

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

COMMONWEALTH OF PENNSYLVANIA  
HOUSE OF REPRESENTATIVES  
HOUSE TRANSPORTATION COMMITTEE

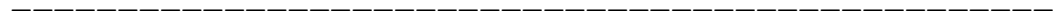
IRVIS OFFICE BUILDING  
ROOM G-50  
HARRISBURG, PENNSYLVANIA

TUESDAY, MARCH 11, 2008  
9:30 A.M.

PUBLIC HEARING ON  
AVIATION SALES TAX AND SECURITY ISSUES

BEFORE:

- HONORABLE JOSEPH F. MARKOSEK, CHAIRMAN
- HONORABLE PAUL COSTA
- HONORABLE RICHARD GEIST
- HONORABLE MICHAEL GERBER
- HONORABLE GARY HALUSKA
- HONORABLE KATE HARPER
- HONORABLE DICK L. HESS
- HONORABLE DAVID HICKERNELL
- HONORABLE MARK K. KELLER
- HONORABLE MARK LONGIETTI
- HONORABLE RON MILLER



BRENDA S. HAMILTON COURT REPORTING  
P.O. BOX 165  
ELM, PENNSYLVANIA 17521  
717.627.1368 FAX 717.627.0319

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

(CONT'D)

HONORABLE JOHN P. SABATINA, JR.  
HONORABLE DANTE SANTONI, JR.  
HONORABLE MARIO M. SCAVELLO  
HONORABLE JOHN J. SIPTROTH  
HONORABLE THOMAS J. SOLOBAY  
HONORABLE KATHARINE M. WATSON  
HONORABLE JAKE WHEATLEY

ALSO PRESENT:

REPRESENTATIVE BRYAN LENTZ  
REPRESENTATIVE JAY MOYER  
REPRESENTATIVE DAN MOUL  
FORMER REPRESENTATIVE MARVIN MILLER  
STACIA RITTER, EXECUTIVE DIRECTOR (D)  
ERIC BUGAILE, EXECUTIVE DIRECTOR (R)  
MARK BUTERBAUGH, RESEARCH ANALYST  
AMANDA WOLFE, LEGISLATIVE ASSISTANT

BRENDA S. HAMILTON, RPR  
REPORTER - NOTARY PUBLIC

|    | INDEX                        |      |
|----|------------------------------|------|
|    | NAME                         | PAGE |
| 1  |                              |      |
| 2  |                              |      |
| 3  | PANEL ON AVIATION SALES TAX: |      |
| 4  | JAY BERATAN                  | 9    |
| 5  | ROBERT ROCKMAKER             | 13   |
| 6  | LAWRENCE J. KRAUTER          | 23   |
| 7  | DAVID FORD                   | 32   |
| 8  | BRADLEY D. PENROD            | 40   |
| 9  |                              |      |
| 10 | PANEL ON AIRPORT SECURITY:   |      |
| 11 | ROGER MOOG                   | 46   |
| 12 | GREG PECORARO                | 52   |
| 13 | GARY HUDSON                  | 57   |
| 14 |                              |      |
| 15 |                              |      |
| 16 |                              |      |
| 17 |                              |      |
| 18 |                              |      |
| 19 |                              |      |
| 20 |                              |      |
| 21 |                              |      |
| 22 |                              |      |
| 23 |                              |      |
| 24 |                              |      |
| 25 |                              |      |

## P R O C E E D I N G S

- - -

CHAIRMAN MARKOSEK: Good morning. I see we have Representative Siptroth here today who should be noted for a couple of things. One is we're talking about one of his bills; but, two, is he was a little under the weather for a while and we missed him. So in order to welcome him back, we're going to have him lead us in the pledge of allegiance.

(Pledge of Allegiance.)

CHAIRMAN MARKOSEK: Okay. We're going to dispense with the formal taking of roll. There are no votes today. Although the staff I know has -- knows who's here and we're going to have people -- it's a very, very busy day today. A lot of people -- I think a lot of our members will be coming and going so they'll be noted as they -- as they come in.

For example, we have Representative Watson who just walked in.

REPRESENTATIVE WATSON: I was trying to do it quietly.

CHAIRMAN MARKOSEK: So with that, we have two bills that we will be discussing here

1 today. The first one is House Bill 2301.  
2 Again, the prime sponsor is Representative  
3 Siptroth, and I'd ask Representative Siptroth  
4 to just, very briefly, John, give us an  
5 overview of what the bill is intended to do.

6 REPRESENTATIVE SIPTROTH: Thank you,  
7 Mr. Chairman. And I am very pleased to  
8 introduce this piece of legislation. There's  
9 a companion piece of legislation that has been  
10 introduced in the Senate as well.

11 This legislation will provide for the  
12 exclusion from the Pennsylvania sales tax, the  
13 retail of repair or replacement parts,  
14 exclusively -- exclusively for the use in  
15 aircraft or overhaul, rebuild of aircraft.  
16 The legislation also provides for the  
17 exclusion from sales tax for the sale or lease  
18 of aircraft.

