FAA Budget Overview

Presented to: Commercial Space Advisory Committee
By: Karen Gahart, Operating Budgets Director
Date: October 26, 2016
Purpose

• Provide overview of FAA appropriation accounts and budget timeline

• Describe Commercial Space funding within FAA budget

• Review FY 2017 outlook
FAA Four Main Budget Accounts

**Operations:** Funds the administration, operation, repair, and maintenance of the National Airspace System (NAS) and Aviation Safety Oversight (1-year obligation authority)

**Facilities & Equipment:** Provides for current infrastructure, modernization, and the advancement of NextGen Air Traffic Control (3-year obligation authority (Activity 1 – 4) / 1-year obligation authority (Activity 5))

**Research, Engineering, & Development:** Funds the research and development of products and services that ensure a safe, efficient, and environmentally compatible air transportation system (3-year obligation authority)

**Grants-in-Aid:** Funds FAA’s Airport Improvement Program (AIP), which supports the development of a nationwide system of public-use airports to meet the current needs and the projected growth of civil aviation (1-year obligation authority)
Funding Structure (FY 2015 Actuals in $M)

Aviation Tax Collections
- Gasoline: $11
- Jet Fuel: 585
- Fractional Ownership: 15
- Shippers: 497
- Int'l Pax: 3,311
- Pax Tickets: 9,838
Total: $14,268

Overflight Fees: $102

Essential Air Service (DOT) (EAS): $257

Grants-in-Aid for Airports (AIP): $3,350

Research, Engineering & Dev. (RE&D): $157

Facilities & Equipment (F&E): $2,600

Operations: $9,741

Interest on AATF Cash Balance: $273

FY 2015 AATF Revenue
- Excise Taxes: $14,268
- Interest Income: 273
Total: $14,541

AATF Appropriations: -14,718
FY 2015 Surplus: -177

FAA Appropriations by Source
- Trust Fund: $14,702
- General Fund: $1,146
Total: $15,848
FY 2016 FAA Budget by Appropriation

Federal Budget
- Mandatory Spending: 62%
- Discretionary Spending: 31%
- Interest: 6%

Discretionary Spending
- Non-DOT: 94%
- FAA: 1%
- DOT: 5%

FAA Budget by Appropriation
- OPS: 60.9%
- F&E: 17.5%
- R,E&D: 20.6%
- AIP: 1.0%

Source: whitehouse.gov
Operations (Ops)

FY 2016 Enacted: $9,910 million

($M)

- Air Traffic (ATO): $1,258
- Commercial Space (AST): $761
- NextGen (ANG): $60
- Aviation Safety (AVS): $207
- Finance & Management (AFN): $101
- Security & Hazmat Safety (ASH): $18
- Staff Offices: $1,258
Facilities and Equipment (F&E)

FY 2016 Enacted: $2,855 million

- Activity 1  Engineering & Testing: $156 million
- Activity 2  ATC Facilities & Equip.: $470 million
- Activity 3  Non-ATC Fac. & Equip.: $226 million
- Activity 4  Mission Support: $171 million
- Activity 5  Personnel & Expenses: $1,832 million
- Activity 6  Subscription Services

10/26/2016
Research, Engineering & Development (RE&D)

FY 2016 Enacted: $166 million

($M)

- Safety: $96
- Economic Competitiveness: $6
- Environmental Sustainability: $42
- Mission Support: $23
FY 2016 AST Funding by Appropriation

<table>
<thead>
<tr>
<th>Appropriation</th>
<th>Total Funding ($M)</th>
<th>AST Funding ($M)</th>
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</thead>
<tbody>
<tr>
<td>Operations</td>
<td>$9,910</td>
<td>$18</td>
</tr>
<tr>
<td>Facilities &amp; Equipment</td>
<td>$2,855</td>
<td>$2</td>
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<tr>
<td>Research, Engineering &amp; Development</td>
<td>$166</td>
<td>$2</td>
</tr>
<tr>
<td>Grants-in-Aid for Airports</td>
<td>$3,350</td>
<td>$0</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$16,281</strong></td>
<td><strong>$22</strong></td>
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- **Ops**: Funding is for salaries, related personnel expenses, and minimal contract support.
- **F&E**: Funding is for the acquisition and development of the Space Data Integrator (SDI), which builds on the prototype to integrate launch and reentry operations data into the Traffic Flow Management System (TFMS) system to minimize the effects on NAS efficiency and capacity.
- **RE&D**: AST funding supports research conducted by the Center of Excellence for Commercial Space Transportation (COE CST), including vehicle structural sensors, LED smoke (and other chemical) detectors, composite fuel tank testing, and centrifuge testing for suborbital spaceflight participants, and additional research used to mature the COE concepts and address other key areas of commercial space operations and regulations.
The FAA will operate under a Continuing Resolution through December 9, 2016.

Under a CR, the FAA is held to the previous fiscal year appropriation levels.
- The current CR includes a reduction of .496% to FY 2016 levels.

### FY 2017 Budget Status ($M)

<table>
<thead>
<tr>
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<th>FY 2016 Enacted</th>
<th>FY 2017 Request</th>
<th>FY 2017 House</th>
<th>FY 2017 Senate</th>
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<tr>
<td>Operations</td>
<td>9,910</td>
<td>9,994</td>
<td>9,994</td>
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<tr>
<td>Facilities &amp; Equipment</td>
<td>2,855</td>
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<td>Research, Eng. &amp; Dev.</td>
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<td>Grants-in-aid for Airports</td>
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<td>2,900</td>
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<tr>
<td>Total FAA</td>
<td>16,281</td>
<td>15,900</td>
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Budget Activity Timeline

“Standard Process”

<table>
<thead>
<tr>
<th>Execution</th>
<th>Budget Execution / Apportionments / Allotments</th>
<th>EOY Request Process</th>
<th>Emergency EOY PR Process</th>
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<tbody>
<tr>
<td>Current Year</td>
<td></td>
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<tr>
<td>(e.g., FY16)</td>
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<tr>
<td>Presentation</td>
<td>OMB Briefings / OMB Passback / Appeal / Settlement</td>
<td>President’s Budget Submission and Rollout</td>
<td>Appropriations Hearings</td>
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<td>Current Year +1</td>
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<td>Formulation</td>
<td>Budget Hearings Budget Workshops</td>
<td>Budget Development / RPD’s</td>
<td>F&amp;E CIT Reviews Ops DIRs</td>
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<td>Current Year +2</td>
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<td>(e.g., FY18)</td>
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10/26/2016

12

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