



AIRCRAFT OWNERS AND PILOTS ASSOCIATION

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**Statement of Melissa K. Rudinger, Senior Vice President
Government Affairs for the Aircraft Owners and Pilots Association
Before the
Committee on Transportation and Infrastructure
Subcommittee on Aviation
U.S. House of Representatives
Concerning
A Review of the Federal Aviation Administration's Contract Tower Program
July 18, 2012**

Good morning. My name is Melissa Rudinger and I am the Senior Vice President of Government Affairs for the Aircraft Owners and Pilots Association (AOPA), a not-for-profit individual membership organization representing more than 400,000 members, which is nearly three-quarters of the nation's pilots. AOPA's mission is to effectively represent the interests of its members as aircraft owners and pilots. These interests include the economy, safety, utility and popularity of flight in General Aviation (GA) aircraft.

The United States has the safest and most efficient air transportation system in the world. With more than 170 million passengers flying in GA aircraft annually, the equivalent of one of the nation's major airlines, they contribute more than \$150 billion to the U.S. economic output, directly and indirectly, and employ nearly 1.3 million people whose collective annual earnings exceed \$53 billion.

I appreciate the opportunity to offer testimony at this hearing on the Federal Aviation Administration's (FAA) Contract Tower Program. The Contract Tower Program has provided cost-effective and essential air traffic safety services to General Aviation airports since 1982. Of the 250 FAA Contract Control Towers, 89 locations serve General Aviation exclusively (list

of locations is attached). Your continued support of this critical program is important to aviation safety and economic development in this great nation.

AOPA testimony on the FAA's Contract Tower Program makes three overarching points.

1. The FAA Contract Tower program greatly enhances safety of the air transportation system by providing vital air traffic service to communities that would not otherwise qualify for a federally funded control tower. There are 250 contract towers in 46 states and the safety statistics have consistently shown that these towers achieve equal to or better than safety statistics as FAA-staffed towers.
2. The FAA Contract Tower program is one of the most cost effective government/industry partnerships in the history of the agency. This program is vitally important to hundreds of General Aviation Airports and virtually every performance metric associated with the program has a proven track record of sustained cost savings, safety enhancements, efficiency gains, and economic value to local communities.
3. An air traffic control tower serves as an economic engine for airports – enhancing their value, which drives job creation, expansion of airport business and commerce. Maintaining funding for this program along with preserving current tower locations is vital to aviation safety and the economic viability of countless communities.

FAA Contract Control Towers Enhance Safety

Establishment of an FAA Contract Control Tower at a General Aviation airport enhances the safety of flight for all aircraft operating at the airport and in the surrounding airspace. For example, unlike non-towered airports, in order to operate into and out of an airport with a control tower, pilots are required to establish and maintain two-way radio communications with the Air Traffic Control (ATC) facility providing air traffic control services. The air traffic controllers bring situational awareness to the airport and ensure the safe, efficient and orderly flow of traffic to and from the airport. Additionally, airspace around airports with established control towers have higher weather minimums that Visual Flight Rules (VFR) aircraft are required to operate under, which increases the margin of safety for both Instrument Flight Rules (IFR) and VFR aircraft operating at the airport. In fact, there are many insurance policies that require businesses with flight departments to only operate into towered airports because of the safety benefits that a control tower brings to an airport. Without the Contract Tower Program, hundreds of communities would lose the significant safety benefits of air traffic services.

The safety record of the FAA Contract Tower Program has been validated numerous times by the Department of Transportation (DOT) Inspector General (IG), FAA safety audits, and the National Transportation Safety Board (NTSB). Contract towers have consistently achieved safety scores as good as or better than FAA staffed towers and AOPA anticipates that the pending IG audit of the FAA Contract Control Tower program will reaffirm this stellar safety record.

Federal 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 that sets safety and training standards, certifies operations and monitors all aspects of contract tower facilities,

many of these towers would be forced to close - facilities that are critical to the safety of many local communities. Towers at locations such as Brown Field in San Diego, CA, Palm Coast/Flagler County, Ormond Beach in FL and the tower at Wittman Field in Oshkosh, WI all serve a very important role in enhancing safety at airports that host a high density of training and General Aviation activity. Other contract towers like Martin State Airport right here in our local area serve as a significant safety enhancement due to the broad mix of operations ranging from intensive flight training, local traffic operations and medical missions as well as hosting the 175th wing of the Maryland Air National Guard.

FAA Contract Tower Program is Cost Effective

Implemented in 1982, the FAA's Contract Tower Program is very successful no matter how you measure it. The program currently includes 250 airports in 46 states and can be accurately described as one of the most effective partnership programs in the history of the agency. Contract towers provide air traffic services to smaller General Aviation airports that would otherwise not have control towers at a significant cost savings over FAA staffed towers.

