

The background of the slide features a scenic sunset over a body of water, with a small seaplane docked on the right. A large, semi-transparent AOPA seal is overlaid on the left side of the image. The seal is circular and contains the text "AIRCRAFT OWNERS" at the top, "TRD" on the left, "AOPA" in the center, "1930" at the bottom, and "OUR FREEDOM TO FLY" at the bottom. The main title "AOPA" is displayed in a large, bold, dark blue font in the upper center of the slide.

AOPA

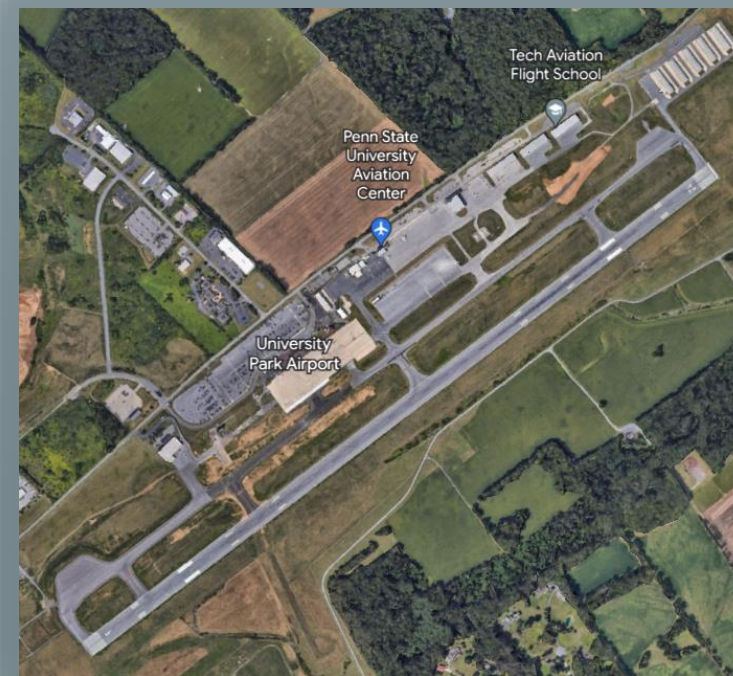
State of Aviation in Pennsylvania

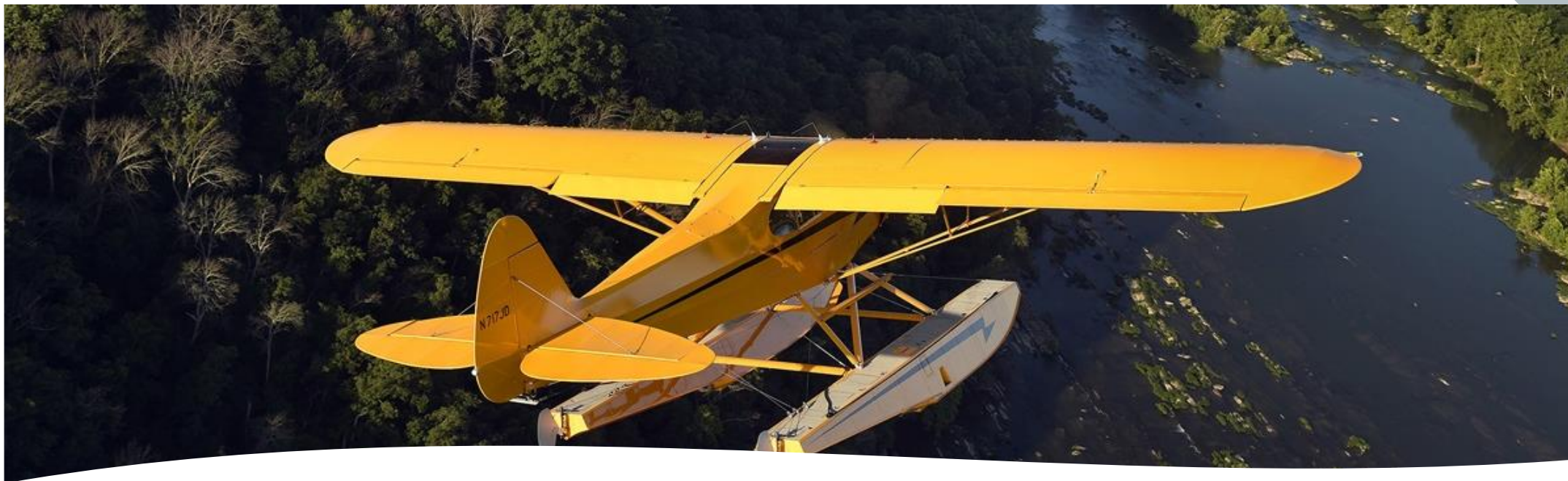
Senate Transportation Committee
April 20, 2023



