



Interested Party Testimony on Am. Sub. HB 33
Before the
Senate Agriculture & Natural Resources Committee
May 10, 2023
by Tony Fiore, Executive Director

Chair Schaffer, Vice Chair Landis, Ranking Member Hicks-Hudson, and members of the Senate Agriculture & Natural Resources Committee, thank you for the opportunity to provide interested party testimony on the State’s Operating Budget, HB 33.

The Ohio Aviation Association (OAA) serves as the voice for Ohio’s airports and supports businesses that rely upon the safe and efficient operations of the airports. Airports, including Commercial, General and Cargo Aviation, are community assets that can drive their economy and attract businesses (see map on page 4).

Why Ohio Lawmakers Should Prioritize Aviation + Airports

Ohio led the way in aviation 125 years ago, and is poised to do so again, but can’t do it without your support. Of the State’s grant eligible airports, we have 6 commercial airports and 98 general aviation and cargo airports. Ohio’s diverse and robust system of airports collectively has an economic impact of more than \$15 billion + employs over 119,000 employees. It connects citizens, businesses, and communities to destinations around the world while providing significant economic impacts and growth opportunities to the Ohio economy. There are several industries served by aviation and airports around the State, including, but not limited to the following:



Ohio’s airports receive the bulk of their airport improvement funds for airside development (safety, runway pavement, taxiway pavement, lighting, aprons, obstruction removal, drainage, pavement markings, fencing, etc.) from the Federal Aviation Administration’s Airport Improvement Program (FAA AIP), a user funded system. The amount of federal funding for airports is dependent upon the statutory definition of the category of airport (Commercial Primary, Commercial Nonprimary, Cargo, Military, Reliever, and General Aviation) and level of activity, and whether the airport is collecting a Passenger Facility Charge (PFC). There is \$3.35 Billion in AIP funding in FY23 (that ends September 30, 2023). There is also \$15 billion in airport infrastructure funding under the Bipartisan Infrastructure Law (BIL) and \$5 billion in funding for airport terminals. These funds are available between 2022-2026. Demand for FAA AIP funds consistently exceeds the availability. This is where the State of Ohio steps in.

There are just over 5,200 public-owned, public use airports in the U.S. Approximately 3,300 of these public-use facilities are included in the [National Plan of Integrated Airport Systems \(NPIAS\)](#). Airports or portions of airports included in the NPIAS may be considered for AIP funding. Most, if not all, of these airports are competing for these FAA grants which require anywhere between a 5-25% local match. ***If the state does not put resources into Ohio’s airport improvement program to utilize along with available local funds our airports are at a significant disadvantage to airports in other states with such resources to maintain their airport infrastructure.***

How Does Ohio Funding Compare to Other State Budgets Supporting Airports?

I've attached the OAA's Public Policy Agenda for the 2023-24 biennium (FY24-25). On the second page you will see the economic impact of our commercial airports and a few of our general aviation and cargo airports. They all have a significant economic impact regionally and the entire state.

You will also see the list to the right of how other states are investing in their airport infrastructure. The most recent economic impact study of Ohio's airports completed by the Department of Transportation in 2014 showed that airport users contribute nearly \$30 million to the State's General Revenue Fund (GRF) annually. We know that number has increased significantly and ODOT is currently updating what is known as the "system plan". While the State made strides in the more recent years, you can see even the \$12.5 million allocation in the "as introduced" version of HB 33 for funding to the general aviation airports serving your communities is overshadowed by how other states are making significant investments in aviation.



The OAA is grateful to the DeWine Administration for increasing funding to \$12.5 million in each year of the biennium in HB 33. The increase will help fund more projects, but still not meet the need of between \$20-24 million in annual grant requests from general aviation and cargo airports. The FY23 funding chart included in my testimony shows those projects that received funding above the gray line. Those below the line did not. The FY 23 ODOT airport grant program application round just ended on May 1, 2023. At the OAA Annual Conference last week the ODOT – Office of Aviation staff reported that over 60 airport applications were received totaling over \$22 million in requests. In addition, there is no dedicated funding currently going to our commercial service airports. Ohio's airports provide over 119,000 jobs, have over \$15 Billion economic impact and development estimates between \$1.17-1.76 billion over the next four years. The additional \$50 million allocated to commercial service airports in the substitute version of HB 33 is greatly appreciated. As noted above, other states now more than ever are significantly increasing general revenue fund resources to help their airports draw down available federal funds. OAA wants to help fund the airport projects in all your districts.

