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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