FAA investment
brings people to
Pennsylvania.

STATE investment
keeps people in
Pennsylvania.





General aviation (GA) includes:

- Private aviation.
- Corporate aviation.
- Public benefit flying.
- Airborne law enforcement.
- Air ambulance.
- Aerial fire fighting.
- Humanitarian aid & Disaster relief.
- And much more...

\$247 Billion in annual
economic activity,
supporting 1.2 million jobs



Across the US

The past two years have demonstrated the advantages and flexibility of GA to individuals and businesses

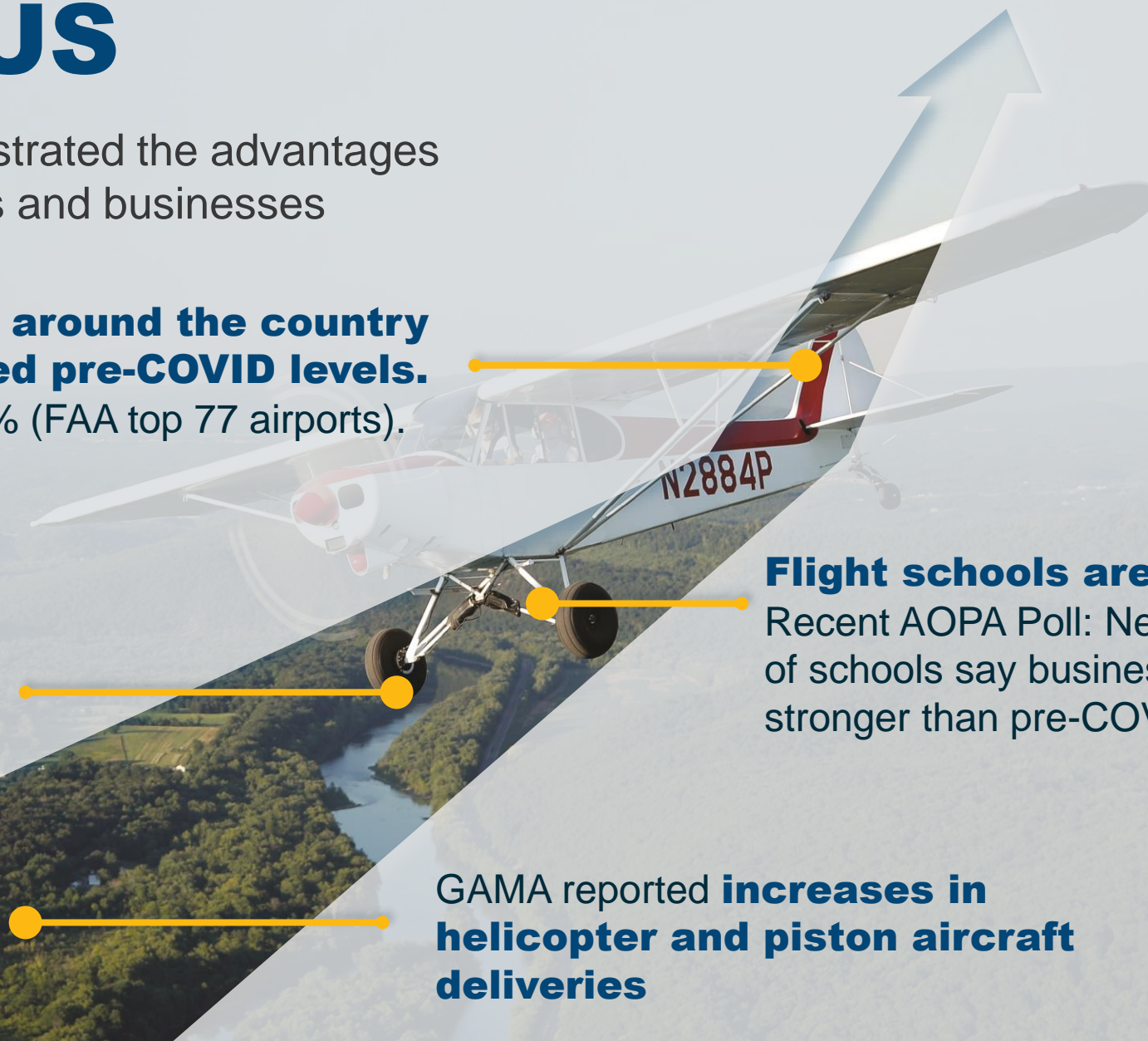
GA operations around the country have exceeded pre-COVID levels.

