: TA 2196  
 PR 2345  
 CA —

# National Airspace System F&E - Modernization Plan

Dollars in Millions



## **RESEARCH, ENGINEERING, AND DEVELOPMENT**

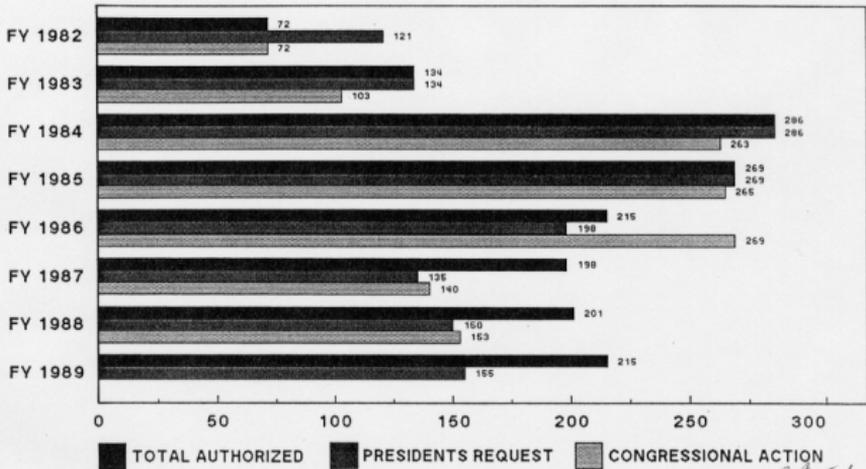
\$155 million, approximately a 1 percent increase (\$1.6 million) over the FY 1988 enacted level, is requested to support ATC automation, aircraft separation, communications, navigation and weather information systems and enhancements to airport capacity. Improvements will continue in the environmental efforts area for air pollution and noise control research; aircraft safety research into weapons detection and fire safety; and aeromedical research to try to eliminate factors harmful to personnel operating the ATC system.

RESEARCH, ENGINEERING, AND DEVELOPMENT  
Summary of Requirements by Activity/Program

| <u>Activity/Program</u>       | <u>1989 Request</u>  |
|-------------------------------|----------------------|
| 1. <u>Air traffic control</u> |                      |
| a. System                     | \$ 6,241             |
| b. Beacon                     | 4,299                |
| c. Aircraft Separation        | 14,144               |
| d. Communications             | 15,067               |
| e. System Capacity & Airports | 20,779               |
| f. Terminal/Tower Control     | 600                  |
| g. Technology                 | 9,188                |
| h. Support                    | 4,057                |
| i. Rotorcraft                 | 3,446                |
| j. Human Systems & Operations | <u>5,257</u>         |
| Total, Activity 1.            | \$ 83,078            |
| 2. <u>Advanced Computer</u>   |                      |
| a. Advanced Automation        | \$ 7,578             |
| b. ATC Automation             | <u>16,439</u>        |
| Total, Activity 2.            | \$ 24,017            |
| 3. <u>Navigation</u>          |                      |
| a. Navigation                 | \$ 2,629             |
| b. Approach & Landing System  | <u>846</u>           |
| Total, Activity 3.            | \$ 3,475             |
| 4. <u>Aviation weather</u>    | \$ 15,057            |
| 5. <u>Aviation medicine</u>   | \$ 4,881             |
| 6. <u>Aircraft safety</u>     | \$ 22,380            |
| 7. <u>Environment</u>         | \$ 2,112             |
| <br>TOTAL, ALL ACTIVITIES     | <br><u>\$155,000</u> |

