

**Statement of Ed Bolen  
President and CEO**

**National Business Aviation Association**

**Before The  
Subcommittee on Aviation**

**Committee on  
Transportation and Infrastructure**

**U.S. House of Representatives**

**June 18, 2014**

**Statement of Ed Bolen  
President and CEO  
National Business Aviation Association**

Chairman LoBiondo, Ranking Member Larsen, members of the subcommittee, on behalf of the more than 10,000 Member Companies of the National Business Aviation Association (NBAA), I am pleased to provide our views for this important hearing on "Airport Financing and Development."

Before detailing my comments about America's airport system, it might first be useful to describe what business aviation is, and the role airports play not only for NBAA Member Companies, but for the nation as a whole.

As the members of this subcommittee know, the aviation system is made up of three, fully integrated segments, each critical to the success, strength and growth of our economy. Those are:

- The passenger airlines;
- Military operations, and;
- General aviation.

As part of the general aviation segment, business aviation is a term defined by the Federal Aviation Administration (FAA) as the use of any general aviation aircraft – piston or turbine – for a business purpose. This includes a diversity of operations, from small and mid-size businesses, to companies that are household names.

The business aviation fleet is dominated by pistons and turboprops, with over 80 percent of the business aircraft in the U.S. having cabins about the size of an SUV, and flying on average less than 1,000 miles per leg. The vast majority of these operators use small aircraft that seat no more than eight people. Supporting these aircraft, and the organizations that rely on them, are Fixed Base Operators (FBOs), maintenance technicians, suppliers and service providers.

Business aviation is a vital link in our transportation system, and a powerful engine for job creation and economic growth. The industry contributes more than \$150 billion to annual U.S. economic output, and directly or indirectly employs more than one million people.

Most business aircraft operating around the world are manufactured and/or completed in the U.S., and the industry's strong American manufacturing and employment base contributes positively to our nation's balance of trade.

## **A Vital Lifeline for Main Street**

In communities across America, business aviation is an essential tool that enables businesses to thrive, grow and create jobs in their hometowns. That's because in many instances, there are few or no other transportation options that meet their needs.

Many small and mid-size businesses are located in areas with little or no scheduled airline service. Businesses of all sizes require in-person travel for such operations as sales, technical support and other types of customer service. Such trips may call for multiple stops in a short period of time, or travel to remote locations. Frequently, the distances are too long to drive, or airline service is not available. And often, workers need to optimize the productivity of their travel time, even including sustained contact with colleagues at headquarters while in flight. And when these and other needs must be addressed, business aviation provides the solution.

## **A Competitive Tool for American Businesses**

For example, a survey of business aviation pilots and passengers, conducted for NBAA and the General Aviation Manufacturers Association by Harris Interactive, concludes that managers, technical teams and other employees are the typical passengers on business aircraft – not senior executives. The business airplane gives these employees the ability to have an in-person presence that is often fundamental to a company's success.

Respondents to the Harris survey also reported that employees use their time onboard company aircraft more effectively and productively than when they are on airline flights. Workers can meet and collaborate, and on many aircraft, communications technologies let passengers stay in contact with the home office while in flight. Some passengers even estimate that they are more productive on the company aircraft than they are in the office, because of fewer distractions.

Multiple studies have shown that America's most innovative and admired companies, and the nation's best corporate citizens and most-trusted brands, are business aviation users.

Simply put, the use of a business airplane is the sign of a well-managed company – like a Smartphone or a tablet device – business aviation helps companies be more efficient, productive and successful.

## **A Lifeline in Emergencies**

Business aviation is not only essential to communities and companies – it also provides critical assistance to individual citizens in crisis.

The people and companies in the industry have snapped into action when there's a need to confront hurricanes in the Southeastern U.S., floods or tornadoes in the Midwest, fires in the West, or a host of other natural disasters. The business aviation community – working mostly on a volunteer basis – has always been quick to help assess damage, rescue those affected by these disasters, and carry in life-saving support and supplies to the affected regions.

