State Representative Bryan R. Lentz Testimony before the House Transportation Committee 23 July 07

Chairman Markosek, Chairman Geist and members of the committee, thank you for conducting this important hearing on House Bill 1182.

Today we are privileged to be sitting in Ridley High School in Ridley Township. We are about seven miles from Philadelphia International Airport. Increased air traffic over this and surrounding communities is an issue of grave concern to the citizens I represent. Residents of Delaware County know about air traffic congestion and the harm it causes because it directly affects them and their neighbors. Places like Tinicum Township, in Representative Raymond's district, have been dealing with this problem for years.

Delaware County residents, however, are not the only citizens of the Commonwealth who should be tracking the dramatic increases in air traffic. All of Pennsylvania should be concerned that our state is not prepared to handle the historic increases in air traffic coming over the next twenty years. If we do not plan for and develop systems to properly manage the massive increase in flights, communities like the ones I represent will suffer, as will Pennsylvania's economy and security.

While other large cities like Boston. New York, Chicago, and Washington are served by multiple airports. Philadelphia International is the only commercial airport serving a metropolitan region of more than 8 million people. Philadelphia International had over 530,000 aircraft operations, takeoffs and landings, in 2005. This is more than any other airport in the northeast corridor, including LaGuardia, JFK, and Newark, and it is at or above the airport's capacity. Demand at Philadelphia International is expected to increase, to over 700,000 operations per year by 2025. No matter how much Philadelphia International is expanded or improved, the airport will continue to operate at its saturation point. The simple fact is we have no choice but to start to look elsewhere to accommodate our air traffic needs.

The Federal Aviation Administration has proposed two courses of action to deal with increases in air traffic: airspace redesign, which would redirect flights to paths directly over residential communities like the one we are in today; and capacity enhancement, which would require the construction of multiple new runways at Philadelphia International Airport. Even if both of these plans were fully implemented, demand would still exceed capacity in the next 20 years. I'd like to share two visuals which demonstrate both points.

At the same time Philadelphia International is bursting at the seams, other regional airports like Harrisburg and Lehigh Valley are dramatically underused and have ample capacity – and desire – for increased airline business. Lehigh Valley recently lost its service to Pittsburgh and currently operates nonstop flights to only 11 destinations. More

than half of all Lehigh Valley residents rely on airports other than Lehigh Valley for air travel. An estimated 25 percent leave the Lehigh Valley and travel to Philadelphia International, with another 25 percent traveling to New York to fly.

To address the problem of congestion we must address development, growth, and traffic needs on a regional basis, instead of each airport fending for itself. Regional authorities have worked in other states, and an authority can work in Pennsylvania. In Massachusetts, the Port Authority monitors air service levels at more than half a dozen airports. It continually analyzes airport development, how to improve and distribute service, and how the region as a whole can market itself to air carriers. The New York Port Authority follows a similar approach and recently purchased Stewart Airport in Newburgh, New York in order to expand the authority's regional capacity. Stewart will be the fourth airport in the N.Y. Port Authority airport system. Prior to the purchase of Stewart, the Port Authority participated in a study which also evaluated the possibility of Lehigh Valley International becoming the fourth airport in the N.Y. Port Authority system.

N.Y. Port Authority officials purchased Stewart because they recognize that by the year 2020 the authority's three existing airports will reach their annual maximum passenger load: 50 million at Kennedy, 30 million at La Guardia and 50 million at Newark. That is in 20 years. Philadelphia *already* has 31 million passengers annually which is at or above the airport's maximum load. Unfortunately, as a free standing city-only airport authority, PHL does not have the options for system expansion that are available to the N.Y. Port Authority or similar authorities.

I have proposed through House Bill 1182 the creation of a regional authority to replicate the success of these other state authorities. The authority would coordinate activities of regional airports, along rail and mass-transit agencies. One of the questions which will inevitably be asked is: How will an authority better manage regional air traffic? After all, the argument goes, distribution of air service is subject to market forces, and federal law restricts airports from outright regulation of routes and airline fares. This is true, however, a regional authority can utilize creative solutions within the federal framework that are not feasible for individual airports. A regional authority can provide a unified marketing strategy, marketing assistance, subsidies, and other economic incentives to airlines willing to initiate new service at alternate regional airports.

Standing alone, Lehigh Valley is unable to provide these economic incentives, and Philadelphia has no reason to provide incentives to encourage business at a competing airport. Again, to cite the Stewart airport example, the N.Y. Port Authority is now responsible for attracting growth, building infrastructure and expanding service at Stewart. This is the same model used by Massport and the same model that can work in Pennsylvania.

In addition to unified marketing, the authority created under House Bill 1182 would also mandate a cooperative relationship between the two airports and combine their resources.

As an example, the City of Philadelphia Aviation Fund currently has assets of over 75 million dollars. Under current circumstances, this money is restricted to use at the Philadelphia airport only. This pool of capital is contributed to by the citizens of the 11 counties surrounding Philadelphia, but currently provides no benefit outside of the confines of the Philadelphia Airport. Under a regional authority, PHL's assets could be used to improve Lehigh Valley, fund incentives for new service at Lehigh Valley and other regional airports, and improve regional air traffic management.

This system would help Lehigh Valley while at the same time helping Philadelphia International. Regional control offers the best hope for a revitalized, economically vibrant system of regional airports. By freeing up more gates for international travel and reducing congestion, the authority also gives Philadelphia the best opportunity to become an international hub. The concentration of commuter traffic in Philadelphia starves LVIA and at the same time ties up Philadelphia gates which could otherwise be devoted to high profile international flights, such as the direct flight from Philadelphia to China that US Airways is currently seeking. Right now, approximately half of the flights out of Philadelphia International are from within 500 miles away. Philadelphia serves only 32 international destinations, while Newark – with half Philadelphia's annual passenger load – has almost 80, or more than double the international destinations.

A regional approach does not mean an end to a local role in airport management. I understand that a regional solution will only work if everyone has a voice in the process. My proposal would fairly and proportionately distribute representation on the authority's board among the southeastern counties, and give everyone a stake in the authority's success.

Achieving the goal of managing our air traffic needs is a challenging task. If we do not start following the example set by other regions, we will be unprepared for the increase in air travel in the years ahead and left out of the economic benefits that air travel will create. House Bill 1182 will make our region a leader in airport management and a key part of the world economy.