

REAUTHORIZATION FUNDING RECOMMENDATIONS

Based on AOPA's analysis, approximately \$11 billion can be saved by redirecting the FAA's airspace modernization effort and moving aggressively toward implementation of a space/earth system. This would reduce total NAS Plan/airways modernization cost to approximately \$16 billion. **AOPA recommends a 10-year effort to achieve full implementation of a space/earth system, which would require an annual authorized level for F&E of approximately \$1.7 billion to \$2 billion.**

F&E--\$1.7 BILLION TO \$2 BILLION

Based on FAA's estimated future budget requirement for F&E of \$3 billion annually, an annual savings of between \$1 billion and \$1.3 billion could be realized under AOPA's proposal.

AOPA recommends shifting approximately \$500 million of that money to AIP. An annual AIP authorized level of \$2 billion is feasible and net annual savings of \$500 million to \$800 million could still be realized over FAA's future requests.

AIP--\$2 BILLION

As the nation moves toward a space/earth air traffic system, a rededication to research, engineering, and development is warranted. The issues of safety, airport capacity, weather, and other areas of national concern also require a continuing dedication to RE&D to ensure an adequate technological foundation to meet future requirements.

AOPA recommends a \$300 million annual authorized funding level for research, engineering, and development, which would begin to provide the increased funds necessary in this critical area.

RE&D--\$300 MILLION

The nation's present air traffic system, which is based on ground-based communications, navigation, and surveillance equipment is extraordinarily labor- and capital-intensive. Transition to a space/earth system will permit dramatic reductions in FAA operations, maintenance, and administrative staffing levels--between 30 percent and 50 percent of current levels once a space/earth system is fully implemented and operational.

Though such massive reductions cannot take place immediately, the process of reductions in force can begin slowly and continue through full implementation of a space/earth system over the next decade.

AOPA recommends full initial authorization of FAA-estimated operations and maintenance levels with systematic reductions through the life of the reauthorization term to reach a level of \$3.3 billion for FY95.

O&M--\$3.9 BILLION TO \$3.3 BILLION