

determined that total airport needs are \$10.1 billion annually.

In contrast, the Federal Government has been providing appropriated funding from the aviation trust fund and local passenger facility charge (PFC) authority for a total of \$11 billion over five years—approximately one-fifth of the needed investment. Adding airport bonds, PFC income, and other local revenues to the federal investment boosts the total current investment to just over one-half of the estimated airport development needs. The national aviation system can absorb this underfunding for a limited time, but at some point demand for airport capacity will overtake supply, prices will increase, and national economic activity will begin to suffer.

The Federal Aviation Administration cites 22 airports that are seriously congested, collectively experiencing more than 20,000 hours of delay per year. These delays cost the airlines alone over half a billion dollars, and the total cost is many times that figure if one calculates the delay costs for passengers and related businesses. FAA forecasts that unless airport capacity investments are made to keep pace, the number of seriously congested airports will grow to 32 in less than 10 years. At some of these airports, congestion will not be correctable due to local physical and political barriers, and it will become all the more important to make capacity additions at the remaining airports.

While we do not need to spend \$50 billion a year on the national airport system, we do need to increase our present investment in airport facilities by almost 50 percent. Both internal needs surveys and the planned investments by global economic competitors make it clear that the United States is seriously underinvesting in airport infrastructure.

The world aviation market is extremely important. In 1994, the total economic contribution of aviation on gross world output was \$1.12 trillion. World airlines served more than 1.3 billion passengers, transported over 23 million tons of freight, provided over 23 million jobs, and generated in excess of \$250 billion in annual revenues—more than the GDP of most nations. By 2010, the projected economic impact is forecasted to grow by over 50 percent to \$1.7 trillion. A market of such significance deserves the Federal Government's serious attention and strong commitment to infrastructure needs.

The Future

The Federal Government has three choices with regard to the Nation's future airport infrastructure:

1. Increase federal investment through a responsible and appropriate AIP program,

2. Provide incentives and tools for local governments to increase their investments to compensate for diminished federal support,

3. Neglect investment and permit future generations to pay the cost of that neglect.

Continuing on our current path is to choose the third option. Only Federal Government leadership can assure that we build the efficient, high-capacity, national airport system that America will need in the future to compete successfully worldwide.

THE PERSPECTIVE OF REGIONAL AIRLINES

Walter S. Coleman
Regional Airline Association

The Regional Airline Association appreciates the opportunity to offer the regional airlines perspective on airport requirements.

Regional Airline Background

There are 109 U.S. regional airlines. The 20 largest regional airlines fly 8.5 percent of the revenue passenger miles. Regional airlines serve 725 airports in the United States. Within the 48 contiguous states, regional airlines serve over 500 airports. At over 300 airports in the 48 contiguous states, regional airlines are the exclusive providers of scheduled airline service. Regional airlines make over 12,000 departures every day. By comparison, the major airlines, with a fleet twice the size of the regional fleet, make 18,000 departures a day. There are 2,100 aircraft in the regional airline fleet.

Since deregulation in 1978, regional passenger enplanements have increased from 11.3 million to 62 million. 62 million passengers represents about 11 percent of all passengers carried. The 62 million is also over a fivefold increase in passengers. During this same period the size of the regional airline fleet has doubled. Over five times the number of passengers carried with a fleet that has only doubled is a remarkable achievement. Imagine the demand on airports if the number of aircraft had increased proportionally to the passenger enplanements.

The regional airline fleet requires far less airport infrastructure than large turbofan aircraft. Regional airliners, even the 50-seat regional jets, have takeoff gross weights that are very low compared to the large turbofan fleet. Most regional aircraft average around 25,000 to 35,000 pounds. Nearly all of the fleet can land and takeoff in under 6,000 feet, and they do not require the runway or taxiway widths necessary for the wide landing gear of most turbofans.

Regional airlines have between 30 and 45 percent of all airline departures at 14 of the 20 busiest airports. That is a lot of departures, but it is not necessarily a lot of demand on airport infrastructure.

Airport Needs of Regional Airlines

Regional airlines may have significant ramp space requirements at many airports. It is desirable to have the airline departure lounges close to the aircraft to minimize the time required to move passengers from the terminal to the aircraft. One of the advantages in flying regional airlines is that the boarding process is considerably shorter than that of large jets. In many cases passengers can be boarded just 10 to 15 minutes before the scheduled departure time.

Regional airlines need to find solutions to the problems of ramp safety and weather protection when crossing ramps. Some regionals are now using nose-in parking to covered walkways, and one has developed an adapter to connect loading bridges with large turboprop aircraft. There continues to be a need for airlines and local airport authorities to cooperate in developing plans that provide a similar level of service to passengers flying to and from communities served by regional carriers.

Reaching Agreement

There is an immediate and a continuing need for airlines and airports to reach agreement on what needs to be done. Airports are an integral part of the aviation system. They are dependent on the success and fiscal health of the airlines that serve their communities. Decisions on airside and landside projects must have the agreement of those who produce the revenue, i.e., the airlines.

Passenger Facility Charges are something that regional carriers and airports have found little agreement on. RAA members objected to PFCs when they were first proposed and continue to resist the imposition of this tax and the requirement that airlines collect it. Regional airlines will continue to participate in the deliberative process as PFC-funded programs are proposed, however it is a time-consuming and difficult task for many regional carriers.

On the other hand, we have had agreement with the smaller airports on how to address the issue of previously uncertificated airports now served by FAR Part 121 aircraft. This is the Part 139 issue, and the difficulty lies in determining which elements of Part 139 should be applied to airports that receive service from aircraft with 10 to 30 passenger seats. This has been a very constructive and reasonable dialogue between airport and airline representatives.

Few doubt that the mutual objectives of airports and regional airlines is to provide safe and convenient scheduled air service. The decisions are then limited only to agreeing on what achieves the desired level of safety and convenience at reasonable cost.

BUSINESS AVIATION PERSPECTIVES

John W. Olcott
National Business Aircraft Association

The National Business Aircraft Association (NBAA) represents companies that use general aviation for business transportation. NBAA member companies are economic leaders in our Nation. They have annual revenues of in excess of \$4 trillion and employ over 16 million people. They are the most active users of business aviation in the world. The last year they purchased close to \$1 billion in airline tickets. The bottom line is that they need transportation. Business aircraft are major users of the Nation's air transport system.

Today we have heard from several representatives of the aviation community: major airlines, regional airlines, commercial service airports (large and small), and now the more sophisticated end of general aviation (GA) airports. NBAA members use airports of all sizes throughout the system as destination points and connecting nodes, and each is important. The 29 major hub airports are extremely important, but NBAA members do not use these airports very much. At the top five airports in terms of airline activity, general aviation represents less than five percent of the operations, and this activity is spread throughout the whole day. At the top 20 air carrier airports, GA represents less than 10 percent of all traffic. On the other hand, at the top 20 GA airports scheduled air carriers represent almost none of the total activity.

The airlines (major carriers and regional operators) serve approximately 550 airports in the contiguous United States, but 75 percent of all airline passenger emplanements are concentrated at 55 major locations. The business aviation community serves 5,500 airports—ten times the number with any type airline service and 100 times the number with convenient and frequent commercial service. Walter Coleman of the Regional Airline Association pointed out with great and justifiable pride that you can reach any place in the United States with two stops on a commercial carrier. Business aviation can reach any place in the United States with direct (nonstop) flights. In fact, a NBAA member-company airplane flew from Tokyo to Teeterboro nonstop yesterday. The capability of the business aviation community is indeed great, and a very important part of the Nation's air transport system.

We are here today to address the Nation's air transport system, a vital enabling technology for meeting