

STATEMENT OF ED BOLEN

PRESIDENT AND CEO

**NATIONAL BUSINESS AVIATION
ASSOCIATION**

BEFORE THE

SUBCOMMITTEE ON AVIATION

**COMMITTEE ON
TRANSPORTATION AND INFRASTRUCTURE**

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Mr. Chairman and members of the Subcommittee, my name is Ed Bolen, and I am the President and CEO of the National Business Aviation Association. I am grateful for the opportunity to appear before you today. NBAA commends the Subcommittee for holding this important hearing to discuss the future of our national air transportation system and the recently released RTCA NextGen Mid-Term Implementation Task Force report. We strongly support your work to improve our nation's aviation system, which will also significantly contribute to economic growth and job creation. In these challenging economic times, the importance of a robust transportation system cannot be overemphasized.

The general aviation (GA) community has long been at the forefront of expanding and enhancing our nation's air traffic system, and that community involvement in ATC modernization has allowed me to become personally immersed in the effort. At the beginning of this decade, I was able to get a first-hand look at the FAA's modernization programs during my tenure on the FAA's Management Advisory Council, an entity I had the honor of chairing from 2000 to 2004. In 2002, I was fortunate to have been appointed by President Bush to serve on the twelve-person Commission on the Future of the US Aerospace Industry which outlined the need for our country to transition to a next generation air traffic system and recommended the creation of a Joint Planning and Development Office (JPDO) to help make NextGen a reality. Today, I along with others on this panel, serve on the Institute Management Council of the JPDO. I am also a member of the Aviation Advisory Board for Mitre's Center for Advanced Aviation System Development and I serve as chairman of the RTCA.

THE NATIONAL BUSINESS AVIATION ASSOCIATION

NBAA was founded 62 years ago to represent companies that utilize general aviation aircraft as a tool for meeting some of their transportation challenges. NBAA and our Members are committed to working with Congress to transform and modernize the nation's aviation system. Likewise, we are committed to modernization policies that support the continued growth of each aviation segment, including general aviation, which plays a critical role in driving economic growth, jobs and investment across the U.S. We strongly support the shared goal of keeping our national aviation system the largest, safest and most efficient in the world.

General aviation is an essential economic generator, contributing more than \$150 billion to annual U.S. economic output, and directly or indirectly employing more than one million people. Most general aviation aircraft

operating around the world are manufactured and/or completed in the U.S., and our industry is continuing to build a strong American manufacturing and employment base that contributes positively to our national balance of trade. Congress recognized just how fundamental general aviation is to our nation's transportation system, rural economies, manufacturing capability, and balance of trade when it passed the General Aviation Revitalization Act a little more than a decade ago.

FACTS ABOUT BUSINESS AVIATION

Business aviation, as many members of the Subcommittee know, is an FAA-defined term. According to the FAA, business aviation is the use of any general aviation aircraft – piston or turbine – for a business purpose.

From creating growth opportunities and global connectivity for America's small towns and rural areas to supporting the nation's productivity, business aviation is an important economic engine, creating jobs and investment, while contributing to the world's leading aviation system. Simply put, business aviation is a vital part of the nation's economy and transportation system.

The U.S. aviation system is fully integrated. Each player is critical to the success, strength and growth of our economy. The system is made up of three segments:

- Scheduled operations, including passenger airlines;
- Military, and;
- General aviation.

General aviation includes diverse operations, with business uses that range from agriculture, to law enforcement, to fire and rescue services, to varied government, educational, nonprofit and business organizations. Servicing and supporting these organizations are FBO's, maintenance technicians, suppliers and service providers.

The business aviation fleet is dominated by pistons and turboprops, with over 80 percent of the 15,000 registered business aircraft in the U.S. having cabins about the size of an SUV, and flying on average less than 1,000 miles. The vast majority of these GA operators use small aircraft that seat no more than eight people.

A Vital Lifeline for Main Street

In small towns and rural areas 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 no other transportation options that meet their needs.

Many small and mid-size businesses are located in areas without 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. Often, the distances are too long to drive or airline service is not available.

A 2009 survey of business aviation pilots and passengers, conducted for NBAA by Harris Interactive, concludes that managers and other mid-level employees are the typical passengers on business aircraft. Only 22% of passengers on business aircraft are top management (i.e., a company's Chairman, Board Member, CEO or CFO); the majority are other managers (50%) and or technical, sales or service staff (20%).

A Lifeline in Disaster and Emergency

The business aviation community is not only an economic lifeline for thousands of our nation's communities; it also supports people and communities in times of crisis.

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.

General aviation has snapped into action when there's a need to confront floods in the Midwest, fires in the West, or a whole host of other natural disasters. The business aviation community – working mostly on a volunteer basis – has been quick to help assess damage, rescue those affected by these disasters, and carry in lifesaving support and supplies to the affected regions.