Up almost 30% (FAA top 77 airports).

Student, Commercial, and Private Pilot **Certificate numbers have all increased** over the past four years!

Flight schools are busy.
Recent AOPA Poll: Nearly 60% of schools say business is stronger than pre-COVID-19

GAMA reported **increases in helicopter and piston aircraft deliveries**



Across Pennsylvania

PA General Aviation Airports:

\$1.5 Billion annual economic output, supporting 8,100 jobs, earning \$581 Million in combined payroll.

PA airports serve as the base of operations for:

89 Repair Stations, 75 FBOs, and 34 Flight Schools.

PA Airports are home to 17,000 pilots and 6,100 based aircraft.

Aerospace-related STEM career outlook continues to grow:

Boeing 2022 Pilot and Technician Outlook estimates more than 435,000 US aviation professionals needed by 2041

AOPA High School Aviation STEM Curriculum



YOU CAN FLY
AOPA FOUNDATION

- ❑ 100% FREE for high schools.
 - ❑ Teaches STEM through the lens of aviation.
 - ❑ Prepares students to earn CTE stackable credentials.
- The course incorporates:
- ✓ CTE-related Experiences
 - ✓ Career portfolio development
 - ✓ Business plan writing
 - ✓ Semester-long CTE capstone projects.



AOPA High School STEM Curriculum:

- Southern Columbia Area HS – Catawissa, PA
- Achievement House Cyber Charter School – Exton, PA
- Conneaut Area Senior High – Linesville, PA
- Frankford HS – Philadelphia, PA
- Performing Arts Charter School - Philadelphia, PA
- Waynesboro Area HS - Waynesboro, PA
- Wellsboro Area School District – Wellsboro, PA
- Spring Grove Area HS – Spring Grove, PA



PA HANGAR SURVEY FINDINGS

PA HANGAR SURVEY FINDINGS

116

Airports surveyed

60

Airports responded

>40%

Airport revenue generated by hangars

<12,000sq ft

Survey focused on hangars used for light-GA aircraft storage

Over 90% of existing hangars are occupied.

64% of PA Airports have a hangar waiting list.

Average age of a hangar exceeds 30 years.

35% of oldest hangars exceed 51 years.

38% more hangars are needed to meet current demand.

