

**STATEMENT OF
J. RANDOLPH BABBITT, ADMINISTRATOR
FEDERAL AVIATION ADMINISTRATION**

**BEFORE THE COMMITTEE ON APPROPRIATIONS, SUBCOMMITTEE ON
TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT, AND RELATED
AGENCIES**

MARCH 18, 2010

Good morning, Chairman Olver, Ranking Member Latham, and Members of the Subcommittee. Thank you for the opportunity to discuss the Administration's Fiscal Year (FY) 2011 budget request for the Federal Aviation Administration (FAA).

FY 2011 Budget

The FAA's mission is to provide the safest, most efficient aerospace system in the world. With aviation representing more than 5 percent of America's GDP, our mandate for safety and efficiency contributes to the nation's economic recovery.

Over the past several years, we have made significant advancements in the safety of the aviation system. Since 2001, there have been 93 million successful flights of U.S. commercial aircraft, safely carrying more than 6.3 billion passengers to domestic and international locations. The rates of commercial aviation fatalities and runway incursions continue to decline and the number of serious runway incursions dropped 50 percent last year. Recent aviation accidents, however, demonstrate that vigilance must be a watchword. To develop that needed vigilance, we must lead a cultural shift, imbuing the global aviation community with an increased sense of accountability and professionalism.

Regardless of the complexity of the issues at hand, this budget recognizes that system safety continues to be our number one priority. In the past five years, FAA has hired more than 7,300 air traffic controllers, ensuring the flexibility to meet the continuously changing traffic volumes and workload. We are expanding our aviation safety workforce as well. The FY 2011 request maintains our critical Aviation Safety inspector staff increases from FY 2007—2010, while further increasing overall Aviation Safety staffing by 82 positions in FY 2011.

Even with this progress, safety and efficiency still need to advance in tandem. New technology is the answer, and that advance will come through NextGen, our blueprint for modernization. We continue to move forward aggressively with NextGen. NextGen is needed to improve efficiency, create additional capacity, and provide enhancements to safety and environmental performance. NextGen is not a single piece of equipment or a program or a system that will instantly transform the air transportation system. NextGen is a multi-component and evolutionary process. Elements of it are already providing improvements for passengers and operators. When fully implemented, NextGen will enhance safety, reduce delays and provide benefits for the environment and the economy through reductions in carbon emissions, fuel consumption, and noise. The FY 2011 budget request provides a total of \$1.14 billion in support of NextGen, a nearly 32 percent increase over the amount enacted in FY 2010.

This budget allows us to execute our plans for controller and safety staffing, research and development, and capital investments, further enhancing aviation safety while we implement the aviation system of the future. The budget also supports the recent contract settlement with our air traffic controllers. We are pleased to have a contract in place and look forward to ushering in the future of aviation in full partnership with all of our employees.

Operations

The FY 2011 request of \$9.8 billion is an increase of \$443 million (4.7 percent) above the FY 2010 enacted level. This will fund annualization of FY 2010 new hires, adjustments for inflation, and maintenance and operating costs of National Airspace System (NAS) systems and equipment. In addition to the air traffic controller contract, other major initiatives funded by the request include required navigation performance routes and procedures to support NextGen, increased safety staffing, service center facility expansion, enhanced Information System Security protection, implementation of environmental and energy technologies, and increased staffing to improve safety and hazardous materials compliance.

The Aviation Safety organization will maintain a highly trained and talented workforce as it transitions to a Safety Management System (SMS). The FY 2011 budget provides \$19 million to

annualize the cost of new safety staff added in FY 2010 and \$14 million for 82 additional safety staff in FY 2011.

The budget includes a \$25 million increase to support Performance-Based Navigation. Under this initiative, FAA will design and implement new high-altitude, performance-based routes between major metropolitan areas. These routes will provide greater en route efficiency and flexibility to the aircraft using them, and the proposed increase will shorten their deployment by two years. The funding will also be used to develop new Terminal procedures that simplify operations in congested and closely-located airports in major metropolitan areas, including Chicago, Washington, Baltimore, Atlanta, and Denver. These procedures and associated airspace redesigns will lead to greater efficiencies when arriving at or departing from area airports. With this funding, the time to complete these improvements will be accelerated to three-to-four years rather than the typical four-to-six years.

