

**Statement of**  
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**Before the**  
**Subcommittee on Aviation**  
**Committee on Transportation and Infrastructure**  
**U.S. House of Representatives**  
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Chairman LoBiondo, Ranking Member Larsen, and members of the House Transportation and Infrastructure Subcommittee on Aviation. Thank you for inviting me to participate in today's hearing on "Building a 21<sup>st</sup> Century Infrastructure: State of American Airports." It's an honor for me to be back with you today.

My name is Todd McNamee. I am the Director of Airports for the County of Ventura Department of Airports, which is located in Southern California. I'm also pleased to serve on the Executive Committee for the American Association of Airport Executives and enjoy being a general aviation pilot.

Ventura County operates two airports: Camarillo and Oxnard Airports. Camarillo is a general aviation reliever airport considered a national asset by the Federal Aviation Administration (FAA). The airport, which has served as a general aviation facility since 1976, is the proud home of over 550 general aviation aircraft. We have between 150,000 and 200,000 take offs and landings per year.

The Camarillo Airport community also includes several aviation-related businesses including those that provide flight instruction for fixed-wing and helicopter pilots, aircraft maintenance, and aircraft charter and storage. Based on a 2008 economic benefit study, the airport provides \$163 million annually in positive economic benefit to the local community and supports over 800 jobs. I'm confident that number is far higher today.

Oxnard Airport is classified as a non-hub commercial service airport. However, after losing commercial air service in 2010, Oxnard functions as a general aviation airport today. The airport has two full service fixed-base operators, which provide services such as aircraft charters and aircraft maintenance. The airport has over 70,000 general aviation operations annually and over 125 based aircraft.

Investing in general aviation airports and promoting the general aviation industry pays big dividends. According to the FAA, nonairline operators at general aviation airports spent over \$12 billion in 2009 and flew an estimated 27 million flights including those for emergency medical services, firefighting and law enforcement missions. Overall, general aviation contributes \$219 billion in total economic activity and supports 1.1 million jobs.

General aviation airports make significant contributions to our aviation system and help our partners at commercial service airports. Pilots learn to fly at Camarillo and other general aviation airports, and many go on to become commercial airline pilots. General aviation airports also help to minimize congestion at nearby commercial service airports and provide critical community access for rural communities.

Mr. Chairman, before describing some suggestions from the general aviation perspective, I would like thank you and your colleagues for the enormous amount of time and effort that you and your staffs have devoted to the FAA reauthorization bill. The multi-year bill that this Committee approved last year and the latest extension included a number of welcome provisions, and I truly appreciate your efforts to reach out to airports as you prepare to resume consideration of the FAA bill this year.

I realize that many are understandably calling for expediting the implementation of the Next Generation Air Transportation System. Just as we need to transition to a satellite-based navigation system to increase capacity and efficiency in the air, we also need to increase capacity and efficiency on the ground by upping our investment in airside and landside projects at airports around the country. With that in mind, I would like to highlight some recommendations that would help general aviation and commercial airports meet the challenges of the 21<sup>st</sup> century.

### **Help General Aviation and Commercial Service Airports Upgrade Aging Facilities; Build Infrastructure Projects**

Mr. Chairman, this Committee can assist airports in building a 21<sup>st</sup> century infrastructure by providing them with the resources they need to repair aging facilities and advance critical safety, security, and capacity projects. The following includes some key actions that this Committee can take to prepare airports for the challenges ahead.

***Increase AIP Funding:*** Increasing Airport Improvement Program (AIP) funding, which this Committee proposed to do last year, would help fund critical safety, security, and capacity projects at general aviation and commercial service airports. As you know, no general fund revenues are used for federal AIP grants. The AIP program is supported entirely by users of the aviation system through various taxes and fees deposited into the Airport and Airway Trust Fund.

AIP is a particularly key source of revenue for general aviation and smaller commercial airports that have more limited funding options than our colleagues at larger commercial service airports. In Ventura County, we are planning to use AIP funds to rehabilitate and reconstruct runways at both airports.

H.R. 4441, the Aviation Innovation, Reform, and Reauthorization (AIRR) Act, initially proposed to increase AIP funding by about 2 percent annually to slightly more than \$3.8 billion in Fiscal Year 2022. During the markup last year, the Committee adopted an amendment offered by Rep. Lou Barletta to ratchet up that amount to almost \$4 billion by FY22.

I would like to thank Rep. Barletta for taking the lead on this amendment and for proposing to provide airports with some much-needed additional revenue. Both the underlying bill and the Barletta proposal represented welcome steps in the right direction and acknowledged that an increase in AIP funding is long overdue.

Despite enormous demand and construction cost inflation that has eroded the purchasing power of artificially-capped Passenger Facility Charges (PFCs) and restrained the AIP program, Congress has provided only flat funding for airport grants in recent years. Stagnant AIP funding is particularly noticeable for general aviation and other non-primary airports, which are currently eligible to receive only \$150,000 in entitlements per year.