Lack of funding was the most reported impediment to new hangar development

Aviation Funding

Aviation Fuel Taxes

Taxes on Aviation Fuels are the most equitable and efficient method of generating stable aviation funding.

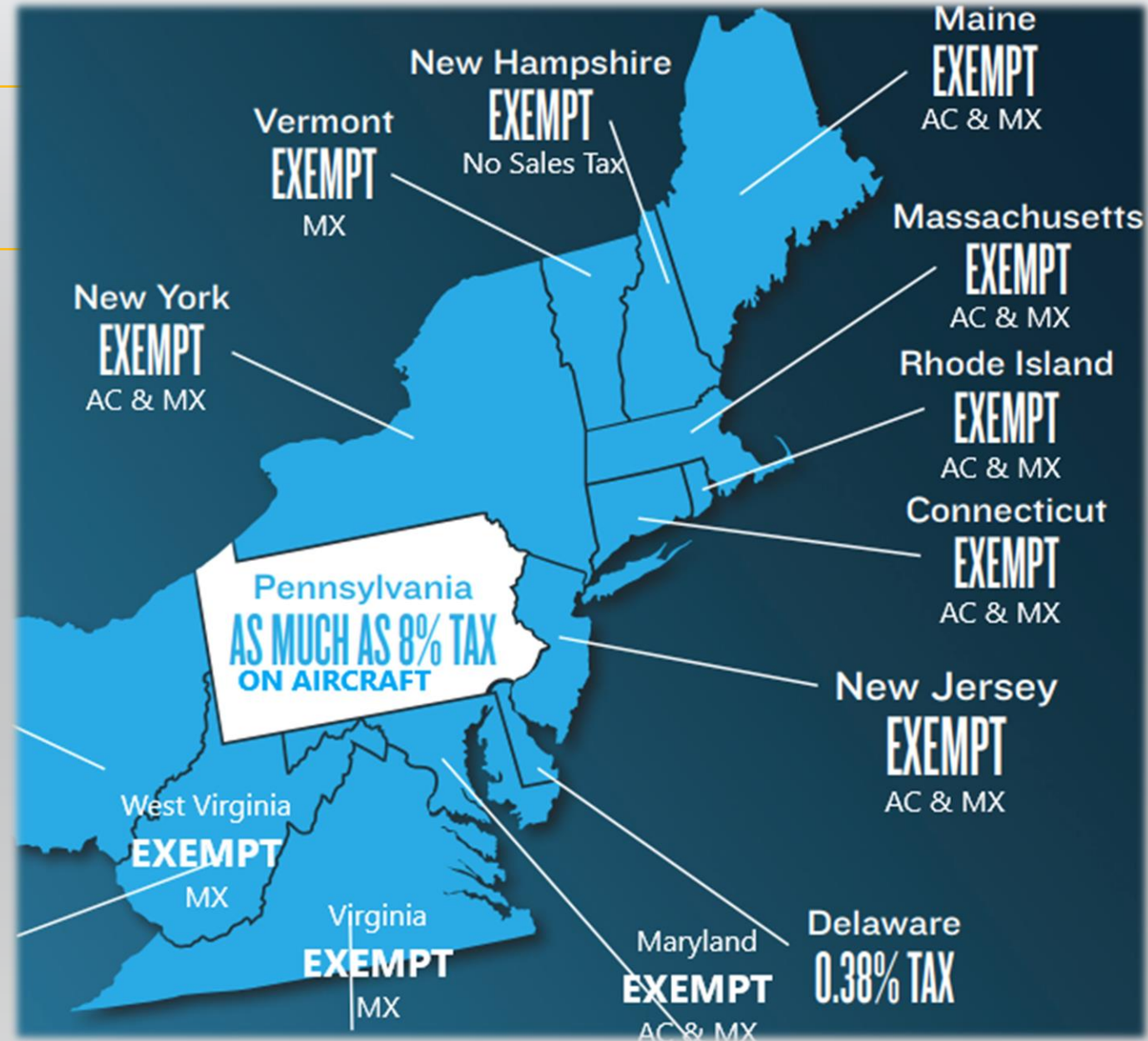
STATE	AVGAS Excise	JET FUEL Excise
DE	0.23	0.05
MD	0.07	0.07
NY	0.18	0.073
NJ	0.165	0.195
PA	0.06	0.2
OH	No Tax	No Tax
WV	0.152	0.152