The NAS continues to grow in size and complexity, with an average of 2,162 new pieces of equipment procured and fielded each year. The budget request provides \$28.5 million for newly-commissioned systems that must be maintained in a highly reliable condition to achieve their projected safety and capacity benefits. A major system that continues to transfer to Operations in FY 2011 is the Airport Surface Detection Equipment Model X (ASDE-X), a system that provides seamless multi-sensor airport surveillance with identification and conflict alerts to air traffic controllers.

The FY 2011 Operations request also reflects \$22 million in cost savings realized by the Air Traffic Organization and an additional \$8 million in administrative efficiencies achieved by the Aviation Safety organization.

Facilities & Equipment

The FY 2011 budget allows FAA to meet the challenge of both maintaining the capacity and safety of the current NAS while keeping our comprehensive modernization and transformation efforts on track. The request of \$2.97 billion is an increase of \$34 million (1.2 percent) above the FY 2010 enacted level. The F&E NextGen portfolio is \$1.02 billion in FY 2011, a 30 percent increase above the FY 2010 enacted level. The remainder of our request – \$1.95 billion

– will invest in legacy areas, including aging infrastructure, power systems, information technology, navigational aids, and weather systems.

The American Recovery and Reinvestment Act (ARRA) provided additional resources for achieving increased NAS capacity, efficiencies and operational performance. Specific projects include improved navigation facilities and equipment, upgraded power systems, airport control towers, and facility construction. ARRA funds are providing 136 power systems upgrade projects at 100 locations, refurbishment of air route traffic control centers at 18 locations, replacement of three air traffic control towers and terminal radar approach control facilities and improvements to lighting, navigation, and landing equipment at 134 locations.

Research, Engineering, and Development (RE&D)

The FY 2011 request of \$190 million continues our work in current research areas, including fire and safety research, environment and energy, propulsion and fuel systems, advanced materials research, and aging aircraft. In addition, the budget increases the RE&D NextGen portfolio to \$77.5 million. This 7.6 percent increase over FY 2010 supports enhanced NextGen research and development efforts in the areas of air-ground integration, weather information for pilots, and environmental research for aircraft technologies and alternative fuels to improve aviation's environmental and energy performance.

Grants in Aid for Airports (AIP)

The FY 2011 request of \$3.5 billion continues our focus on safety-related development projects, including runway safety area improvements, runway incursion reduction, aviation safety management, and improving infrastructure conditions. The request provides increases to fully implement Safety Management Systems (SMS) in the Office of Airports, initiate a program to collect data on over 14 thousand private airports, upgrade information technology, and enhance engineering support, financial management and oversight, and ISO auditing. The budget also provides \$27.2 million for Airport Technology Research – an increase of \$4.7 million over FY 2010 – to support enhanced safety and pavement research efforts, and \$15 million for Airport Cooperative Research.

The American Recovery and Reinvestment Act provided resources to preserve and enhance safety, capacity and access while maximizing efficiency and operational performance. The FAA obligated 100 percent of the ARRA funds available for grants ahead of schedule. Work continues on many of the 360 projects at 334 airport locations nationwide. We are improving runways and taxiways while providing for terminal buildings and aircraft rescue and firefighting improvements at airports that serve millions of passengers every year. Our continued commitment to successfully implementing ARRA has helped earn FAA's place as a recognized leader in the Department of Transportation's efforts to bring Americans back to work.

The Airport and Airway Trust Fund

The Airport and Airway Trust Fund provides all of the funding for FAA's airport improvement, facilities and equipment, and research and development activities, as well as a share of FAA's operations. As of the end of the current fiscal year, we estimate that the Trust Fund will have a cash balance of approximately \$10.4 billion, of which \$1.4 billion remains uncommitted. The Vision 100 formula for calculating Trust Fund appropriations safeguards the future solvency of the Trust Fund by ensuring that expenditures will not exceed projected revenue. By using the Vision 100 formula, the budget projects Trust Fund balances will remain stable for FY 2011.