The people who rely on a general aviation aircraft for business are also dedicated to helping provide lifesaving flights to the communities in which they live and work. Operations like the Corporate Angel Network arrange 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.

Veterans Airlift finds volunteers in the business aviation community to fly missions on request and contribute the full cost of their aircraft and fuel for the missions flown.

ECONOMIC CHALLENGES FACING GENERAL AVIATION

Unfortunately, the people and businesses in general aviation, like other industries, are weathering one of the worst economic storms anyone has ever seen. The impact of the flagging economy on the companies and communities that rely on general aviation is visible in all parts of the country.

This past year, we have seen business aviation flying decrease by as much as 35 percent. The inventory of used airplanes available for sale reached an all-time high. Prices for business airplanes have declined by 40 percent, and employment at leading general aviation companies has fallen by as much as 50 percent.

NEXTGEN AND THE RTCA REPORT

While much has changed for the industry I represent as a result of the recession, one thing has remained constant – our continued support for modernization of the nation’s air traffic control system. We commend the Subcommittee for conducting a thorough examination of all of the issues related to system modernization.

Accelerating the transition to the Next Generation air transportation system will advance important national objectives including: further reducing the industry’s environmental footprint, reducing long-term costs at the FAA, enhancing safety, expanding system capacity and reducing delays.

As I said in my introduction, general aviation has long been at forefront of the modernization effort. We were early adopters of GPS navigation systems. We helped initiate the ADS-B test program in Alaska – a test program that is now the cornerstone technology of the modernization effort. We also participated in the ADS-B experiments at the Atlanta Olympics in 1996. In 2005, we supported our nation’s transition to Reduced Vertical Separation Minima (RVSM) which effectively doubled our enroute airspace capacity.

So, while general aviation has never been nor is it projected to be a major cause of system delays, we have a strong record of working tirelessly to expand system capacity and improve system efficiency. Thus, it should come as no surprise that general aviation has been a leading proponent of NextGen.

As you know, the RTCA NextGen Mid-Term Implementation Task Force submitted its final report to the FAA on September 9, 2009. The Task Force recommendations are intended to establish a blueprint for NextGen implementation. The Task Force brought together high-ranking

representatives from all segments of the aviation industry (including airlines, manufacturers, general aviation, and airports). The Task Force developed a list of action items and recommendations in the following areas: surface, runway access, metroplex, cruise, and access to the national airspace system (NAS).

Mr. Chairman and members of the Subcommittee, this report represents industry consensus on NextGen operational improvements for the period 2009 to 2018. The report recommends "strategies for accelerating benefits, and strategies for encouraging equipage." The report also includes recommendations aimed at facilitating the transition to NextGen by streamlining the operations approval process and establishing effective government-industry collaboration.

In our opinion, the report proposes realistic objectives and is focused on very practical operational improvements in the near to mid term. Achieving these benefits simply requires solid FAA program management and execution along with similarly aligned performance by other related government agencies. The report outcomes are not dependent on any significant "unknowns," like the results of long-term research or the development of new technology.

To meet these objectives, FAA management of implementation, in close coordination with industry via the recommended follow up mechanisms in the report, will be critical. Additionally, a key issue is potential incentive for avionics equipage and/or capabilities by aircraft operators. The longer it takes for a critical mass of aircraft to be equipped, the longer it will take for airspace modernization to occur. It is essential that both FAA and aircraft owner investment be made on complementary time scales to ensure maximum efficiency and productivity in achieving overall NextGen goals.

While the term NextGen is widely used, it is important to note that "NowGen" was an important focus of the report. The report reflects the desire of stakeholders to utilize the existing equipment on aircraft today that has produced little or no return on investment. By accomplishing these near-term tasks, FAA has an opportunity to earn industry confidence and enhance the commitment to future NextGen efforts.

At this point, I would like to address some of the details contained in the report.

Surface Operations

It is important to understand that in the context of the report, the term "Surface" is not concerned solely with taxiing operations from parking to the runway. Rather, as used in the report, it has a continuum starting from the point of pre-flight planning, through "push back," through taxiing both on the non-movement area and movement area, through takeoff, and finally to the departure fix out of the TRACON's airspace. As the report states, "The efficiency of surface movement management will be improved by the development of surface traffic management decision support tools. This will provide more reliable, predictable, and timely access to and from gates and more efficient use of ground support assets for arriving/departing flights."

