



U.S. Department  
of Transportation  
**Federal Aviation  
Administration**

# Memorandum

Subject: **INFORMATION**: Competitive Sourcing

Date: **DEC 19 2002**

From: The Administrator

Reply to  
Attn. of:

To: Washington Headquarters and Regional Office Air  
Traffic Employees  
Air Traffic Terminal and Center Employees

I am writing to you about a pending determination under the Federal Activities Inventory Reform (FAIR) Act that I know is of interest to all of you. The FAIR Act requires every agency to develop an inventory of its commercial activities annually. Additionally, the Office of Management and Budget has required each agency to develop an inventory of inherently governmental positions.

For the 2002 inventory, FAA functions involving the separation and control of air traffic will be categorized as Commercial – Reason Code “A”. Under Reason Code “A”, the Secretary has made the determination that functions involved in the separation and control of air traffic are a **core capability** required for the successful accomplishment of FAA’s mission to ensure the safety and security of the national airspace. Based on the Secretary’s determination, **these functions are not subject to competition and will not be contracted out.**

To be classified as inherently governmental, a function should involve a sovereign act on behalf of the Government or an act that binds the government to a particular course of action. The separation and control of air traffic does not meet this stringent definition. With this determination, however, the Secretary has reinforced his earlier statements that he does not endorse significant expansion of the existing contract tower program or similar contracting proposals involving the separation and control of air traffic. I fully support the Secretary’s position.

I am aware that there is considerable conflicting information on this issue and wanted to take this opportunity to clarify our position on this important matter. I also want to thank you again for the terrific job you do on a daily basis.

Marion C. Blakey