Reauthorization

We appreciate the efforts of the House in passing its FAA Reauthorization Bill last May. Looking ahead, we are encouraged by the Senate's efforts to pass a reauthorization proposal soon. As you already know, the current extension (the eleventh such extension) expires at the end of this month. The budgetary and operational uncertainties of repeated extensions make running the FAA much more difficult, which makes the passage of a multi-year bill vital. Most notably, delaying a multi-year reauthorization has produced several hurdles for managing and funding the Airport Improvement Program. We look forward to working with Congress to enact FAA reauthorization.

Increased Safety

Safety remains the vital core of the FAA mission. The flying public must have the highest confidence that the airplanes they board are properly designed and maintained. They must know that their pilots are qualified, trained for their mission, and fit for duty. Approximately 53 percent of the agency's FY 2011 budget will be used to maintain and improve the agency's safety programs. Our efforts to improve operations have contributed to a safer aviation environment; our goal is to continue to enhance safety.

Safety starts with professionalism. The FAA hosted a "Call to Action" in partnership with the industry to actively address concerns raised by the Colgan Air Flight 3407 tragedy. We identified immediate steps to strengthen and improve pilot hiring, training, and testing practices at airlines that provide regional service, as well as at our major air carriers. Participants agreed on best practices for pilot record checks and development of pilot mentoring programs. FAA and industry representatives are meeting throughout the country to ensure that every carrier and pilot union adheres to the highest professional standards, commits to the actions we are taking, and helps identify additional best practices. FAA inspectors are assisting in the implementation of these actions and evaluating their effectiveness. The Call to Action has proven helpful in emphasizing the critical importance of professionalism in aviation safety.

The FAA is working aggressively to publish a Notice of Proposed Rulemaking which would update current regulations on pilot flight duty time. We issued a rulemaking proposal in January to enhance training programs by requiring the use of simulation devices for pilots. We also published an Advanced Notice of Proposed Rulemaking with some options for modifications to pilot qualification requirements, an aggressive step towards reexamining pilot qualifications to ensure commercial pilots have the appropriate operational experience and are trained for the mission they are flying.

Professionalism is not something we can regulate, but it is something to which we continue to encourage and educate pilots and flight crews to improve and enhance. Labor organizations are answering our Call to Action and support the establishment of professional standards and ethics committees, a code of ethics, and safety risk management meetings between FAA and major and

regional air carriers. We are working in full cooperation with the industry to raise professional standards and improve cockpit discipline. The lessons learned from the Colgan tragedy will result in increased vigilance, more stringent safety standards, and preventative measures that will safeguard the public.

In support of our core mission, our request supports the expansion of our aviation safety workforce. The FY 2011 request maintains our Aviation Safety inspector and engineer staff increases from previous years, while further increasing overall Aviation Safety staffing by 82 positions in FY 2011. Forty-two of these new positions enable FAA to review additional applications for aeronautical products and parts as well as increase air traffic oversight evaluations. The remaining forty positions will provide for standards development and certification and operational approvals in support of our NextGen efforts.

Reduced Congestion

Even with the downturn in aviation activity nationwide, delays can still be a major problem. NextGen will continue to address today's constraints and comprehensively modernize and transform the air transportation system. The FY 2011 budget requests \$1.14 billion to support the NextGen portfolio, a 32 percent increase over the enacted FY 2010 level. This includes over \$1.02 billion in the F&E program, \$77 million in RE&D, and \$43 million in the Operations account. Increasing FAA's NextGen investments by \$275 million above the FY 2010 enacted level represents a critical investment, allowing FAA to meet future demand as our nation's economy rebounds.

NextGen leverages innovative twenty-first century technological solutions, procedures, standards, and roles and responsibilities for pilots and controllers. Given the vast scope of our mission, significant investments are necessary now if we are to achieve near-term deployment of mature technologies, accelerate moderately mature concepts for operational viability, and perform research to better define long-term capabilities. Among other capabilities, NextGen will enable aircraft to safely and efficiently fly more closely together on more direct routes, reducing delays.

We are currently preparing an updated, detailed breakdown of the near- to mid-term NextGen benefits. This analysis will soon be completed, and will be updated annually.

NextGen is a commitment to wise investment of tax dollars and to America's continued global aviation leadership. It is a commitment to the American people that we are investing now to meet tomorrow's demands. NextGen enhances safety, reduces delays, adds capacity and improves access while saving fuel and protecting our precious environment and resources. Any of these individually represent a solid business case in support of NextGen. Combined, they are a compelling and necessary investment in our nation's future.