# FEDERAL AVIATION ADMINISTRATION RESEARCH, ENGINEERING & DEVELOPMENT

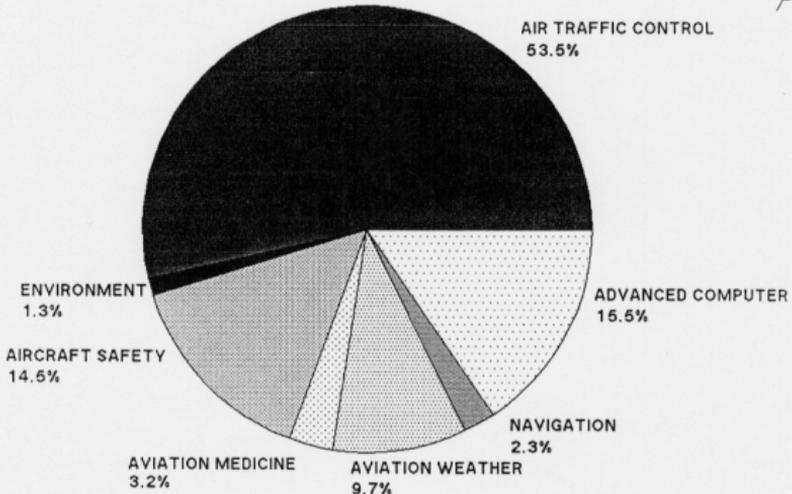
(Dollars in Millions)