In FY2011, the 246 towers in the program handled 28 percent of all U.S. tower operations (14.8 million operations), but only accounted for 14 percent (approximately \$133 million) of the FAA's overall budget for air traffic control tower operations. In contrast, the 264 FAA staffed towers that handled the remaining 72 percent of total tower operations (38.9 million operations), used 86 percent (approximately \$851 million) of the FAA's budget dedicated to that purpose. These statistics illustrate the phenomenal cost-effectiveness of the Contract Control Tower Program.

Looking at it another way, the cost of operating a contract tower is roughly one-third of the cost of operating an FAA-staffed control tower with a comparable level of activity. These numbers clearly illustrates that the contract tower program is a great value to the American taxpayers and aviation users from a cost perspective.

The aviation community continues to express broad support for the program. In a letter earlier this year to leaders of the House and Senate appropriations committees, signed by AOPA and a broad group of aviation associations, the groups urged Congress to provide full funding for the FAA Contract Tower Program in the Fiscal Year 2013 DOT/FAA appropriations bill.

FAA Contract Tower Program Supports Strong Local Economies

Numerous studies have validated what we in General Aviation know to be true, that airports are economic engines for communities. We also know that the establishment of an air traffic control tower drives even greater economic development through the creation of jobs, supporting the growth of the airport businesses and other benefits. General Aviation airports produce identifiable economic benefits over and above the tax dollars spent on operating and maintaining the facilities, and benefits over the intangible benefits inherent with access to the nation's air transportation system.

A study of airport economics was recently completed by an independent international consulting firm for the Commonwealth of Virginia. The study clearly shows that General Aviation airports produce economic returns which far exceed the amounts spent to operate and maintain those facilities. The basis of this information was the U.S. Department of Commerce's Regional Input-Output Modeling System (RIMS II), which admittedly does not

encompass ALL economic benefits. The study also used a very conservative dollar multiplier of 2.8. Many experts believe that a multiplier of 4 or even 5 is realistic.

The Virginia study also concludes that:

- Each dollar spent by aviation and/or aviation-dependent businesses generates an additional \$1.52 in economic activity.
- Airport jobs are desirable, and the average airport wage was 40 percent higher than the average Virginia salary.
- For every job at the airport, nearly three are created in the visitor-related economy.
- Aviation-related businesses and their employees annually contribute \$105 million in local taxes.
- Aviation facilities attract new industry to the commonwealth.
- Many visitors arriving by air spend about \$70 per day in this geographical area.

The study also indicated airport construction projects are particularly beneficial because dollars spent by state and local governments are highly leveraged with federal and private funds. The multiplier effects of construction spending are especially strong because each dollar spent on construction generates an additional \$2 in economic activity. Together these two factors mean that airport development projects, like contract control towers, produce an impact on the State's economy that is more than 25 times the amount contributed by State and local funds.

Conclusion

The FAA's Contract Tower Program has a proven track record of providing cost-effective and essential air traffic safety services to General Aviation airports and provides strong support to local economies. On behalf of the members of AOPA, thank you for your leadership in examining the importance of the FAA's Contract Tower Program. Your continued support of this critical program is important to aviation safety and economic development in this great nation.

This concludes my testimony and I am happy to answer any questions.



MELISSA K. RUDINGER
SENIOR VICE PRESIDENT
GOVERNMENT AFFAIRS

Melissa K. Rudinger is Senior Vice President of the AOPA Government Affairs Division. Rudinger has worked for AOPA's members for 19 years, spending most of that time overseeing a staff that dealt with issues covering everything from aircraft certification to airspace issues to pilot certification.

Rudinger holds a commercial pilot certificate with a lighter-than-air rating, and has experience running a local airport business. She has FAA Academy training in Airspace Design and Management, Environmental Analysis, has served as an FAA Accident Prevention Counselor, and is a graduate of Millersville University.

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COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
Truth in Testimony Disclosure

Pursuant to clause 2(g)(5) of House Rule XI, in the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include: (1) a curriculum vitae; and (2) a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by an entity represented by the witness. Such statements, with appropriate redaction to protect the privacy of the witness, shall be made publicly available in electronic form not later than one day after the witness appears.

(1) Name: Melissa Rudinger

(2) Other than yourself, name of entity you are representing: Aircraft Owners and Pilots Association

(3) Are you testifying on behalf of an entity other than a Government (federal, state, local) entity?

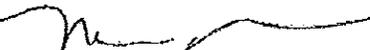
YES

If yes, please provide the information requested below and attach your curriculum vitae.

NO

(4) Please list the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by you or by the entity you are representing:

NA



Signature

7/11/12

Date