RTCA Task Force Recommendations

Realizing the promise of NextGen technology is intrinsically linked to the speed at which operators can equip their aircraft, it is imperative that FAA work in close partnership with the industry on NextGen deployment. To this end, FAA established a NextGen Implementation Task Force with RTCA, an industry association that serves as a federal advisory committee.

FAA asked the RTCA to analyze NextGen mid-term implementation. The RTCA NextGen Mid-Term Implementation Task Force, comprised of 300 members of the aviation community, including representatives from commercial airlines, general aviation, the military, manufacturers, and airports, worked for seven months to produce a slate of recommendations published in a final report issued September 9, 2009.

The RTCA Task Force achieved an unprecedented consensus among NAS users in setting near term goals to advance NextGen. The recommendations add significant value to FAA's overall NextGen strategy and have been incorporated in our NextGen Implementation Plan that summarizes the agency's vision to achieve the 2018 operational capabilities. We have carefully weighed implications of funding allocation, scheduling constraints, investment decisions, standards, training and other critical work that will be required by FAA and the industry as well as the interdependencies that exist between systems in reevaluating NextGen implementation. The FAA will soon initiate work with the aviation community to determine which metrics to use and/or develop to track NextGen performance from the stakeholder, programmatic and operational perspectives.

The FY 2011 budget requests \$403 million across the NextGen portfolio to support RTCA Task Force recommendations in the areas of surface tactical flows, runway access, metroplex, cruise, NAS access, integration ATM, and data communications. These funds will be directed towards delivering projects that will yield immediate and tangible benefits, such as developing tailored oceanic routes to achieve efficient arrival procedures and fuel savings at major coastal airports; and implementing high altitude, performance-based routes into the most congested domestic airspace areas.

The Task Force report included several recommendations about continuing to work together. In particular, the report called for FAA to establish institutional mechanisms to facilitate continued transparency and collaboration in the planning, implementation and post-execution assessment of future activities. As FAA moves forward on NextGen implementation, we will continue to evaluate and adjust our strategies, priorities and deployment timelines in full collaboration with aviation stakeholders.

Implementing NextGen

I'm very proud to report that the future of aviation is already happening. These exciting new technologies and procedures are a reality, yielding immediate and significant benefits.

Automatic Dependent Surveillance Broadcast (ADS-B) is a centerpiece component of NextGen. Air traffic control will evolve from a radar-based system to a sophisticated satellite-derived aircraft location data system. ADS-B provides surveillance, like radar, but offers more precision and additional services, such as weather and traffic information for pilots. ADS-B deployment will allow reduced separation, resulting in increased capacity and decreased costs.

The rollout of this transformational ADS-B technology is already a reality. The FAA has deployed ADS-B ground infrastructure and is now providing operating capability over the Gulf of Mexico. Controllers at the Houston Air Route Traffic Control Center are now managing aircraft flying over the Gulf of Mexico with this safer, more precise and efficient technology. Houston is the latest facility to utilize ADS-B, which gives pilots exacting information on location, as well as possible weather problems. Before ADS-B was implemented in the Gulf, controllers were required to maintain up to a 120-mile separation between aircraft. The new

technology reduces that distance to only five nautical miles. Thanks to ADS-B, FAA can now precisely monitor thousands of daily helicopter flights that ferry workers to and from nearly 3,700 oil platforms, dramatically enhancing safety for thousands of Americans every single day. The Gulf of Mexico is the second major installation of ADS-B equipment in the U.S., following its successful introduction at Louisville International Airport. In 2010, ADS-B is expected to become operational at Philadelphia International Airport and in Juneau, Alaska, with full nationwide availability by 2013. These are only a few examples of how FAA is successfully laying the groundwork for the dramatic transformation of aviation as we know it.

We will be making other great strides this year, including a target to publish the final ADS-B-Out rule. Additionally, we expect to complete the In Service Decision (ISD) for Critical ADS-B Services. Achievement of these major milestones represents a necessary step phasing in national ADS-B deployment to ensure our successful implementation by 2013.