*89 TA 215  
PR 155  
CA 160*

*90 TA 222  
PR 194*

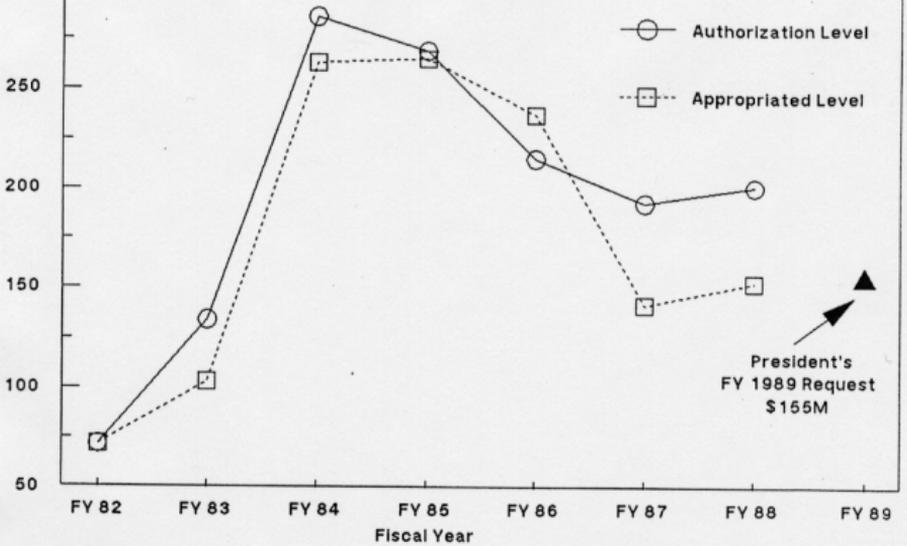
## RESEARCH, ENGINEERING & DEVELOPMENT PERCENT OF REQUIREMENTS BY ACTIVITY



# National Airspace System R,E&D - Modernization Plan

Dollars in Millions

300



# TRUST FUND

## REAUTHORIZATION LEGISLATION

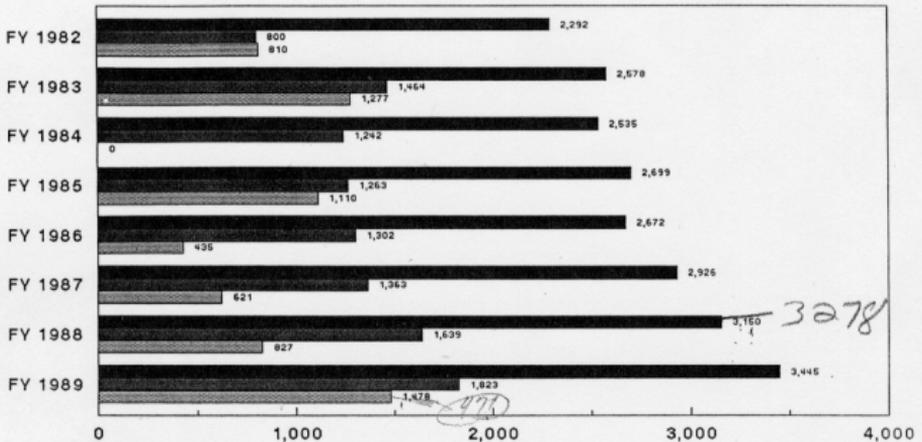
- o Authorizing legislation was enacted December 30, 1987 to continue programs financed from the Airport and Airway Trust Fund.
- o The Facilities and Equipment three-year authorization provides for \$1.377 billion for FY 1988, \$1.730 billion for FY 1989, and \$2.191 billion for FY 1990. The Research, Engineering, and Development three-year authorization provides for \$210 million in FY 1988, \$215 million in FY 1989 and \$222 million in FY 1990. The Grants-in-Aid to Airports (Airport Improvement and Noise Abatement Programs) appropriation is authorized for five years, FY 1988 - FY 1990 at \$1.7 billion and FY 1991 - FY 1992 at \$1.8 billion.
- o Operations funding from the Trust Fund is authorized for three years at 50 percent of the total of the capital appropriations. This provides for \$827.5 million in FY 1988 and \$1,478.3 million in FY 1989. The budget proposal assumes that the operations penalty clause enacted in the legislation will be rescinded for FY 1989. If the penalty provision is applied, funding would decline to approximately \$500 million and the Trust Fund balance would rise to approximately \$6.6 billion.
- o Under this proposal, the tax reduction provision in the Airport and Airway Safety and Capacity Expansion Act of 1987 will be triggered. Appropriations for the capital appropriations will be 77 percent in FY 1988, and 81 percent for FY 1989, of authorized levels. Appropriations below 85 percent of authorized levels trigger a 50 percent reduction in passenger ticket, freight waybill and noncommercial aviation fuel taxes for CY 1990. This would reduce government revenues in FY 1990 by \$1.6 billion.

FEDERAL AVIATION ADMINISTRATION  
 Airport and Airway Trust Fund  
 Amounts Available for Appropriation  
 (in thousands of dollars)

