



Advancing Aviation - Advancing New York!



March 20, 2024

Hon. Kathleen C. Hochul
Governor of the State of New York
Executive Chamber
New York State Capital Building
Albany, NY 12224

Re: REJECT REPEAL OF THE AVIATION JOBS ACT
S.8309-A Revenue Budget Bill PART U

Dear Governor Hochul:

The New York Aviation Management Association (NYAMA), the National Business Aviation Association (NBAA) the Aircraft Owners and Pilots Association (AOPA) and the New York State Association of Counties (NYSAC) strongly opposes the Senate budget proposal, S.8309-A Revenue Budget Bill PART U, which is anti-job, anti-growth and would hurt all economies across New York State.

The New York Aviation Jobs Act (AJA) was previously enacted as part of the state budget and became effective September 1, 2015. Its purpose was to re-establish New York's aviation competitiveness with other states, sustain and create quality jobs, and maintain aviation's strong contribution to the state's economy. It has been an unqualified success!

This important economic development initiative was necessary to reverse destructive tax policies aimed at general aviation aircraft and combat the more favorable tax treatment and aggressive marketing and airport-development strategies undertaken by other states in our region.

Incredibly, this Senate budget proposal seeks to repeal the AJA that has resulted in the location at New York airports of numerous revenue-producing and job creating business jets and other important general aviation aircraft and their aviation-related activities, as was predicted by AJA sponsors and supporters. At the time, the New York State Department of Transportation strongly recommended creating incentives for attracting business jets to NY airports. Their data shows that on average each business jet means 5 direct on-airport jobs and \$1 million in annual economic activity for the state in which these assets are located.

Before the enactment of the AJA, NY had lost nearly 700 job- and income- generating aircraft over one 10-year span because of more favorable tax treatment of general aviation aircraft, particularly business jets, by surrounding states. The AJA was New York's strategic answer to the need to create a more competitive playing field.

The AJA is a vital economic development tool designed to put New York back on a par with other states regarding the tax treatment of the sales of such aircraft. NY is now recognized as a state where long term investment in aviation is welcome, particularly for the basing of jets, the construction of hangars and other facilities and for maintenance and repair operations and fuel sales.

These positive business decisions to ramp up investments in New York airports are a direct response to the enactment of AJA which significantly reduces taxes on aviation related sales and maintenance in New York. It is clear that New York is now competitive for the first time in 20 years with the states of Connecticut, Massachusetts, Rhode Island, New Hampshire, Pennsylvania, and New Jersey.

Instead of celebrating and advertising this successful economic and business development strategy, some want to repeal the AJA which threatens to cripple the state's aviation industry and send a signal to businesses that New York can't be trusted to commit long term to tax policies that provide financial certainty to would-be investors in the New York economy.

Should this state industry damaging proposal come before you during budget negotiations, we urge you to soundly reject it, which would be consistent with your tremendous support for aviation through the Upstate Airport Economic Development and Revitalization Initiative and myriad other pro-aviation programs and policies.

On behalf of the tens of thousands of New York based members and affiliate members, commercial service and general aviation airports, fixed based operators, consultants, engineers, pilots, corporations and various aviation industries and professionals, and county employees among our combined organizations, thank you for your steadfast support for New York's Aviation industry. Please reach out to Bruce Geiger at NYAMA, 518-265-1692, bruce@bwgai.com should you have any questions or require additional information.

Sincerely,

New York Aviation Management Association

National Business Aviation Association

Aircraft Owners and Pilots Association

New York State Association of Counties

cc:

James Katz, Deputy Secretary for Economic Development and Workforce

Hope Knight, President/CEO Empire State Development

Blake G. Washington, Director, Division of the Budget

Nivardo Lopez, Deputy Secretary for Transportation

Allison Bradley, Assistant Secretary for Transportation