Aviation Funding

Sales Taxes Revenue

Recommendation:

Dedicate Aircraft Sales Tax Revenue



Aviation Funding

New Revenue Sources



Inadequate funding will:

- ❑ **Reduce utility and services**
- ❑ **Lose jobs**
- ❑ **Close airports**

An aerial photograph of a wide, sandy beach meeting the ocean at sunset. The sky is a warm, golden yellow, and the water is a deep blue. In the distance, a city skyline is visible on the horizon. A large, semi-transparent circular watermark is overlaid on the image. The watermark contains the text "AIRCRAFT OWNERS & PILOTS ASSOCIATION" around the top edge, "1939" in the center, and "YOUR FREEDOM TO FLY" around the bottom edge. There are also some smaller, less legible text elements within the watermark, such as "TRD" and "MRK".

Thank You



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17 April 2023

Senate Transportation Committee
Senate Box 203013
Main Capitol 351
Harrisburg, PA 17120-3013

TRANSMITTED BY ELECTRONIC SUBMISSION

Email: nritchie@pasen.gov

Re: Senate Hearing on the State of General Aviation in Pennsylvania

Chairmen Senator Langerholc, Senator Flynn, and members of the Senate Transportation Committee,

The Aircraft Owners & Pilots Association (AOPA), the world's largest aviation membership organization representing the general aviation interests of more than 8,300 pilots in the Commonwealth of Pennsylvania, concurs with the findings in the Transportation Advisory Committee's (TAC) Aviation Task Force final report and generally supports its recommendations for necessary strategic investment in Pennsylvania's aviation system.

Pennsylvania's network of airports is a vital component of the state's transportation system. It is comprised of 122 public-use airports that generate \$34 billion in annual economic output and support 226,000 jobs. These airports provide vital access to national and international networks, connecting people and businesses with goods and services, including healthcare. Your airports are at the forefront of national preparedness, serve as staging points during major weather events and serve as rallying points in times of national crisis. The ability of the state's aviation system to efficiently meet future demand for travel depends upon Pennsylvania's ability to maintain its facilities in a state of good repair, undertake prudent modernization projects, and pursue strategic initiatives to prepare for coming advances in technology.

GENERAL AVIATION'S IMPACT

General aviation, or GA, refers to all types of aviation outside of commercial air service or the military. Generally speaking, GA airports are those that receive little to no airline service and therefore cater to GA activities as their predominant revenue source.

With more than 5,100 public-use airports across the United States, there are ten times the number of airports open to general aviation aircraft than those served by the airlines which makes our industry uniquely suited to serve the public's transportation needs. According to the [Alliance For Aviation Across America](#), the nation's general aviation industry generates \$247 Billion in annual economic activity and supports 1.2 million jobs.

More than 90% of the roughly 210,000 civil aircraft registered in the United States are general aviation aircraft. Of the nation's approximately 600,000 pilots, an estimated 500,000 fly general aviation aircraft. An estimated 65% of GA flights are conducted for business and public services that need more transportation flexibility than the airlines can offer.

Like the family automobile, the family airplane can provide mobility for work and pleasure, and it's almost always more enjoyable by air. The family airplane can triple the distance of vacation travel comfortably, bypassing the stress and frustration of traffic and of long security lines at airline terminals.