|  | FY 1987     | ESTM<br>FY 1988 | ESTM<br>FY 1989 |
|--|-------------|-----------------|-----------------|
| Unappropriated balance, start of year...                               | 5,883,796   | 7,209,485       | 8,267,758       |
| Revenue.....   | 3,940,242   | 4,238,500       | 4,579,700       |
| Total available for appropriation.....                                 | 9,824,038   | 11,447,985      | 12,847,458      |
| Appropriations:  |             |                 |                 |
| Facilities and equipment.....  | (804,584)   | (1,108,056)     | (1,600,000)     |
| Research, engineering and development.                                 | (141,700)   | (153,425)       | (155,000)       |
| Grants-in-aid for airports:  |             |                 |                 |
| Appropriation to liquidate contract authority.....                     | (1,020,000) | (1,063,000)     | (1,110,000)     |
| Trust fund share of FAA operations....                                 | (621,185)   | (827,455)       | (1,478,250)     |
| (authorized studies - memo entry)                                      | .....       | (1,500)         | (750)           |
| (Interest refund to carriers-memo entry)                               | (17)        | .....           | .....           |
| Department of Commerce: NOAA,<br>operations, research and facilities.. | (29,000)    | (28,291)        | (30,000)        |
| Total appropriations.....  | (2,616,469) | (3,180,227)     | (4,373,250)     |
| Adjustments in expired, return to<br>unappropriated receipts.....      | 1,916       | .....           | .....           |
| Unappropriated balance, end of year...                                 | 7,209,485   | 8,267,758       | 8,474,208       |
| Unexpended balance brought forward:                                    |             |                 |                 |
| U.S. securities (par).....   | 8,596,199   | 9,937,272       | 11,156,822      |
| Cash.....  | 29,000      | (2,345)         | 10,000          |
| Balance of fund, start of year.....                                    | 8,625,199   | 9,934,927       | 11,166,822      |
| Cash income during the year:   |             |                 |                 |
| Government receipts:   |             |                 |                 |
| From excise taxes:   |             |                 |                 |
| Passenger ticket tax.....  | 2,699,919   | 2,985,000       | 3,242,000       |
| Waybill tax.....   | 159,382     | 182,000         | 198,000         |
| Fuel tax.....  | 115,456     | 113,900         | 113,900         |
| International departure tax.....                                       | 91,431      | 107,000         | 110,800         |
| Refund of taxes.....   | (6,318)     | (6,300)         | (6,300)         |
| Intrabudgetary transactions:   |             |                 |                 |
| Interest on investments.....   | 880,372     | 856,900         | 921,300         |
| Total annual income.....   | 3,940,242   | 4,238,500       | 4,579,700       |
| Cash outgo during the year:  |             |                 |                 |
| Federal Aviation Administration:                                       |             |                 |                 |
| Grants-in-aid for airports.....  | 916,912     | 979,022         | 1,110,333       |
| Facilities and equipment.....  | 891,811     | 986,720         | 1,073,241       |
| Research, engineering and development                                  | 170,359     | 185,982         | 165,811         |
| Operations.....  | 622,432     | 826,590         | 1,479,035       |
| Department of Commerce: NOAA.....                                      | 29,000      | 28,291          | 30,000          |
| Total annual outgo.....  | 2,630,514   | 3,066,605       | 3,858,420       |
| Unexpended balance carried forward:                                    |             |                 |                 |
| U.S. securities (par).....   | 9,937,272   | 11,156,822      | 11,878,102      |
| Treasury balance.....  | (2,345)     | 10,000          | 10,000          |
| Balance of fund, end of year.....                                      | 9,934,927   | 11,166,822      | 11,888,102      |
| Commitments against unexpended balances:                               |             |                 |                 |
| Appropriated but not expended.....                                     | (2,725,442) | (2,899,064)     | (3,413,894)     |
| committed to future liquidating cash                                   |             |                 |                 |
| appropriations to liquidate outstanding                                |             |                 |                 |
| obligations (contract authority)....                                   | (1,583,306) | (1,789,031)     | (1,879,031)     |
| Unobligated balance of contract  |             |                 |                 |
| authority.....   | (67,598)    | (498,873)       | (998,873)       |
| Uncommitted balance, end of year.....                                  | 5,558,581   | 5,979,854       | 5,596,304       |

# FEDERAL AVIATION ADMINISTRATION TRUST FUND SHARE OF OPERATIONS

(Dollars in Millions)



BUDGET AUTHORITY
  TRUST AUTHORIZATION (OBLIGATION LIMITATION)
  TRUST APPROPRIATION

### TRUST FUND SHARE OF FAA COSTS

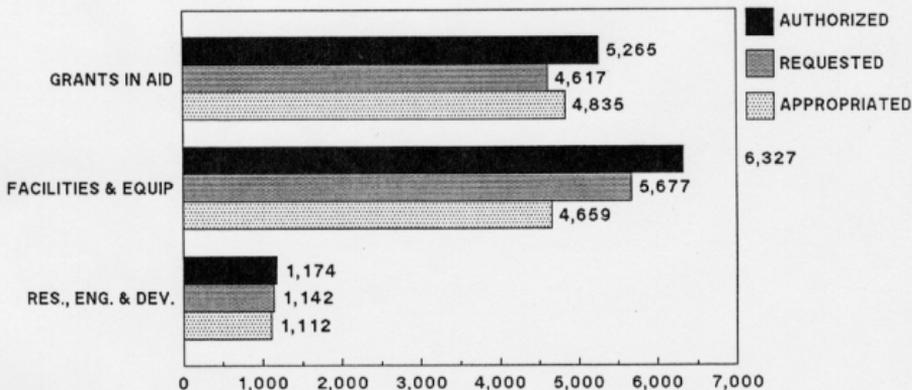
471  
 BAA - 3863  
 Auth 2069  
 90 TAP - 2069

