



January 8, 2013

The Honorable John Boehner
Speaker of the House of Representatives
United States Capitol
Washington, DC 20515

Dear Mr. Speaker:

The Airport Minority Advisory Council (AMAC), the only national, non-profit organization dedicated to creating success for minorities and women in the airport industry, would like to congratulate you on the start of the 113th Congress and make you aware of several issues of importance to AMAC.

The individuals AMAC represents are involved in federally funded and federally assisted contracting, and range from minority and woman business owners in construction, engineering and concessions to large majority-owned corporations in the same industries. The Airport Minority Advisory Council has two primary goals: to eliminate the barriers to small minority and woman owned business participation in the airport industry and to facilitate expanding opportunities for disadvantaged businesses in the multi-billion dollar industry.

Sequestration/budget cuts: Although Congress recently addressed the tax portion of the 'fiscal cliff', sequestration and budget cuts remains a major threat to airports and small business and job creation across the nation. Although the Airport and Airways Trust Fund, which funds airport infrastructure, is spared from spending cuts from sequestration, the rest of the Federal Aviation Administration's (FAA) budget is not. In addition budget cuts outside sequestration will continue to threaten FAA's spending ability.

The FAA must make safety its first priority, and any cuts to the FAA's air traffic control budget will necessitate the FAA to seek other avenues for sustaining adequate safety funding. This would put direct downward pressure on all FAA accounts and could put airport infrastructure at risk. Such a result would have a direct impact on minority contracting and small business job creation. AMAC encourages Congress to resolve the sequestration issue to protect airports and airport-related businesses from sudden and uncertain budgetary cuts. Should Congress fail to act and sequestration to go into effect, the Aerospace Industries Association (AIA) projects up to 132,000 aviation jobs would be at risk.

The Airport Improvement Program (AIP): AIP is an important source of funding for airport capital projects, especially for smaller airports that are less able to access private capital markets, and is the primary source of projects for the Airport Disadvantaged Business Enterprise (DBE) program. A cut to AIP would be a cut to the DBE program, and a cut to small business job growth. AMAC strongly urges Congress to fully-fund AIP in its FY13 appropriations measures at a level that allows the program to encourage and support critical airport infrastructure needs, at a minimum at those levels set out in the recent FAA Modernization and Reform Act of 2012.

Passenger Facility Charge (PFC) Program: A second major source of airport infrastructure funding comes from the PFC program. PFCs are collected by the airlines and remitted to the airports to fund airport infrastructure improvement capital projects. The current cap of \$4.50 has been in place for many years, and the airports continue to urge that the cap be raised. The USDOT/FAA requirements for DBE participation do not apply to PFC-funded projects, although many jurisdictions mandate participation on the local level. It is important, as the use of PFCs continues to evolve, to ensure that DBEs can fully participate in opportunities for PFC-funded airport expansion projects. AMAC urges Congress to examine carefully any and all proposed changes to the PFC and AIP programs to ensure that such changes do not have the unintended consequence of damaging the Airport DBE program and encourages the expansion of the DBE program to those airports that, if authorized, will increase PFC charges.

The Transportation Security Administration's (TSA) Use of Contracting Targets: Under TSA Directive 300.14, the TSA maintains an Office of Small and Disadvantaged Business Utilization (OSDBU) that administers contracting targets for small businesses owned by disadvantaged socioeconomic groups. However, TSA also funds airport related security projects that are exempt from small business targets. Although small business targets exist for TSA 'procurement contracts', AMAC believes the TSA should examine expanding TSA Directive 300.14 to other functionally equivalent procurement mechanisms, which include grants, cooperative agreements, and 'Other Transaction Authority' (OTA) agreements with airports. AMAC urges Congress to examine this issue and to work with the TSA to encourage its use of regular procurement contracts, as well as the expansion of TSA Directive 300.14 to ensure other functionally equivalent procurement methods are subject to the requirements of the this OSDBU directive.

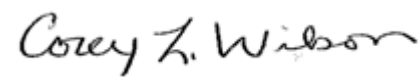
We wish you a successful 113th Congress and thank you for taking our views into consideration. As you go forward in developing and enacting your priorities this Congress, I encourage you to use AMAC as a resource and please feel free to call on me at any time. We look forward to working with you going forward.

Respectfully,



Don T. O'Bannon
Co-Chair AMAC
Governmental Affairs

Respectfully,



Corey Wilson
Co-Chair AMAC
Governmental Affairs