Airports are facing substantial capital needs and limited federal funding. The FAA's 2017 National Plan of Integrated Airports System (NPIAS) indicates that airports will have \$32.5 billion in AIP-eligible projects between 2017 and 2021 – approximately \$6.5 billion per year. That's twice the \$3.2 billion designated for airport capital projects as part of the program's \$3.35 billion annual funding level.

Raising AIP funding to \$4 billion by FY22 would certainly help. But increasing AIP funding by a small amount each year is not nearly enough to cover all the AIP-eligible projects today let alone potentially higher demands in the years ahead. I encourage you and your colleagues to increase AIP funding to at least the same amount that the Committee approved last year. I would note that the Senate proposed an even higher funding level for AIP in FY17.

I also urge you to work with airports and other aviation stakeholders to ensure that there is enough funding available for general aviation airports. Many busy general aviation and other non-primary airports need far more than \$150,000 to cover their capital projects, and they are often forced to repeatedly roll over their entitlements before they proceed with a much needed capital project.

As I mentioned previously, we are planning to use AIP funds to rehabilitate and reconstruct runways at both airports in the next few years. Rehabilitating the runway at Oxnard Airport is expected to cost \$6.7 million and reconstructing nearby taxiways will cost another \$5 million. Reconstructing the runway at the Camarillo Airport is expected to cost \$18 million.

With FAA shortfalls in discretionary funding and only \$150,000 entitlement funds per year for each airport, we have had to postpone projects, bank our AIP entitlements, and wait for limited discretionary funds to make up the difference. Our local FAA officials have been terrific to work with, but there must be a better way to distribute funds to general aviation airports that have significant needs. I know other aviation stakeholders are reviewing this issue as well, and I hope we can work with you to explore some ways to improve the non-primary entitlement.

***Eliminate the PFC Cap:*** Perhaps the single most important action that Congress can take to prepare airports for rising passenger levels and increasing demand is to eliminate the PFC cap. Congress hasn't adjusted the cap in 17 years. Eliminating the cap now would be the easiest way to provide more funding for capital projects at commercial service airports in California and throughout the country.

There is a significant amount of demand for airport capital projects in the near term. The latest Airport Capital Needs Survey from Airports Council International-North America estimates that airports will have \$100 billion in capital needs between 2017 and 2021 – approximately \$20 billion annually for AIP-eligible and other necessary projects. That's three times the \$6.4 billion that airports are expected to receive in AIP funds and PFC revenue this year.

Some may have the wrong impression that PFCs only help large airports. But that is simply not the case. Small commercial service airports around the country also rely on PFCs to supplement their federal grants, upgrade aging facilities, and fund other critical projects. Although general aviation airports don't collect PFCs, they benefit from those commercial services airports that do.

As you may know, large and medium hub airports that collect PFCs have up to 75 percent of their AIP entitlements withheld. The FAA then distributes 87.5 percent of those funds to general aviation and small commercial service airports through the Small Airport Fund. General aviation and commercial service airports could benefit even more if Congress eliminated the PFC cap and focused limited federal funds on smaller airports that need federal assistance the most.

General aviation airports could also benefit from an uncapped PFC because allowing commercial service airports to generate more revenue for capital projects would improve our nation's airport infrastructure. We're all part of the same integrated airport system. Just as general aviation and reliever airports help reduce congestion at larger commercial service airports, improving our nation's airport infrastructure would help all of us.

Airports are pleased that Republicans and Democrats on this Committee support eliminating the PFC cap. I would like to thank Rep. Thomas Massie for cosponsoring a bill last year that called for eliminating the cap. And I would be remiss if I didn't commend full committee Ranking Member Peter DeFazio for helping to create the program in 1990 and for proposing to eliminate the PFC cap as part of his budget-neutral plan to increase infrastructure investment.

## **Support Programs that Help Airports in Small Communities**

***Protect the Contract Tower Program:*** Mr. Chairman, on behalf of the 253 airports with FAA contract towers at their facilities, I would like to thank members of this Committee for your strong support for the Contract Tower Program. This successful public-private partnership allows Oxnard and other airports in 46 states to have cost-effective air traffic control services that enhance aviation safety.

I would like to commend this Committee for including provisions in the AIRR Act that would ensure the FAA uses a fair and balanced cost benefit analysis for airports that participate in the Contract Tower Program. I urge you to include that same language in the FAA reauthorization bill that you introduce and consider this year.

As you know, the Contract Tower Program continues to enjoy strong bipartisan and bicameral support for the way it enhances aviation safety and provides significant cost savings to the FAA and U.S. taxpayers. The enormous benefits of this highly-regarded government-industry partnership have been validated repeatedly by the Department of Transportation's Office of Inspector General.