Urging Your Support to Increase Airport Infrastructure Funding

I've summarized what the OAA is asking Senate members to support in the chart below.

- **Increase funding for General Aviation Airport Infrastructure**
 - ✓ While the House Passed version included appropriations for GRF 777471 Airport Improvements-State, maintaining the Executive Version appropriations at \$12.5 million in each fiscal year, there is no appropriation language to state *how* these funds are to be used. Typically, they are used for funding infrastructure improvements at Ohio's 98 general aviation airports.
 - ✓ Youngstown-Warren Regional Airport (YNG) has a carve out of \$3 million from House omnibus, but they are not considered a commercial service airport until they regain such service. Since YNG does qualify as a general aviation airport this appropriation can be moved to GRF 777471.

- ✓ **Ask:** Support an amendment to increase the appropriations to \$23 million in FY24 (\$3 million for YNG) and \$20 million in FY 25 and add uncodified language to clarify that these funds are to be used to support capital improvements, maintain infrastructure, and ensure safety at publicly owned, public use airports under the Airport Grant Program.

□ **Increase and move Airport Development Grants Fund** (CompDoc#: DOTCD52)

- ✓ The House added a new non-GRF fund for Airport Development Grants (Fund 5AC1-ALI 776674) with a \$50 million appropriation in FY24 and reappropriates the unexpended, unencumbered portion at the end of FY24 to be used for the same purpose in FY25.
- ✓ **Ask:** Support the House Passed Version **and** increase appropriation to \$125 million over the biennium for the 6 commercial airports in Ohio.
- ✓ States like North Carolina are allocating more than \$242-300 million in general revenue funds to help their 72 public-owned, public use airports apply for FAA funding.
- ✓ Moving this appropriation to the Ohio Department of Development will eliminate any confusion with the traditional AIP funding in the ODOT – Office of Aviation for general aviation airports.

Fund	Governor’s Budget	House	Senate
Airport Infrastructure Program (GRF 777471)	\$12.5 million FY24 \$12.5 million FY25	\$12.5 million FY24 \$12.5 million FY25 (ODOT)	\$23 million FY24 (\$3 YNG) \$20 million FY25 (ODOT-Office of Aviation)
Airport Development Grants (5AC1-ALI 776674)	\$0 FY24 or FY25	\$50 million (\$3 million for YNG) (ODOT)	\$125 million FY24-25 (6 commercial airports in Ohio) (Move to Development)

These State funds in addition to local dollars will make all 104 public-owned, public-use airports competitive with other states’ airports applying for federal infrastructure funding.

