October 4, 2013

The Honorable Harry Reid  
Majority Leader  
United States Senate  
S-221 Capitol Building  
Washington, DC 20510-7020

Dear Majority Leader Reid:

Imagine if no citizen of the United States could buy or sell a car, purchase or re-finance a home, or if the sale of any other critical goods came to a complete and grinding halt. The impact would be devastating. Well, as of this point in time, general aviation, a crucial part of our economy and manufacturing sector, is basically closed for business.

There has been a great deal of focus on the impact of the shutdown on federal government workers and functions and that is appropriate – after all, many federal employees and services, affecting many citizens across the country, are now realizing the full implications of the shutdown on their daily lives. But we want to reiterate that it has also resulted in the shutdown of a significant industry, with grave consequences to workers, the economy and our national infrastructure, which our communities depend on for critical services.

General aviation planes and parts can’t be produced, financed, bought, or sold without the written approval of the federal government which has to register each and every aircraft. In addition, according to the FAA, 10,000 aircraft registrations expire each month. By closing the FAA Registry in Oklahoma City, the government shutdown is effectively grounding much of the U.S. general aviation industry and the potential operations of thousands of aircraft that are crucial to the functioning of businesses and our economy as a whole.

The shutdown of this Registry is already having a severely detrimental effect on people and businesses of all sizes, throughout our country. The General Aviation Manufacturers Association (GAMA) estimates the value of the near-term deliveries, which are halted, to be $1.38 billion. Additionally, the fourth quarter is the peak time for aircraft deliveries and typically accounts for 35 percent of annual aircraft deliveries for the general aviation manufacturing industry. If this backlog lasts more than a few days, it could potentially devastate the industry’s fourth-quarter deliveries.

This shutdown is also impacting the thousands of businesses that use those aircraft for parts delivery, to visit customers, those that repair aircraft, sell fuel, build hangars, and broker airplane transactions. Collectively, the situation threatens to have a ripple effect through communities with regard to critical services that depend on these aircraft – everything from medevac flights, to mail delivery, transport of veterans, fire-fighting, and blood, organ and medical transport.
To make matters worse, it appears the situation also puts America in violation of international treaties and obligations. In a February 9, 2012, policy statement on aircraft registrations, the FAA confirmed its significant international obligations related to the aircraft registry, stating: “Included among these responsibilities is the obligation to provide information on the registration and ownership of aircraft on its registry when requested by another contracting State or by the International Civil Aviation Organization.” With the FAA Registry currently closed, there is no possible way the agency can meet these important international obligations, which impact aviation safety and security worldwide.

For decades, the United States has been the world leader in every aspect of general aviation from production to operation. The industry, of which business aviation is a vital component, is responsible for 1.2 million jobs, and is one of the few manufacturing industries that positively impacts our balance of trade. It is also predominately an industry of small-businesses. During the last government shutdown, the Registry remained open. We urge the Administration and Congress to expeditiously find a way forward to end the shutdown or at a minimum conduct a re-evaluation of the criteria for excepted employees. Until the FAA Registry in Oklahoma City opens, an important American industry remains on an indefinite layover.

Sincerely,

Ed Bolen
President and CEO