Other NextGen funded improvements are making significant advances in FY 2010. The Airspace Information Management (AIM) Special Use Airspace Automated Data Exchange for the System Wide Information Management program will improve capacity and efficiency of the NAS by increasing civilian access to current Special Use Airspace status. The primary benefit to NAS users is improved efficiency: specifically, to increase the capacity and operational efficiency of airspace operations by improving airspace management.

The FAA is preparing to establish stakeholder “tiger teams” to optimize Performance-based Navigation (PBN) procedures at busy metroplexes prioritized by need, cost benefit, budget and other considerations. This effort will result in expanded implementation of Area Navigation (RNAV) terminal procedures, which allow equipped aircraft to fly more direct and precise paths. This cuts down on flight time and fuel use, as well as localizer performance with vertical guidance (LPV) procedures, which can increase access to airports, especially in low visibility conditions. This means measurably increased nationwide efficiency and reduced delays while we maximize our use of limited airspace in congested environments.

In response to an RTCA Task Force recommendation, FAA is publishing 300 new localizer performance vertical (LPV) approaches emphasizing highest value areas. This will build upon

the solid foundation of over 1,900 LPV approaches that FAA has already deployed at over 1,000 different airports across the country. We are developing policies for data rights and data release in support of surface data sharing goals. In addition, we will be conducting Surface Management demonstrations at Memphis and Orlando to demonstrate collaborative departure queue management.

The FY 2011 budget request supports the continuation of large airspace redesign activities in key metropolitan areas, including New York, New Jersey, and Philadelphia. Redesign efforts in southern Nevada will provide short-term operational efficiencies to the existing airport while maintaining the ability to accommodate a potential future new airport. Additionally, an integrated airspace and performance based navigation activity in Denver will be continued in FY2011, optimizing the route structure in and out of the Denver metropolitan area. The request will also continue the redesign of airspace serving the Chicago metropolitan area; supporting two key airports and accommodating future airfield changes at O'Hare International Airport.

The FY 2011 budget request also supports terminal airspace redesign efforts which are essential in the delivery of increased capacity associated with the implementation of new runways. Terminal airspace optimization (mid-term) and redesign (long-term) projects are on-going across the United States. These efforts are underway for all major metropolitan areas and congested terminal areas servicing key airports, focusing on the airspace associated with the 35 largest Operational Evolution Partnership (OEP) airports. The major metropolitan airports account for approximately 75 percent of all United States passenger enplanements, and much of the delay to air traffic can be traced to inadequate throughput at some of these airports. When completed, the FY 2011 projects will reduce complexity, balance controller workload and reduce en-route flow constraints.

In FY 2010, FAA is increasing capacity at these 35 airports by directing investments toward runway projects (new runways, runway extensions, and airfield reconfigurations) as the most effective method of increasing throughput and reducing delays. We opened a new runway at Charlotte International Airport, while completing taxiway improvements at both Boston-Logan and JFK International Airports that will enhance capacity. The FAA expects to issue

approximately 2,200 grants to airport sponsors, increasing the safety, security and capacity of the civil aerospace system in an environmentally sound manner.

Environmental Stewardship

Protecting the environment and addressing the energy challenge are critical to the United States' air transportation viability and continued global leadership. The overarching environmental goal for NextGen is environmental protection that allows sustained aviation growth. Despite the downturn in aviation activity experienced in 2008 – 2009, environmental and energy pressures on the national and international aviation system remain and will continue to increase as growth in aviation activity returns. The primary environmental and energy issues that will significantly influence the future capacity and flexibility of the NAS are aircraft noise, air quality, global climate effects, energy consumption, and water quality.

NextGen further affords us opportunities to better manage the environmental impacts of aircraft noise and emissions while addressing concerns about energy usage and climate. Increased efficiency with NextGen operations will result in reduced fuel consumption, lower carbon emissions, and less noise. NextGen investments in engine and airframe design and alternative fuels will accelerate changes to make aviation friendlier to our precious environment.