Runway Access

Smooth and efficient traffic flows into high volume metropolitan airports are absolutely critical to successful implementation of NextGen. NBAA fully supports the increased use of such tools as the converging runway display aid (CRDA) to support curved paths, the Arrival/Departure Window (ADW) tool, and Landing and Hold Short Operations (LAHSO). Controller training in the use of the tools that enable higher capacity operations is critical as well. Operators also need to train pilots in the use of new procedures.

Metroplex

As stated in the report, "...high density flight operations in major metropolitan areas precipitate the majority of current NAS-wide delays." NBAA is in agreement that the dual solutions RNAV and RNP, along with the maximum use of 3 nautical mile separation in the terminal area are core solutions that must be implemented. In a sense, a metropolitan airspace, such as New York, New Jersey, and Philadelphia "sinks or swims" as an integrated, dependent system. Therefore, NBAA fully supports looking at Metroplex areas as "systems" that must be fully integrated from the perspective of traffic flow management and supports the recommendations in the report.

Cruise

This section of the report addresses access to what has been known as Special Use Airspace, and now referred to Special Activity Airspace, use of Time Based Metering (TBM) and full implementation of Area Navigation (RNAV) Based En Route navigation. NBAA supports the TBA and RNAV efforts, and we would like to especially commend the FAA on the proactive manner in which it has embraced increasing access to Special Activity Airspace for all operators. Interestingly, not only do all civil operators have to avoid this airspace, but also the DoD itself, as well as other State aircraft,

face the same restrictions to utilizing that airspace with their non-participating aircraft. For some time, industry has been asking FAA to create a program office dedicated to bringing to bear modern tools and procedures to allow non-participating aircraft to more frequently use airspace that is not being used by the DoD for critical national defense training needs. It is important to note that at no point has industry asked DoD to give up airspace it does not legitimately need to train military operators to defend our nation. Rather, industry felt that this valuable national asset could be used more efficiently and consistently with national security needs. We commend FAA for the creation of an office at FAA headquarters to lead this effort. Much progress has been made in a short period of time, and we are optimistic this program can return early benefits to all operators in the NAS.

Access to the NAS

Non-OEP airports (FAA's operational evolution plan includes 35 of the busiest commercial service airports) are the lifeblood of general aviation. As you know, of the 5,000 public use airports in this country, the commercial airlines fly to approximately 10% of the public airports available to general aviation in the United States. In fact, in the last year, over 100 cities across America saw a decline in scheduled commercial airline service. Communities and businesses are dependent on access to these airports for everyday commerce, medical and law enforcement flights, and disaster response, among other needs. As a result, NBAA fully supports the recommendations to increase low altitude non-radar access to airports and to implement LPV approaches to airports without current precision approach capabilities.

Finally, the RTCA report also has several "cross cutting" and "over arching" recommendations. One of the over arching recommendations involved Required Navigation Performance Area Navigation (RNP/AR) approach procedures. RNP/AR procedures are one of the core solutions for implementing NextGen over the next several years. NBAA fully supports this core solution. Early on, NBAA saw the benefit of RNP approaches in order to gain safety and access benefits that older technology, such as ILS systems, could never achieve. We have advocated for this operational capability loudly and often.

Unfortunately, despite of our vocal support, a large segment of the business aviation community is locked out of actually using these modern, NextGen procedures. The reasons are two-fold. First, the onerous operational certification process for flight departments is a very steep mountain to climb. While improvements have been made, it currently takes several months of complicated interaction with the FAA for an operator to gain approval once they initiate the process. The process is so complicated that the only successful applicants to date have had to utilize what the FAA calls "third parties" in order to complete their applications. These "third party vendors"

are approved by the FAA to accomplish this process on behalf of operator flight departments and charge just short of \$100,000 for complete, turn-key, application packages. That cost is prohibitive for the majority of NBAA Part 91 members who typically operate one, two or three aircraft.

Second, once the initial certification process is complete there are recurring database verification and subscription fees of approximately \$6,000 per aircraft per year. This database verification process is mandated by the FAA. The FAA is mandating that third-party vendors take the data the FAA produces and review it for errors and accuracies. This is an extremely costly process for our members.

This cumbersome and expensive process has resulted in just five business aviation operators, out of a potential pool of thousands, obtaining operational approval to fly RNP/AR procedures. While our members see the tremendous potential of RNP/AR, we are also highlighting that the obstacles to gaining this approval are far too steep. In the report, Appendices K and L address potential solutions to these obstacles and should receive high emphasis from the FAA.

CONCLUSION

In conclusion, aviation plays a critical role in driving economic growth and investment across the country. Our air transportation system is critical to the nation's economy.

We are committed to working with the Congress to expedite the transformation of our air traffic control technology and operations that achieves our shared goal of keeping the U.S. aviation system the safest, largest and most efficient in the world. NBAA and our Member Companies across the nation look forward to working with this Subcommittee to accomplish this vital national objective.