- o The FAA believes that the costs of operating and modernizing the national airway system should be borne by the user.
- o Recent allocation studies reconfirm prior analysis that over 85 percent of the airway system costs can be attributed to use by civil aviation. Slightly less than 15 percent is attributable to national security needs and other public sector uses, and will continue to be paid by general revenues.
- o By contrast, only about half of FAA's total costs over the past seven years (FY 1982-1988) have been funded from the Trust Fund. And, because of penalty clauses, less than a third of FAA's operating expenses have been financed from the Trust Fund.
- o The estimated Trust Fund uncommitted balance was about \$5.6 billion at the end of FY 1987. Balance is estimated to be at approximately \$6.0 billion at the end of FY 1988, and back to \$5.6 billion by the end of FY 1989.
- o If Congress had appropriated spending levels for FY 1988 at authorized levels, the FY 1989 surplus would have been only \$4.5 billion. If the penalty provision is applied, the balance will rise to approximately \$6.6 billion by the end of FY 1989.

# FEDERAL AVIATION ADMINISTRATION

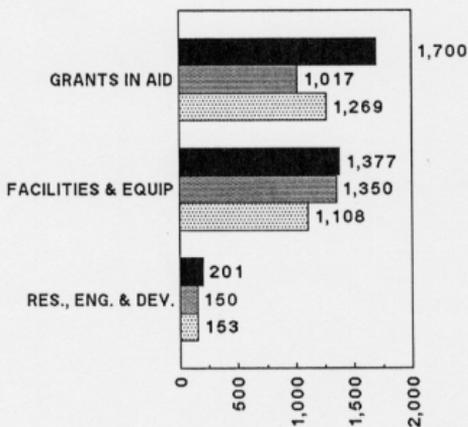
## FY 1982 - FY 1987

(Dollars in Millions)



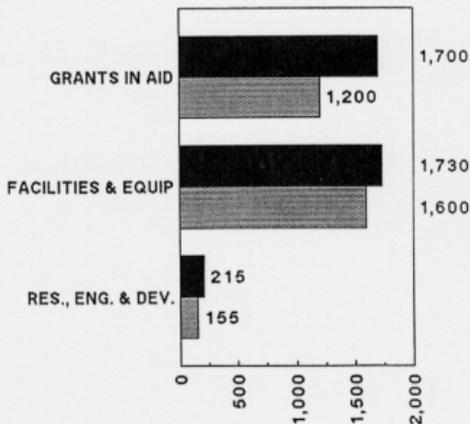
### FY 1988 Estimated

(Dollars in Millions)