The FAA remains committed to managing aviation's inevitable growth while taking actions to reduce aircraft noise, emissions, climate impacts, and energy demands. FAA funded work under the Aviation Climate Change Research Initiative will continue in FY 2011 to better characterize the aviation contribution to climate change and inform mitigation options. Through aggressive efforts under the Continuous Lower Energy, Emissions and Noise (CLEEN) initiative, FAA will develop and mature clean and quiet technologies and advance alternative fuels. In FY 2011, we plan to conduct early demonstrations of two to four promising CLEEN technologies and alternative fuels.

FAA helped form, and participates fully, in the Commercial Aviation Alternative Fuel Initiative (CAAFI). Under CAAFI's leadership, aviation is the first transportation sector to have an industry commitment to convert to alternative fuels. CAAFI is moving forward to qualify and approve new alternative aviation fuels for operational use. Last year, CAAFI achieved a

landmark event with the approval of a new fuel specification that allows alternative fuels to be deployed as jet fuels. A number of key tests to support approval of these new fuels will occur in 2011. These efforts build on already promising results, and move our agency closer to its environmental and energy performance goals for NextGen.

Additionally, FAA is working to achieve absolute reduction in community exposure to significant aircraft noise compared to today, notwithstanding aviation growth. This will be accomplished through additional reductions in aircraft source noise supported with ongoing noise compatibility programs, which include the purchase and relocation of noise impacted homes, the soundproofing of schools and hospitals, noise abatement flight procedures including Optimized Descent Profile, and compatible land use efforts. FY 2011 investments in noise research and technology development will make significant and lasting contributions to our noise mitigation.

Global Connectivity

The FY 2011 budget request supports an expanded global presence, increased training and technical assistance to foreign aviation authorities, and enhanced focus on foreign made aircraft certification projects. In addition, the FAA's international presence will be increased by establishing an Aviation Cooperation Program in Latin America, using the FAA's successful China and India models.

Through strategic activities in FY 2011, FAA will support safety programs and build mutually beneficial partnerships with civil aviation organizations in the Middle East, China, India and Latin America. The FAA will increase efforts to create and expand government-industry partnerships and strengthen the capabilities of regional aviation authorities and organizations through technical assistance and training. The agency will also continue to build and maintain bilateral and multilateral relationships, support FAA senior leadership in achieving United States objectives, and negotiate agreements that improve safety and efficiency worldwide.

The FAA provides direct or indirect assistance to over 100 countries around the world to help them improve their aviation systems. The United States is the largest contributor of technical and financial support to the International Civil Aviation Organization (ICAO), which represents

189 of the world's civil aviation authorities. While the worldwide air accident rate has improved over the last ten years, the rate is higher in parts of the world where major growth is forecast to occur over the next century. In this environment, FAA will work with our international partners to be able to ensure that the flying public is able to travel as safely and efficiently abroad as at home.

We have undertaken efforts to establish bilateral agreements with aviation authorities that will help to promote NextGen technologies and procedures. The FY 2011 budget will help us to continue those efforts, with a target of implementing these agreements to all regions of the world. In addition, we will focus on ensuring that the Standards and Recommended Practices for NextGen and other future air transportation systems remain a priority at ICAO.

The FAA additionally plays a lead role in developing environmental standards and guidance at ICAO. Within the ICAO context, FAA is working over the next several years to develop a CO₂ emissions standard for aircraft, in partnership with the Environmental Protection Agency. We are also leading U.S. efforts at ICAO to develop a global sectoral approach to address the climate change contribution of international aviation, consistent with our NextGen vision.

The FAA is leading the world into the future of aviation. We continue to work in full global partnership with our counterparts in China, Japan, Canada, Mexico, Europe, Australia, and New Zealand to develop new strategies and to standardize new operational procedures. We are cooperating with the international community to ensure that our systems work seamlessly, and that NextGen benefits will not end at America's borders.

Security, Preparedness and Response

The FAA continues to ensure and promote aviation safety in support of national security and the national aerospace system. The FY 2011 budget request provides resources for critical infrastructure protection, emergency operations, contingency planning, and the safe transportation of hazardous materials in air commerce. In addition, FAA ensures that critical information systems, networks, and administrative systems are protected from cyber-terrorism and malicious activities by hackers and other unauthorized personnel.