19 Now, this legislation will serve as a  
20 catalyst to re-energize the aviation industry  
21 in Pennsylvania and bring back high-paying  
22 jobs to the state.

23 This legislation will make  
24 Pennsylvania more competitive and provide an  
25 incentive for companies such as Honda Jet and

1 the retention of Keystone Helicopters that  
2 have been looking at different airports in  
3 Pennsylvania as well; and Keystone, notably,  
4 has been looking to possibly leave the state  
5 if, in fact, they cannot be -- remain  
6 competitive.

7 Currently there are no contractors in  
8 Pennsylvania that provide overhaul and  
9 rebuilding of aircraft services. Airports and  
10 aircraft owners have to send their planes  
11 outside of Pennsylvania, including our own  
12 state aircraft.

13 Currently New Jersey, Connecticut,  
14 New York, Massachusetts, West Virginia provide  
15 exemptions -- such exemptions around the  
16 Commonwealth.

17 To attract high-paying jobs,  
18 Pennsylvania has missed the boat on the  
19 aviation industry and this legislation will  
20 jumpstart the effort to compete for this  
21 industry.

22 Thank you, Mr. Chairman.

23 CHAIRMAN MARKOSEK: Thank you, John.

24 To get started, I -- we have a list  
25 of folks that will speak on that particular

1 issue and I think they're pretty much all at  
2 the front table here. Perhaps we could start  
3 on the -- on my left and just introduce  
4 yourself and let us know who you are and then  
5 we'll -- we'll get into the actual testimony.

6 MR. GREG PECORARO: Thank you,  
7 Mr. Chairman.

8 My name is Greg Pecoraro, and I'm  
9 with the Aircraft Owners and Pilots  
10 Association.

11 MR. BRADLEY PENROD: Good morning,  
12 Mr. Chairman.

13 My name is Brad Penrod and I'm the  
14 chief executive officer with the Allegheny  
15 County Airport Authority.

16 MR. KELLY FREDERICKS: Good morning,  
17 Mr. Chairman.

18 My name is Kelly Fredericks. I'm the  
19 vice chair of the Pennsylvania Aviation  
20 Advisory Committee.

21 MR. DAVID FORD: Good morning, ladies  
22 and gents.

23 I'm David Ford. I'm the president of  
24 Keystone Helicopters.

25 MR. LAWRENCE KRAUTER: Good morning,

1 Mr. Chairman.

2 I am Larry Krauter. I'm the deputy  
3 executive director, chief operating officer  
4 for the Lehigh Northampton Airport Authority.

5 MR. ROBERT ROCKMAKER: Good morning,  
6 Mr. Chairman and committee.

7 Bob Rockmaker, Aviation Council of  
8 Pennsylvania.

9 MR. JAY BERATAN: Good morning,  
10 Chairman Markosek.

11 I am Jay Beratan, president of the  
12 Aviation Council of Pennsylvania.

13 CHAIRMAN MARKOSEK: Okay. Welcome,  
14 all of you. Representative -- Chairman Geist  
15 would like to make a statement relative to one  
16 of our former colleagues who is here and I  
17 echo whatever Rick is going to say.

18 REPRESENTATIVE GEIST: Thank you.  
19 It's a pleasure for me to introduce Marv  
20 Miller who is the brain trust of all aviation  
21 in Pennsylvania. Former member,  
22 silver-tongued debater on the floor of the  
23 House, and there's nothing that happens in  
24 aviation that he doesn't control.

25 CHAIRMAN MARKOSEK: Okay. Thank you.



1 I don't -- I'm not sure how we should  
2 do this. We don't have unlimited time here  
3 this morning. As I had mentioned, some of the  
4 members will be in and out.

5 Perhaps one of you would be -- to  
6 start off and make a few remarks and we could  
7 either allow all of you to do that or if you  
8 think one would sum it up for all, because we  
9 may also have some questions of the panel,  
10 too.

11 So I'm not sure who wants to  
12 volunteer.

13 MR. BERATAN: I'll start.

14 CHAIRMAN MARKOSEK: Okay, sir.

15 MR. BERATAN: Good morning again,  
16 members of the House Transportation Committee.

17 It's an honor to speak with you this  
18 morning as president of the Aviation Council  
19 of Pennsylvania.

20 My full-time position is senior vice  
21 president and chief administrative officer for  
22 DMJM Aviation, a subsidiary of Aecom  
23 Technology Corporation with over 35,000  
24 employees worldwide.

25 DMJM Aviation has a long history of

1 completing planning, design, program and  
2 construction management assignments at  
3 airports throughout the world.

4 As the president of the Aviation  
5 Council, which is a volunteer position, I,  
6 along with our other officers and board of  
7 directors, help set policy which will assist  
8 in attaining our association's goals and  
9 mission objectives.

10 The council's mission statement is  
11 to represent the Pennsylvania aviation  
12 community in matters involving government and  
13 private sector interests, to improve aviation  
14 in partnership with the Commonwealth and the  
15 federal government, and to increase public  
16 awareness of aviation in the Commonwealth.