Today, more and more people are discovering that general aviation is fast, efficient, and safe, opening a whole new vista of travel opportunities. The Bureau of Aviation's [2022 Pennsylvania Aviation Economic Impact Study](#) attributes over \$1.5 billion in annual economic output to the state's general aviation airports. These airports serve as a base of operation for more than 17,000 pilots and are home to over 6,100 registered aircraft that together, serve to sustain 8,100 jobs, earning over \$581 million in combined payroll. Pennsylvania airports are home to 89 repair stations, 75 fixed-base operators (FBOs), and 34 flight schools.

PILOT POPULATION / CAREER OUTLOOK

The long-term outlook for aerospace-related STEM careers continues to be positive despite the impact of the global pandemic on airlines. As aviation sectors rebound over the next few years, large numbers of new STEM professionals will be needed to fill the vacancies caused by retirements in an aging workforce. In its [2022 Pilot and Technician Outlook](#), Boeing estimates that by 2041 North America alone will need 128,000 new pilots, 134,000 new technicians, and 173,000 new cabin crew members. At the same time, industry analysts have named drone pilots as one of the fastest-growing job markets. As more companies and industries look to unmanned aviation to improve their businesses, professional pilots are in increasing demand. There has never been a better time for young people to enter the aviation industry.

The [AOPA Foundation](#) offers free of charge to all high schools and homeschool co-ops across the United States, a six-course, two-pathway (pilot and drone pilot) [High School Aviation STEM Curriculum](#). The Curriculum, written by pilots who are former high school educators, is a STEM.org-reviewed educational media. Key attributes include:

- Teaches STEM through the lens of aviation by engaging students in project-based learning, engineering design challenges, and engineering experiments.
- Prepares students to earn CTE stackable credentials such as the FAA Private Pilot Knowledge Test, FAA Remote (Drone) Pilot Knowledge Test, and FAA Remote Pilot Certificate.
- Guides students through CTE-related experiences, career portfolio development, business plan writing, and semester-long CTE capstone projects.

In addition to free access to our STEM curriculum, we offer free online, video-based professional development and free initial and ongoing teacher and program support. Additionally, we awarded \$1 million in flight training scholarships to high school students and

teachers last year and will do so again this year. The AOPA Foundation is able to provide our Curriculum and services for free thanks to the generosity of our donors.

We are happy to report that the AOPA High School Aviation STEM curriculum is currently used in 8 school districts across Pennsylvania:

- Southern Columbia Aera High School – Catawissa, PA
- Achievement House Cyber Charter School – Exton, PA
- Conneaut Aera Senior High – Linesille, PA
- Frankford High School – Philadelphia, PA
- Philadelphia Performing Arts Charter School – Philadelphia, PA
- Waynesboro Area High School – Waynesboro, PA
- Wellsboro Area School District – Wellsboro, PA
- Spring Grove Area High School – Spring Grove, PA

HANGAR DEMAND

AOPA continues to track the declining hangar inventory across the country. As a result of the increasing age of hangar infrastructure, many airports are forced into demolishing hangars and displacing tenants. In 2021, in collaboration with the Pennsylvania Aviation Advisory Council (AAC), the Aviation Council of Pennsylvania (ACP), and the Bureau of Aviation (BOA), AOPA conducted a survey of Pennsylvania’s airports to better gauge the status of existing hangars, airports’ willingness to develop new hangars, and what impediments may exist to doing so. The AOPA Hangar Survey was sent to 116 airports and received 60 responses (52%). The following highlights were identified:

- On average, 40% of airport revenue is derived from aircraft hangars.
- More than 90% of all existing hangars are occupied and are leased for \$500 or less per month.
- 64% of PA airports have a waiting list for hangars.
- The average PA airport hangar is more than 30 years old.
- 35% of the oldest hangars are in poor condition (average of 51 years old).
- 703 PA aircraft owners are on waiting lists for hangars.
 - o 78% wait one year or longer for access to a hangar.
 - o 32% wait two years or longer.
- PA airports would need to build 38% more hangars to meet current demand.