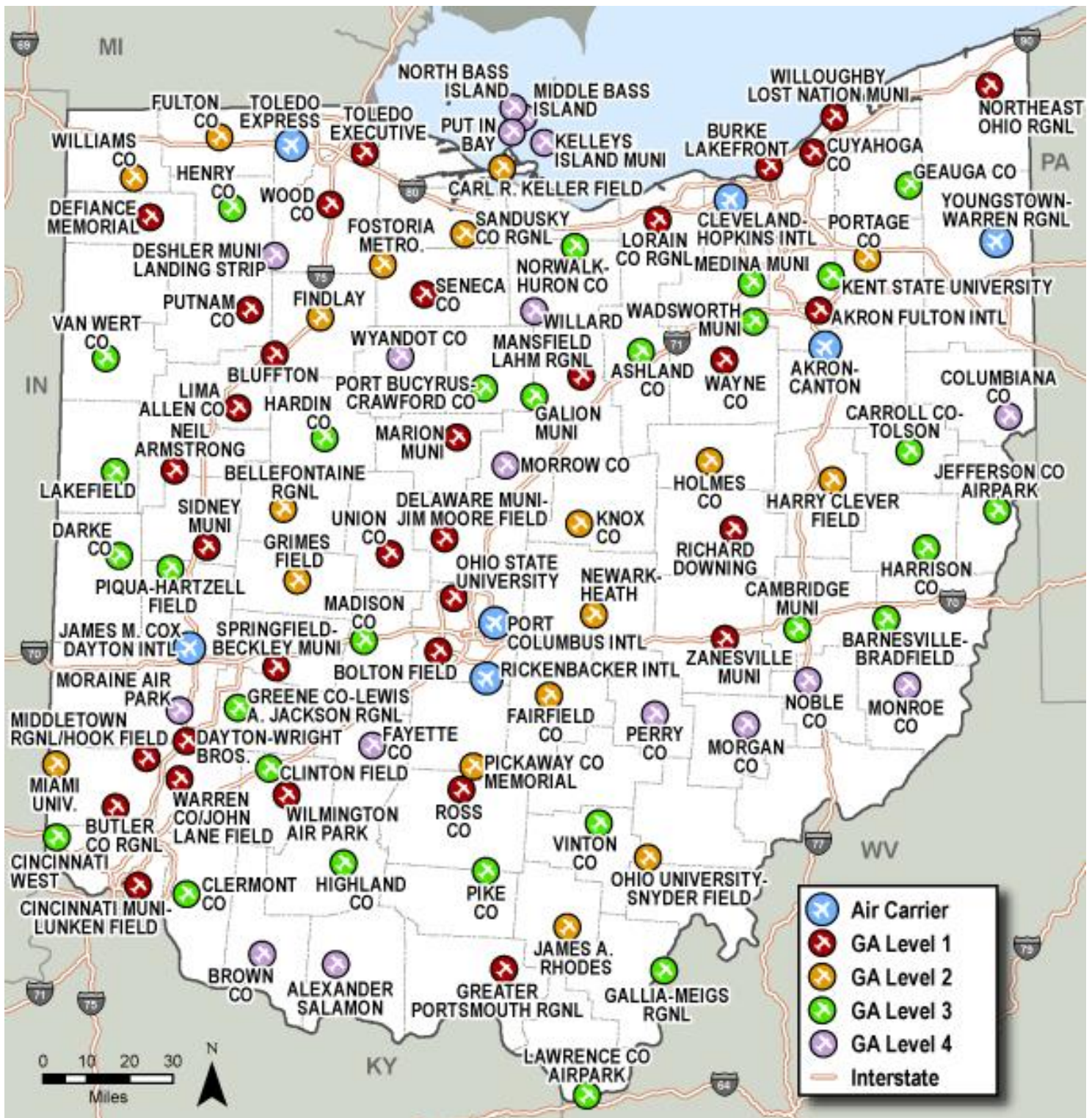
Just like our state’s road and bridge infrastructure, our airports need your attention to this funding increase request. Without your support airports in other states stand to pull down between 75-95% of these infrastructure project funds ahead of Ohio airports.

Investing in these line items address proven needs around the entire state, provide construction jobs, helps local communities, improves safety of pilots and surrounding neighbors, and fuels Ohio’s economy for the next wave of aviation.

Your Ohio airports are vital to the State’s economy. They are vital to businesses and families. They are vital to our universities and the tourism industry. They are vital to agriculture, medical, and public safety flights.

Thank you for your time today. I’d be happy to answer any questions you may have.

Map of Ohio's public-owned, public use airports





What We Do

The Ohio Aviation Association (OAA) advances aviation and airports across Ohio. As the voice for Ohio airports, the OAA works to develop policies and affect legislation through education and advocacy in the executive and legislative branches on behalf of our members.



What We Practice

OAA helps to position Ohio's 104 public-owned, public use airports for growth opportunities. To do this, we prioritize the following:

- Support Infrastructure Investment:** Ensure a sustainable funding stream to provide needed infrastructure improvements at Ohio's network of airports.
- Protect Aviation Assets:** Ensure legislation and policy is in place to protect Ohio's airports and airspace to provide for future needs of Ohioans.
- Support Air Service Initiatives:** Support state efforts to ensure an attractive level of air service for current and future businesses and universities, as well as residents of Ohio.
- Support Workforce Initiatives:** Support state + local efforts to increase the workforce pipeline in all sectors of aviation.



Why Ohio Lawmakers Should Prioritize Aviation + Airports

The aviation sector is designated as critical infrastructure. Ohio's diverse and robust system of airports collectively have an economic impact of more than \$15 billion + employs more than 119,000 employees. It connects citizens, businesses, and communities to destinations around the world while providing significant economic impacts and growth opportunities to the Ohio economy.