Aviation operations occur domestically and overseas twenty-four hours a day, and FAA must be able to respond to events in the air domain around the clock. The Operations budget request includes an increase in the Office of Security and Hazardous Materials for additional staffing that will provide on-site, immediate, decision quality intelligence information to the FAA Administrator and Lines of Business outside of normal duty hours and, most notably, during a crisis or developing aviation security incident. The increased staffing will also help FAA meet requirements for personnel security investigations and reinvestigations of new hires and existing staff as well as enhance safety and compliance by all parties involved in transporting hazardous materials onboard passenger and cargo aircraft.

This budget serves to increase the reliability, availability, and integrity of the NAS, provide mission support and administrative information, and address other FAA information systems requirements. The budget request supports activities to remediate moderate vulnerabilities identified for FAA information systems that support Human Resources, Finance, Security/Safety, and Air Traffic services. In the last three to five years, FAA has focused on its high risk vulnerabilities. Beginning in 2011 and continuing into 2014, the focus is on remediating the moderate vulnerabilities. The request will cover contracts that will conduct information system assessments, certifications, recertifications, and risk mitigation activities. The funding will allow FAA to handle risks to its information systems sooner, which will save out-year dollars and prevent higher and more costly system vulnerabilities and remediations.

Organizational Excellence

The FY 2011 budget request ensures the success of FAA's mission through stronger leadership, a better trained workforce, enhanced cost control measures, and improved decision-making based on reliable data. Working with employees and stakeholders, FAA strives to invest in high-performing programs and services. At the same time, FAA must diligently evaluate programs and terminate those that become redundant or ineffective. Likewise, the agency must minimize costs and use resources wisely while maintaining its focus on stakeholder requirements and aligning its products and services to meet industry needs.

In addition to increases in the Aviation Safety workforce, FAA is taking steps to place the right number of controllers in the right place at the right time to maximize the safety and efficiency of the NAS. In the next decade, FAA will continue to hire sufficient numbers to replace retiring controllers, and the FY 2011 budget request supports FAA's hiring and training plans.

The FAA is committed to improving employee engagement and leadership development across the entire workforce. Using technological advances and personal interaction such as brown bag lunches and town hall meetings, FAA is soliciting employee ideas for improving the agency. Another focus is on improving our employee orientation process to make sure that new employees are supported and integrated into the FAA. In addition, on-going employee education efforts are being improved, including on-line and classroom training. The FAA is also committed to smart succession planning, and is investing in leadership training, which includes increasing the frequency of our Senior Leadership Development Program.

The FAA strives to invest in high-performing programs and services that increase efficiencies. The agency is implementing its Real Property Asset Management Plan to ensure timely disposition of assets is measured by the number of days to process inactive assets.

The FAA has operated a cost control and cost reduction program since 2005. Cost efficiencies have resulted from initiatives like strategic sourcing, consolidation of functions, and a reduction of contractor and overhead staff. I am happy to report that savings have averaged more than \$89 million per year over the last five years. For FY 2010, \$67 million in savings and cost avoidance activities are being implemented.

The Organizational Excellence funding directly supports DOT's Major Acquisition measures, as well as DOT's performance measures for Major Federally Funded Infrastructure projects. The Government Accountability Office removed FAA's air traffic control modernization program from the High Risk List because of the agency's progress over the last several years in keeping programs within budget, on schedule, and for meeting its performance measures and program commitments. The FY 2011 budget request supports continued efforts to manage our acquisitions responsibly so we deliver programs on time and on budget.

Conclusion

The FAA is proud to demonstrate a consistent track record of protecting the safety of the flying American public. Our successes in aviation safety continue to set a global standard of American leadership that is not only acknowledged, but also emulated throughout the world. The FAA continues to address concerns over capacity and safety with increased vigilance and professionalism.

The FY 2011 budget request reflects our commitment to the implementation and deployment of innovative NextGen solutions. The application of these critical twenty-first century technologies represents a pivotal shift that will transform aviation. NextGen will yield immediate results for a safer America while maximizing efficiencies to meet future demands. NextGen will ultimately reduce taxpayer and industry costs while safeguarding our world's precious environment and resources. We are working in cooperation with industry to achieve a shared vision, leveraging powerful technologies and setting new standards for the future of global aviation.

We understand that these times demand cautious and well-considered fiscal policy. The FAA is grateful that Congress recognizes our mission as a national priority.

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