For example, in the days and weeks following Hurricane Katrina, hundreds of thousands of pounds of supplies were transported into small airports throughout the Gulf Coast region aboard business aircraft. These aircraft also were used to transport victims out of harm's way.

The industry's humanitarian efforts even extend beyond our own shores. Hundreds of business aircraft operators, including a number of NBAA Member Companies, coordinated to deliver thousands of passengers and over a million pounds of supplies to and from Haiti after the devastating earthquake there. In fact, Congress passed a resolution commending business aviation for its response to the crisis.

Beyond the support business aircraft operators bring to crisis-response initiatives, the people and companies using the aircraft also provide lift for a host of standing organizations dedicated to helping individual citizens on a daily basis. Here are just three examples:

- The Corporate Angel Network, which counts NBAA Member Companies among its supporters, arranges free air transportation for cancer patients traveling to treatment using the empty seats aboard business airplanes.
- Angel Flight America's seven member organizations and 7,200 volunteer pilots arrange flights to carry patients to medical facilities.
- Veterans Airlift Command uses business airplanes and unused hours of fractional aircraft ownership programs to provide free flights for medical and other purposes for wounded service members, veterans and their families.

Clearly, business aviation is an essential industry in America today. From creating growth opportunities and global connectivity for America's small towns and rural areas, to supporting the nation's productivity, to providing lift for humanitarian initiatives, business aviation plays a critical role in the nation's aviation system, and the country's broader transportation network.

## **An Industry That Understands The Importance of Airports**

We commend the members of the subcommittee for your continued commitment to our nation's aviation system. Aviation is critical to our economy – it is the backbone for our domestic and international commerce, contributing to our economy, our mobility and our ability to compete around the globe.

As the members of this subcommittee are well aware, airports are a key component in our aviation system, and they are a very important element in business aviation operations. There are about 5,000 public-use airports in the U.S., and business aircraft are able to fly into most of them. Business aviation relies heavily on secondary and tertiary airports. In fact, business aircraft flights account for just a single-digit percentage of the total traffic at the busiest airports used by the commercial airlines.

It's worth noting that these smaller airports don't just benefit business aviation. Local airports serve a critical role in supporting flights for schools, universities, agricultural services, emergency medical services, postal services, fire and rescue teams, law enforcement, and other services.

The airports are also local economic engines, bringing people and goods from communities to national and global markets, stimulating local economic growth.

The airports even provide an important homeland-security function. As the members of this subcommittee well remember, small airports were essential in the government's work to get all aircraft safely and quickly on the ground in the immediate aftermath of the terrorist attacks of September 11, 2001.

So, we in business aviation know first-hand that a continued investment must be made in our nation's airports, to ensure they have not only the capacity and other capabilities to meet today's needs, but to handle tomorrow's requirements as well. That's why NBAA and its Members appreciate this subcommittee's decision to conduct this hearing, focused on airport financing and development.

### **Supporting Airports: Three Key Points**

We want to raise three essential points when discussing our nation's airports:

1. First, we must maintain a healthy funding mechanism for airports of all sizes to meet changing demand, aircraft size, and important safety and efficiency improvements.
2. Second, we must ensure our system of airports meets critical national objectives, including a productive national economy and other priorities.

3. Third, and finally, we must continue supporting all airports, at the federal level, as part of a single, national aviation-transportation system, and oppose any attempts to impose locally driven restrictions that would impede businesses, economic growth and other priorities in the national interest.

To the first point: In order to ensure the future of general aviation, we need to make certain that our robust, national investment in our world-leading airport system continues. It's an investment that provides an incredible return – after all, the U.S. has the largest and most diverse system of general aviation airports in the world. It was created and is maintained because of the strong federal commitment through the Airport Improvement Program (AIP).