The average cost to build a set of 10 T-style hangars is approximately \$1.2 million dollars. GA airports fortunate enough to receive FAA entitlement funding are awarded \$150,000 annually. Airports are permitted to ‘bank’ up to 4 years of these entitlement funds which can be used for the construction of hangars or other infrastructure projects. At best, these accrued funds will cover only 50% of today’s cost of construction for a set of hangars, forcing airports to pay the difference. Unfortunately, this best-case scenario is rarely achieved since airports need to pay local-matching funds for higher-priority safety projects. Based on our analysis of PA hangars, the legislature should prioritize dedicated state investment **in ‘revenue-generating projects’ to offset the high cost of hangar development.**

AVIATION FUNDING RECOMMENDATIONS

Aviation Fuel Tax Rate Increase

As the TAC study recommends a mix of six revenue sources, AOPA encourages the Committee to first make the most of those funding mechanisms already in place. We support taxes on aviation fuel as the most equitable and efficient method of generating stable aviation funding. Naturally, the more an operator uses the state's system of airports, the more fuel they purchase. Consequently, the tax revenue a given operator generates directly correlates with their use of the system. Continued advances in technology, however, have increased aircraft passenger capacity and improved aircraft efficiency. Subsequently, while a greater number of passengers utilize the system, revenues from aviation fuel taxes have remained relatively constant despite inflationary increases in the cost of maintaining your infrastructure. Thus, **AOPA supports the TAC study's recommendation for increasing aviation fuel tax rates**, but fuel taxes alone are not likely to produce the level of funding necessary to help keep Pennsylvania competitive.

Dedication of Sales Tax Revenue

Those States that experience the broadest range of industry growth employ a comprehensive aviation incentive plan extending to both aircraft and maintenance. This combination attracts the greatest number of aircraft, directly supporting aviation jobs and the airports that rely on them.

In 2013, Governor Tom Corbett signed Act 52 into law cementing a targeted sales tax exemption on aircraft parts and components. This action allowed Pennsylvania to remain competitive with neighboring states. Since that time, however, recognition of the value of these targeted incentives resulted in states like New York and Maryland exempting aircraft purchases from state sales and use taxes in an effort to entice greater numbers of aircraft basing at their airports. In lieu of any willingness to match these incentives and exempt aircraft purchases from Pennsylvania sales and use taxes, **AOPA fully supports the TAC study's recommendation for dedicating associated tax revenues back to the aviation industry.**

New Revenue Sources

To adequately fund its aviation system, Pennsylvania should consider new sources of revenue from outside the aviation industry. Recognition of the value that airports provide local communities justifies investments made from broader sources. While the TAC study points to multiple potential new sources, such as an annual dedication of General Sales Tax revenue and a new Package Delivery Fee, Pennsylvania should prioritize those sources that minimize the creation of new bureaucracy while ensuring the greatest stability of funding for decades to come. AOPA believes the creation of an aircraft registration fee is likely to generate friction among aviation users while only generating a minimal volume of funding. Therefore, AOPA encourages the legislature to prioritize other sources in lieu of adopting a duplicative registration system already administered by the FAA.

IN CONCLUSION

Without a strategic program of adequate investment, the State's aviation infrastructure will continue to deteriorate. Ultimately this will result in reduced services, lost jobs, and the eventual

closure of airports. For these reasons, **AOPA supports the TAC study's recommendations for strategic investment in Pennsylvania's system of Airports.**

Thank you for your time and consideration of this important matter. AOPA is committed to ensuring the safety, future viability, and development of general aviation as an integral part of a national transportation system. We welcome any opportunity to serve this Committee and the Legislature as a resource on all matters impacting general aviation. If you have questions or require additional information, please contact me directly at 301-695-2090 or by emailing me at sean.collins@aopa.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sean M. Collins', is centered on a light beige rectangular background.

Sean M. Collins, AOPA
Eastern Regional Manager