

## **Finance Subcommittee on Energy Hearings**

### **Aviation Financing: Industry Perspectives**

July 19, 2007

2:15 p.m.

#### **Opening Statement of Chairman Jeff Bingaman**

Today we hold our second hearing on the Aviation Trust fund. Last week in the full committee we heard from the administration and budget experts. Today we will get the industry's perspective.

I'd like to thank all of the witnesses for coming today. I know some of you had to make last minute changes to your schedules, and I appreciate your making the time to be here today.

I also want to take a minute to acknowledge the good work on aviation issues by my colleagues Sen. Rockefeller and Sen. Lott, both as members of the finance committee, but especially in their role on the Commerce Committee as chairman and ranking member of the Aviation Subcommittee. I look forward to working with them this year as we put together the legislation needed to guide the future of aviation in the country.

As we heard loud and clear in the hearing last week, there is near universal agreement about the need to modernize our air traffic control system to improve safety and efficiency. We also need to ensure a stable source of funding for the trust fund in the face of a changing nature of aviation. One example is the advent of a new generation of smaller commercial and business jets, which will foster a whole new approach to air travel.

Along with these technological developments, there have been changes in the way we travel—there has been an increase in air travel both for leisure and for business, and the increasing reliance on air travel to cover distances in an efficient manner has given rise to more business aircraft, increases in charter flight, and new arrangements like air taxi.

Those of us who come from rural states also recognize the importance that aviation plays to small communities. We need to make sure that all communities continue to have the airport infrastructure they need to support aviation and provide a base for air travel in those communities.

Here in the Senate, it is the responsibility of the finance committee to make sure that the tax system provides sufficient revenues to support modernization of our air traffic control system and to operate and maintain the basic infrastructure needed to support aviation across the country. At the same time, we need to insure that the burdens placed on the various interests are fairly shared.

This hearing will be an opportunity to learn from industry their views on existing and proposed tax structures as well as their views on how to equitably allocate those taxes among all those groups that use the system.

I look forward to hearing our witnesses' suggestions on the funding options our committee should be considering as we work to complete the reauthorization of aviation programs.