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New York State Joint Budget Hearing 2026-2027 Executive Budget – Transportation

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Good afternoon Chair Krueger, Chair Pretlow, and members of the Committees. I am Mark Heefner, Immediate Past President of the New York Aviation Management Association (NYAMA) and Commissioner of Aviation for the Greater Binghamton Airport. I'd like to express my appreciation for this opportunity to provide comments on the 2026-2027 Executive Budget as it relates to airports and the aviation industry in New York.

New York Aviation Management Association

Founded fifty years ago, NYAMA represents over 13,000 members and affiliates across New York's aviation industry. Our membership includes 464 commercial and general aviation airports, along with the fixed-base operators, consultants, and engineers who support them. We know that effective economic development at the state and regional levels requires strong public investment in our aviation assets and facilities.

Economic Impact of New York Airports

New York airports and their municipal sponsors continue to constantly compete with other airports in the nation to preserve and maintain scheduled air service, especially to Upstate New York cities and counties. Airports are major economic engines, and the benefits of New York State airports are indeed impressive. Investing in them provides a tremendous return for New York. According to the New York State Department of Transportation report, "Economic Impacts of New York State Airports and Aviation", the aviation industry contributes over \$80 billion in annual economic activity in New York State, growing by \$30 billion over the last 10 years. More than 454,000 NY based jobs are in aviation or aviation related industries, generating \$25.8 billion in payroll and over \$6.1 billion in state and local tax revenue each year. Over 111 million passengers use New York airports annually. Hub services and nonstop routes are relied upon by both business and leisure flyers.

NYAMA commends Governor Kathy Hochul for recognizing the unique capital needs of airports. State supported investments this year helped New York's airports and aviation industries drive new economic development and facilities modernization, creating high-quality and sustainable jobs, as well

as attracting greater private sector investment. Your partnership in this effort is not only critical to New York, it pays significant dividends in every corner of the Empire State.

AIP and the Aviation Capital Grant Program

Vital airport capital project funding is provided mainly through two program categories: the Airport Improvement Program (AIP), which delivers a portion of the local share required to match Federal AIP grants, funded in the Executive Budget at \$14 million; 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.

Unfortunately, the Aviation Capital Grant Program is woefully underfunded at \$12.5 million per year. This level of funding is so minor that the NYSDOT accumulates multi-year appropriations before they are in a position to go out with a grant solicitation. This means that airports have no annual funding program. The program budget has not been increased since 2018-2019 program years.

NYAMA continues to advocate for a minimum state financial commitment of \$40 million per year for the Aviation Capital Grant program. The \$12.5 million appropriation does not represent the importance of airports and the return on investment they provide to New York State and continues to send a message that Aviation in NYS is an afterthought. That funding is needed to support a robust state airport investment program for critical resiliency, environmental improvement, energy efficiency and transitional clean fuel projects. If funded at \$40 million or more per year, you will witness a tremendous impact in your local communities and a return on investment that is tangible and quickly realized. In comparison to other NYS funded transportation investments, the requested amount by Aviation is a fraction.

Based on the State Airport System Plan and other planning data, NYAMA calculates that the capital needs of airports that are eligible for state assistance require an annual commitment of \$40 million to the Aviation Capital Grant Program.

Aviation Capital Grant Program Award Cap Increase

If the funding is increased to the \$40 million level, the current award cap under the Aviation Capital Grant Program of \$2.5 million should be raised to a more realistic range of up to \$5 million. This would allow for the development of projects such as hangars that generate rents and other revenues, especially important to General Aviation (GA) airports.

NYAMA is requesting that the legislature support adding this grant cap increase initiative in the One-House Budgets as negotiations on the Capital Budget continue.

NYAMA Stands Ready to Assist NYS with the Future of Aviation

As the aviation industry rapidly evolves, NYAMA members stand at the ready to assist New York State in ensuring our State is at the forefront of dramatic advancement. Our State stands on the precipice of Advanced Air Mobility, Air Service and Airport Development, and Environmental Opportunities. NYAMA extends our membership expertise to all areas of New York State Government to assist in the

development of programs and policy making that propel our State forward and protect our residents at the same time. We propose working together to create funding sources for Air Service and Airport Development programs to assist in increasing the impact of our Airports, creating opportunities for growth and implementation of Advanced Air Mobility, and working to standardize and fund environmental initiatives on and around Airports.

Aviation Leading the Way on Environmental Initiatives

Though aviation represents less than 3% of the world's carbon emissions, the aviation industry is accelerating its use of alternative fuels. Every major airline is conducting sustainable aviation fuel in demonstrations and many regular flights while startups are experimenting with all-electric flight. Many environmental and climate initiatives are being undertaken by airports through their own funds and those of state and Federal capital assistance programs for airports. New York airports are at the forefront of efforts to install EV charging stations, rooftop solar, energy efficient lighting, and converting operations that generate emissions to electric or other alternative clean fuels where possible. Enhanced state funding promotes these initiatives and assists airports in financing other vital environmental projects like those needed to accommodate the transitioning by airlines to sustainable aviation fuels as per the Federal guidelines and support the infrastructure needed for companies to develop and deploy electric aircraft.

Additional funding is needed to assist airports in pursuing projects that will promote New York's infrastructure that will allow for electrifying airport operations and facilities to support these innovations. Simply put, Airports are lacking in electrical infrastructure and need NYS's guidance and assistance.

NYAMA is urging the Senate and Assembly one-house budgets include enhanced capital funding for NY airports above the level in the Executive Budget.

Conclusion

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.

Well-funded aviation capital programs for the Empire State's airports is essential to protect jobs and ensure economic health for the state and its residents.

We appreciate the ongoing support for aviation by the Co-Chairs of the New York Legislative Aviation Caucus, Assemblymember Donna Lupardo and Senator Monica Martinez, and many of the other over 80 legislator members of the Caucus. NYAMA looks forward to continuing to work with all of you and your legislative colleagues, on developing strategies to maximize the economic benefits from state investments in airports and the aviation industry.

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