I would also like to thank Rep. Julia Brownley, a strong supporter of the Contract Tower Program and tireless advocate for our Ventura County airports. Late last year, she helped spearhead a letter to then President-elect Trump that calls on the new Administration to support the Contract Tower Program. More than 100 House members – including many on this Committee – signed that bipartisan letter. I know all of us who rely on contract towers for safe operations are grateful for your support.

Almost half of all military operations at civilian airports in the U.S. occur at contract towers and approximately 70 percent of all contract controllers are veterans. Contract towers operate together with FAA-staffed facilities throughout the country as part of a unified national air traffic control system. Without this federal program and critical support from this Committee, many contract towers could be forced to close.

***Support the Small Community Air Service Development Program:*** I also urge you to support the Small Community Air Service Development Program. This program, which Congress created as part of H.R. 1000, the Wendell H. Ford Aviation Investment and Reform Act for the 21<sup>st</sup> Century, has helped numerous small communities suffering from insufficient air service or unreasonably high fares.

Department of Transportation (DOT) officials have pointed out that small community grants fund a variety of projects including financial incentives for airlines and marketing initiatives. At a time when small airports are trying to do everything they can to hold on to commercial air service and attract new service, the Small Community Air Service Development Program can help.

It is worth noting that small communities that participate in the program bring significant local funds to the table. When announcing grant recipients last year, DOT noted that “nearly all the

communities pledged local cash and/or in-kind contributions from local, state, airport, or private sources to complement their requests for Federal assistance.”

Oxnard and small commercial service airports around the country face numerous challenges including a consolidated airline industry and the loss of regional jets. Since many small communities are struggling to maintain and attract new commercial service it is now more important than ever to fund this program.

Vision 100 authorized \$35 million per year for the Small Community Air Service Development Program, and Congress reduced that level to \$6 million annually in the FAA Modernization and Reform Act of 2012. I urge you to increase funding for this program in the next FAA reauthorization bill without taking away funds for airport construction projects.

Additionally, I would like to thank the Committee for including a provision in the AIRR Act that that would allow current small hub and smaller airports to be eligible to participate in the program – not just those that were classified as small airports in 1997. I encourage you to include that same provision in the next FAA reauthorization bill and provide additional flexibility to communities that participate in the program.

***Address Small Community Challenges:*** I also urge this Committee to work with airports, airlines, and other aviation stakeholders to address the ongoing pilot shortage and other small community challenges while maintaining the highest level of safety. As I indicated earlier in my statement, Oxnard Airport has been without commercial air service since 2010 so improving small community air service has been a top priority of ours.

Ventura County has a population of almost 1 million people with a direct catchment area for Oxnard Airport of almost 600,000. Even with the promise of a Small Community Air Service Development grant, restoring commercial air service has eluded our local community. Unfortunately, Oxnard is one of the airports that has lost commercial air service all together.

There may be a number of reasons why some small communities are struggling to restore, retain, or attract new commercial service including industry consolidation and the decline of regional jets. But small- and medium-sized communities are continuing to experience commercial air service reductions, in part, because carriers say that there are not enough qualified pilots to operate their flights.

This problem may get worse before it gets better. A 2016 University of North Dakota study indicates that there will be a pilot deficit of 15,000 by 2026 – just nine years from now. The report points out that approximately 30,000 pilots will reach the mandatory retirement age by the same date.

The last FAA extension required DOT to establish a “Working Group on Improving Air Service to Small Communities. As part of its assignment, the panel is expected to examine “obstacles to attracting and maintaining air transportation services to and from small communities.” Late last year, DOT selected 25 aviation stakeholders to participate in the group, and I’m pleased that their deliberations are already underway. By continuing to work together, I am hopeful we can

come up with proposals to enhance small community air service and ensure that we have enough pilots in the pipeline.

***Unmanned Aircraft Systems:*** Finally, I would like to thank members of this Committee and your colleagues on the Senate Commerce Committee for taking a number of steps to address the challenges related to the proliferation of Unmanned Aircraft Systems. Safely integrating UAS into the National Airspace System will be a key component of a 21<sup>st</sup> century aviation system.

While Congress is playing an important oversight role on UAS matters, the FAA's Drone Advisory Committee is also working to come up with recommendations for UAS integration. The DAC includes an impressive and wide cross-section of UAS stakeholders, and I'm confident that the group will play a key role in ensuring the successful and safe integration of UAS into our aviation system. In Ventura County, we operate a small UAS on behalf of the airport under the recently enacted FAA Part 107 regulations, and hope to be a model example of how to safely integrate and operate small UAS on and around airports for the rest of the country.

### **Conclusion**

Chairman LoBiondo, Ranking Member Larsen, and members of the House Transportation and Infrastructure Subcommittee on Aviation, thank you for inviting me to participate in today's hearing "Building a 21<sup>st</sup> Century Infrastructure: State of American Airports." I hope you find my testimony of value, and I look forward to working with you as you continue your work on the next FAA reauthorization bill.