In addition to the economic impacts noted above, airports further strengthen Ohio through:



Executive Director + Kegler Brown Attorney



For more information, please contact OAA Executive Director Tony Fiore at tony@ohioaviation.org or 614-526-4990

TOL

Eugene F. Kranz Toledo Express Airport
 Annual Economic Impact: \$14M
 Jobs Created: 84
 2023-27 Total Development Estimate: \$27,290,869

DAY

James M. Cox Dayton International Airport
 Annual Economic Impact: \$1.05B
 Jobs Created: 11,111
 2023-27 Total Development Estimate: \$123,674,304

SGH

Springfield Beckley Municipal Airport
 National Advanced Air Mobility Center of Excellence; \$15M eVTOL and Remotely Piloted Research & Test Center; AAM
 Estimated Economic Impact Over the Next 25 Years
 - \$13B+ of economic activity in Ohio
 - Creating 15,000 new jobs
 - Boosting Ohio's GDP by 1.6%¹

CVG

Cincinnati-Northern Kentucky International Airport²
 Annual Economic Impact: \$6.8 billion
 Jobs Created: 47,876 (>14,362 Ohioans)
 Ohio Income Tax: \$10.2 million (state and local taxes)
 Ohio Sales Tax: \$21.9 million (direct visitor spending)

ILN

Wilmington Air Park
 Annual Economic Impact: \$174.3M (2014)
 Jobs Created: 4,000
 2023-27 Total Development Estimate: XX

CLE

Cleveland Hopkins International Airport
 Annual Economic Impact: \$5.1B
 Jobs Created: 40,186
 2023-27 Total Development Estimate: \$787,175,000

YNG

Youngstown/Warren Regional Airport
 Annual Economic Impact: \$205M
 Jobs Created: 2,050
 2023-27 Total Development Estimate: \$34,597,157

CAK

Akron-Canton Airport
 Annual Economic Impact: \$1.01B
 Jobs Created: 4,486
 2023-27 Total Development Estimate: \$40,347,541

CMH

John Glenn Columbus International Airport
 Annual Economic Impact: \$5.3B
 Jobs Created: 36,630
 2023-27 Total Development Estimate: \$688,669,160

LCK

Rickenbacker International Airport
 Annual Economic Impact: \$2.5B
 Jobs Created: 15,280
 2023-27 Total Development Estimate: \$96,889,275

All General Aviation Airports
 Annual Economic Impact: \$1.85B
 Jobs Created: 17,497
 2023-27 Total Development Estimate: \$469M

Total
 Annual Economic Impact: \$15.15B
 Jobs Created: 119,088
 2023-27 Total Development Estimate: \$1.17B



FY 24-25 Budget Requests for All Airports

The annual requests from general aviation airports is between \$20 and \$25 million. Commercial airports do not have any dedicated state funding. The Federal Aviation Administration Airport Improvement Program provides grants to public-owned, public use airports. But, depending on the size of the airport, the local match required is 5-25% of the project. Therefore, state funds can enable Ohio's airports to remain competitive in maintaining and enhancing these critical aviation infrastructure assets.

General Aviation Airports: \$20 million

Commercial Airports: \$125 million

Ohio's Grant Eligible Airports

6 Commercial Service Airports
98 General Aviation Airports
83 Counties Have Public Use Airports

How Does Ohio Funding Compare to Other State Budgets Supporting Airports?⁴

Ohio: \$7.2 million
Kentucky: \$18 million
Florida: \$335 million
Georgia: \$26 million
North Carolina: \$242 million³
South Carolina: \$52 million
Tennessee: \$96 million
Virginia: \$25-27 million

¹ June 2021 Study Conducted by Crown Consulting Inc., NEXA Capital Partners, LLC., University of Cincinnati

² While CVG is not eligible for state funding, it does have a positive economic impact on the state of Ohio

³ Commercial and additional funds allocated for general aviation airports

⁴ State budget funding numbers cited from January 5, 2022, State Airport Assistance Study prepared by the Center for Business and Economic Research, Gatton College of Business and Economics, University of Kentucky