Impact of Security Measures on the Fiscal Aspects of General Aviation

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THE AFTERMATH OF SEPTEMBER 11

• 1903 first flight
• 1969 first Lunar landing
• September 11, 2001 all flights cancelled
• From freedom of flight to WMD
• Commercial aviation scrutinized
• General Aviation put on hold
General Aviation

• All civil aviation except for scheduled passenger and scheduled cargo service

• FAR part 135 operations “Air Taxi”

• GA Aircraft
  – Less than 20 seats
  – Represent 92% of U.S. registered aircraft
ECONOMIC IMPACT

• 9/13 Commercial Aviation ops resumed

• 9/22 GA ops resumed but limited to:
  – VFR ops 30 nm beyond Class B airspace/TFR’s
  – VFR flight training: non-turbojet, small aircraft
  – Flight training in enhanced Class B except:
    • Washington DC, Boston, New York
ECONOMIC IMPACT

• Trapped: 41,800 aircraft, 120,000 pilots

• 10/15 GA enters a realm of restricted ops

• However,
  – College Park, Hyde Field, Potomac Airfield: remain closed to VFR traffic
  – Reagan Washington National: severely restricted
ECONOMIC IMPACT

• At College Park, Hyde Field, Potomac Airfield
  – 89,000 operations/year
  – 350 pilots agree to TSA security process
  – Relocation of aircraft
  – Around the clock security
  – Reduced access to the Metropolitan DC area
ECONOMIC IMPACT

- At DCA-according to the NBAA
  - Loss of employment and wages
  - Reduced business income
  - Higher costs for transportation users
  - Decreased productivity
  - Reduced access to the Metropolitan DC area
ECONOMIC IMPACT

• At DCA & as a result of TFR’s
  – In the 30 months following 9/11 NBAA est.
    • $1.3 billion economic impact
  – With a 10% probability that the economic impact was:
    • $2.5 billion or $83 million/month
The Economic Significance of General Aviation

- According to the AOPA
  - Integral part of U.S. economy
  - Catalyst for economic growth
  - Influences the quality of life
  - Over 1% of U.S. GDP
The Economic Significance of General Aviation

• Scope of GA—according to the TSA
  – More than 19,000 landing facilities
  – More than 200,000 aircraft
  – 1.3 million jobs
  • Nearly $20 billion in annual earnings
  • Direct/indirect impact exceeds $102 billion
The Economic Significance of General Aviation

• Scope of GA—according to the TSA
  – 630,000 certificated pilots, most are GA
  – Transports 145 million paxs annually
  – 58% of GA flights are business or personal
  – 22,000 pilots, 14,700 aircraft in the Charter segment
Efficient, Effective, & Productive

• Depart closer from home or business
• Enplane directly, minor security delays
• Maximum productivity in flight
• Arrive closer to ultimate destination
• Deplane directly, minor security delays
• Go and come on your schedule
Efficient, Effective, & Productive

- Reduce travel time, avoid Hub airports
- Personal/family transportation
- Training; pipeline to aviation careers
- MEDEVAC, medical supplies, organs
- Wildlife surveys, agricultural, firefighting
- Law enforcement
Competitive Edge

• According to AOPA
  – GA enables a competitive edge
  – More than 70% of new or expanding businesses locate within 10 miles of public use airports
  – Speed, flexibility, productivity of GA
Contribution to Local Economies

• Direct contribution
  – Employment
    • Pilots, mechanics, administrative
  – Access to the world
    • Personal/business travel
  – Research and Development
Contribution to Local Economies

- Indirect contribution
  - Employees stimulate local economy
    - Pay taxes
    - Buy cars, homes, groceries, clothes, etc.
  - Access to the local area
    - Personal and business travel
CONCLUSION

• Essential component of the U.S. NAS

• Stimulates local, state, national, and international economies

• GA appears to be recovering
  – Coalition of GA organizations
  – More communicative TSA