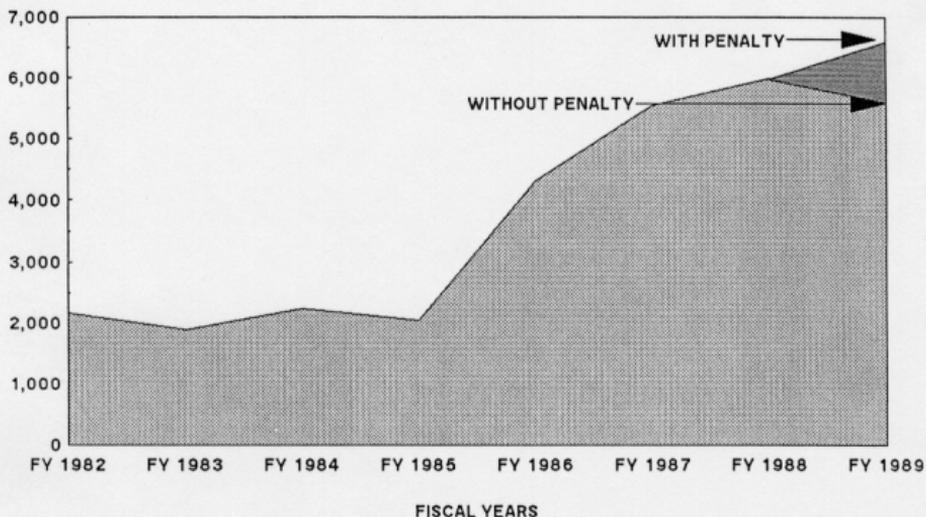
### FY 1989 Estimated

(Dollars in Millions)



**FEDERAL AVIATION ADMINISTRATION  
AIRPORT & AIRWAY TRUST FUND  
History of Uncommitted Balances**

(Dollars in Millions)



FEDERAL AVIATION ADMINISTRATION  
Airport and Airway Trust Fund  
(in millions of dollars)

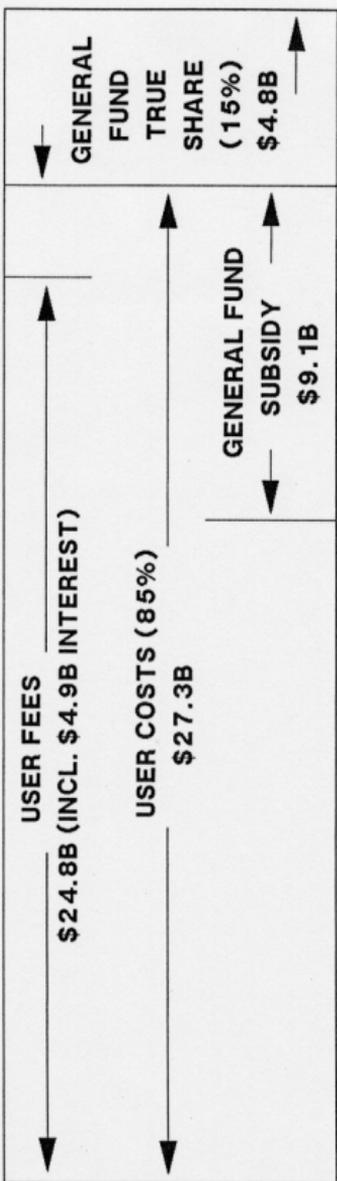
|  | FY 1987<br>ACTUAL | FY 1988<br>EST | FY 1989<br>EST |
|--|-------------------|----------------|----------------|
| Annual user fees                       | 3,060             | 3,382          | 3,658          |
| Interest on earnings                   | 880               | 857            | 921            |
| Outlays                                | 2,631             | 3,007          | 3,858          |
| Commitments against unexpended balance | 4,376             | 5,187          | 6,292          |
| Uncommitted balance, end of year       | 5,559             | 5,980          | 5,596          |

**FEDERAL AVIATION ADMINISTRATION  
FUNDING HISTORY FY 1982-FY 1988**

TRUST FUND STATUS:

|   |   |                                    |   |
|---|---|------------------------------------|---|
| TRUST FUND<br>APPROPRIATED<br>FOR<br>SUPPORT OF<br>FAA OPERATIONS<br>\$ 18.2B | TRUST FUND<br>UNAVAILABLE<br>FOR<br>FAA SUPPORT<br>(NOT APPROPRIATED)<br>\$6.6B | TRUST<br>FUND<br>DEFICIT<br>\$2.5B | GENERAL<br>FUND<br>TRUE SHARE<br>\$4.8B |
|---|---|------------------------------------|---|

COST ALLOCATION:



FAA APPROPRIATION SOURCES:



U.S. Department of Transportation  
**FEDERAL AVIATION ADMINISTRATION**