The concept of a federally funded airport development program has been around since the end of World War II, meaning that our nation has a proud history, tracing back more than 65 years, of understanding the need for federal investment in airport development.

AIP's broad objective, like that for its predecessor programs, is to ensure an ongoing investment in a nationwide system of public-use airports adequate to meet the current needs and the projected growth of civil aviation.

To meet its broad objective, AIP provides grant funding for airport planning and development projects at airports included in the National Plan of Integrated Airport Systems (NPIAS), and is a means to advance major national goals, equalize income and services among people and localities, and provide an effective, efficient means for administering services. Through a healthy AIP, federal, state and local governments have invested in a safe and efficient system of airports. We strongly support continuing that commitment.

Let me turn to my second point: ensuring that our system of airports meets national objectives, including economic growth and other priorities. As all of you know, transportation systems are created to connect communities, people, and businesses, which supports not just commerce, but other critical functions as well.

Like other modes of transportation, airports big and small are economic engines for communities, encouraging business investment and creating opportunities for economic growth. Unfortunately, in certain regions of the country, critical airport infrastructure is being shuttered, or attempts are being made to close important airports, even when federal investments and assistance have been provided to ensure these airports meet national economic and other priorities. That can't be allowed to happen: the American taxpayers have paid for those investments, through the Airport and Airway Trust Fund. Funding commitments are made based on an established understanding that a given airport will remain in operation, and such a commitment needs to be upheld.

More broadly, we should not be disinvesting in our overall aviation infrastructure at a time when the FAA estimates that the national cost of airport congestion and delays was almost \$22 billion in 2012. Instead, we strongly believe FAA and Congress should take all necessary steps to protect and maintain both general aviation and commercial service airports in our aviation system, particularly airports that are critical to the transportation system and which help air transportation contribute to a productive national economy and international competitiveness.

And, given that we view our system as a national one in terms of funding decisions, it also stands to reason that we should view it as a national one when it comes to operational matters. Simply put, we must continue supporting all facilities, at the federal level, as part of a single, national aviation-transportation system.

We strongly believe that airports should be good neighbors and should work with communities to maintain a balance between the needs of aviation, the environment and the surrounding residences. However, over the years, attempts have been made to create new restrictions and impediments for aviation users through airport curfews and other local initiatives to restrict access to airports.

Specifically, curfews and other restrictions have the significant potential to impede business mobility. How? Consider the notion of a curfew, applied to a very typical scenario, in which entrepreneurs and companies arrive on business airplanes from other countries, into an airport, like California's Burbank. Those flights often have departure times imposed upon them from authorities outside the U.S. and therefore, do not have complete control over their arrival times. Even domestically, departure and arrival times are often subject to weather delays, holding patterns and other developments that can impact schedules.

Unfortunately, such scenarios could have easily become realities if a congressional noise-curfew amendment, introduced for implementation at Burbank earlier this month, had become law. While the outcome of the vote on the amendment affirmed the need to keep all airports operating as part of a national system, the proposal was a reminder that there are ongoing attempts from local interests to compromise the national nature of our aviation system. It is imperative that all airports be operated as part of a single, national aviation-transportation system, not a patchwork quilt of operating policies, based on isolated local issues.

## **Conclusion**

When thinking about the importance of our nation's airports, a couple of realities are clear. We must continue to invest in our airports, so that they can meet the needs of today and tomorrow, and that means funding must be available to make that investment, through the AIP. We must ensure our system of airports meets critical national objectives, including a productive national economy and other priorities. And, we must continue to recognize that all airports are part of a national

system that requires a national approach to funding and operational policy – not an approach based on local interests or pressure groups.

One of our nation's greatest strengths is the size, diversity, efficiency and safety of our aviation system, and the members of this subcommittee understand the central role of America's national airport network in that system. NBAA and its Member Companies thank the subcommittee for recognizing the importance of this asset, and for conducting this hearing today to ensure that our airports continue to be a national priority.