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**NYS Joint Legislative Public Hearing
on the 2021-2022 Executive Budget -- Transportation
Andrew G. Moore, C.M., NYAMA President**

Good afternoon Senator Krueger, Assemblymember Weinstein and members of the Committees. I am Andrew Moore, President of the New York Aviation Management Association (NYAMA) and Director of Greater Rochester International Airport. On behalf of NYAMA, I'd like to express my appreciation for this opportunity to provide comments on the 2021-2022 Executive Budget as it relates to airports and the aviation industry in New York.

New York Aviation Management Association

NYAMA represents over 13,000 members and affiliate members, comprising 464 commercial service and general aviation airports, fixed based operators, consultants, engineers and various aviation industries and professionals who believe that economic development efforts at the state and regional level necessitate strong public investments in our aviation assets and facilities.

Airport COVID -19 Response

NYAMA-member airports continue to support and assist in efforts to effectively implement the state's Travel Advisory program. Our airports help coordinate the reporting of airline schedules for direct commercial service flights arriving from the designated high risk states and provide assistance and accommodations to NYS Department of Health and State Police personnel assigned to enforce the quarantine requirements for certain passengers.

In addition to schedules, our airport managers also help with the collection and transmittal of passenger counts to the NYS Department of Transportation not only for inbound flights from the restricted states, but for all incoming flights. While this information is provided by airports on a weekly basis, cancellations and schedule changes are also transmitted to the state as this information becomes available.

The Potential For COVID Testing

While the Travel Advisory is an effective strategy for reducing the risk of increased infections from out-of-state travelers, NYAMA sees an opportunity to enhance the safety of New York's Travel Advisory program by expanding the COVID-19 testing efforts and is advocating for rapid testing options for passengers as a strategy to increase visitors to New York without compromising public health. While testing does not eliminate all risk, when combined with other measures, it can further enhance the safety of air travel. A recent Harvard study found that flying can be done safer than eating at a restaurant.

NY Airports Are Experiencing Financial Distress

The aviation industry has been decimated by the COVID-19 pandemic, demonstrated by the growing instances of cutbacks and losses in air service to New York airports. Our airports are particularly hard hit. Evidence compiled by NYAMA demonstrates that passenger volumes and scheduled arrivals and departures at New York airports are far below the national average.

Airports in New York and across the country are experiencing tremendous financial stress due to the precipitous decline in airline service and passenger loads resulting from the pandemic. Reports of 80% to 90% reduced passenger enplanements by the major carriers are reflective of our experience here in New York. This is taking its toll on air passenger volume and, consequently, airport revenues.

There are reports of a meaningful increase in bookings in and out of Hartford since Connecticut offered the testing options to passengers as an alternative to the 14-day self-quarantine. Hawaii has a similar strategy as part of their travel advisory program. NYAMA hopes that a similar approach can be taken by New York to help the state recover economically by increasing business travel and tourism. We want to work with the Governor and Legislators on a plan in the coming months to return passenger traffic at New York airports, especially now that the vaccines are being rolled out.

Economic Impact of Airports

In the meantime, airports and their municipal sponsors are struggling to continue their efforts to preserve scheduled air service, especially to Upstate New York cities and counties. One recent example, last week Allegiant Airlines ceased operations at Ogdensburg saying that the extended closure of the U.S.-Canadian border as well as mandatory quarantines for travel to New York have exacerbated the pandemic's effect on demand in the area. announced that they were pulling their station out of Ogdensburg.

Airports are major economic engines and the benefits of New York State airports are indeed impressive. Last year, the aviation industry contributed over \$72.3 billion in annual economic activity in New York State and more than 500,000 NY based jobs in aviation or aviation related industries, generating \$25.8 billion in payroll and over \$6 billion in state and local tax revenue annually. If passenger traffic remains stunted, airlines will continue to move traffic away from New York. It will be extremely difficult to bring these airlines and their disappearing New York routes back to our airports, especially in Upstate New York. Hub services and nonstop routes usually rely on both business and leisure flyers. In New York's case, both are being stunted for the foreseeable future without new travel advisory policies and testing capabilities. Our state and local economies will continue to suffer.

NYAMA seeks to continue our work with the Legislature and the Governor in this effort to realize the full potential of New York's airports and aviation industries as the driver of new, high-quality and sustainable jobs, as well as to attract greater private sector investment.

Executive Budget Highlights

The 2021-2022 Transportation Capital Program includes state funding for aviation projects. As part of this program, \$100 million appropriation in the current budget supports a second round of funding for the Upstate Airport Economic Development and Revitalization Initiative. NYAMA is grateful to the over 120 members of the New York Legislative Aviation Caucus and all the legislators who supported this appropriation in the budget.

There remain many airports in the state that were eligible for this program in the first round but not awarded funding. This second funding round will reach additional airports that have critical infrastructure needs. These communities will likewise benefit from state investments, better positioning these airports to attract more scheduled commercial or charter service in many underserved areas of the state as we recover from the effects of the pandemic. These investments are helping New York State reestablish itself as the place for national and international aviation businesses to locate and grow. NYAMA is urging that this program be rolled out as soon as possible to help prepare our region's airports for the fight to reclaim airlines and profitable routes as flying recovers.

NYAMA urges that the solicitation for the new round of funding for the Upstate Airport Economic Development and Revitalization Competition program be released by the State Department of Transportation as soon as possible. We need these infrastructure projects to help sustain and create jobs, and generate economic opportunities to help jump start New York's recovery.

AIP and the Aviation Capital Grant Program

Other airport capital funding is provided mainly through two program categories: the Airport Improvement Program (AIP), which provides a portion of the local share required to match federal AIP grants, but is currently underfunded at \$4 million per year; and, the Aviation Capital Grant Program that, unlike federal AIP money, can be used to finance revenue producing projects at airports such as parking lots, fuel farms, hangar construction and concession development. Both of these programs continue to be funded at previous levels: \$4 million and \$12.5 million respectively.

NYAMA continues to advocate for a minimum state financial commitment of \$40 million per year for the Aviation Capital Grant program. The current five-year transportation capital program averaged just \$16 million per year. Last round, NYSDOT received a total of \$48 million in funding requests by 72 applications from 54 airports for critical projects; of this number, only 43% of applying airports were awarded funding.

These numbers reveal the sizable gap between what is required for airport development projects and what is ultimately available through the state budget. Yet this program funding was slashed by \$20 million over the last two years, a 50% cut from previous funding levels. It is funded at \$12.5 million for SFY 2020-2021.

The capital needs of airports requires an annual commitment of \$40 million to the Aviation Capital Grant Program.

A well-funded aviation capital program for the Empire State's airports is essential to protect jobs and ensure economic health for the state and its residents. To be competitive with surrounding states, nationally and in the global economy, New York must continue to support public investment levels that sustain the development of world-class aviation facilities for travelers from across the country and internationally. NYAMA looks forward to continuing to work with you and your legislative colleagues on developing strategies to maximize the economic benefits from state investments in airports and the aviation industry.

January 26, 2021