17 The council is comprised of members  
18 with diverse aviation interests including  
19 airports, aviation service firms, corporate  
20 aircraft and charter operators, firms  
21 providing goods and services to the aviation  
22 industry and individual aircraft owners and  
23 operators.

24 The council has seven purpose  
25 elements which are as follows:

1 Promote aviation economic  
2 development.

3 Enhance public awareness of aviation.

4 Maintain strong governmental  
5 relations.

6 Work toward improving aviation  
7 safety.

8 Develop and advance statewide  
9 aviation education.

10 Provide membership services and  
11 programs.

12 Assist member businesses and  
13 individuals with technical assistance and  
14 information.

15 The council is one of the oldest  
16 state aviation associations in the United  
17 States. Founded in 1971, the council has  
18 grown, with a membership that exceeds 260-plus  
19 members, and is continuing to grow.

20 Let me set the stage for why we are  
21 here.

22 Today, we come before you to discuss  
23 what we at the Aviation Council of  
24 Pennsylvania see as a wonderful opportunity to  
25 position the Commonwealth of Pennsylvania into

1 a very positive business posture with respect  
2 to the aviation and aerospace industries.

3 We are seeking your support to  
4 eliminate PA Aviation Sales and Use Taxes on  
5 specific categories. The Aviation Council of  
6 Pennsylvania has determined that the present  
7 PA Aviation Sales Taxes on Aircraft Sales,  
8 Parts, Maintenance and Repairs are providing a  
9 great detriment to both the retainage and  
10 growth of the aviation and aerospace industry  
11 in our great Commonwealth.

12 Our council's executive director,  
13 Robert Rockmaker will now walk you through  
14 this project for clarity and definition.

15 I appreciate your time today and look  
16 forward on behalf of our members and the  
17 entire aviation and aerospace community to  
18 seeing our great Commonwealth become a leader  
19 in this business category.

20 Thank you very much.

21 CHAIRMAN MARKOSEK: Okay. Thank  
22 you.

23 For the benefit of the stenographer,  
24 that was Mr. Jay Beratan. Okay.

25 Next Mr. Rockmaker. And if you could

1 -- I mean I would ask all of you to perhaps  
2 summarize, give us the bullet points as  
3 opposed, you know, to a lengthy reading so  
4 that we can get everybody fitted in today.

5 Thank you.

6 MR. ROCKMAKER: Thank you,  
7 Mr. Chairman.

8 Good morning, again. And I did some  
9 more lining out here already so...

10 As the director of the council, I  
11 oversee the daily functions, as Mr. Beratan  
12 just pointed out.

13 And the project that we're talking  
14 about today to eliminate the sales and use  
15 taxes on aircraft sales, parts, maintenance  
16 and repairs started over three years ago.  
17 This is not something that just started, you  
18 know, this year or last year.

19 It has been a -- a -- a good project  
20 for the council to tackle for the aviation  
21 industry in the Commonwealth and it's going to  
22 reap many, many benefits for airports in the  
23 Commonwealth, not only the communities in the  
24 Commonwealth, but the businesses that are on  
25 airports, as well as, as Representative

1 Siptroth pointed out, companies that are not  
2 here in the Commonwealth but have looked to  
3 come to the Commonwealth.

4 The --the light bulb really went off  
5 years ago when we were sitting around at an  
6 FBO meeting of the council discussing a  
7 variety of agenda items.

8 I brought this subject up. I turned  
9 to the committee members sitting there and  
10 everybody in the room that day were all  
11 business owners, not managers, but actual  
12 business owners, who had bottom line profit  
13 and loss responsibility.

14 I asked them where could they take  
15 their aircraft to get a repair done, like a  
16 paint job, a major power plant job, a major  
17 avionics job. And they all looked at each  
18 other and they started to try to figure out to  
19 name names of companies and everybody fell  
20 short.

21 We had a real zero base when it came  
22 to that category.

23 The aviation landscape was barren  
24 when it came to looking down a list of firms  
25 in Pennsylvania that could provide the

1 services.

2 Not only was work drying up, new  
3 aviation service firms were knocking on the  
4 doors of Pennsylvania's airports looking to  
5 locate or relocate into Pennsylvania.

6 The council's board decided to look  
7 at this project very seriously and that's why  
8 we're here today.

9 Larry Krauter, who was president of  
10 the council at the time, who is seated  
11 directly to my right, identified this as a  
12 major, major project that we basically could  
13 not fail at. We basically needed to make sure  
14 that eventually this project got done.

15 Or we ran the risk of actually seeing  
16 airports in the Commonwealth dry up because  
17 they weren't able to identify and create new  
18 business on the airports.

19 As an example, Lehigh Valley  
20 International Airport lost a Boeing 737  
21 aircraft and with that over 12 good-paying  
22 jobs, the maintenance and everything that came  
23 and accompanied that aircraft flew out because  
24 the aircraft had never paid a sales tax when  
25 the aircraft was originally purchased in

1 another state.

2 The Pennsylvania Department of  
3 Revenue knocked on the door and a \$50 million  
4 Boeing business jet at six percent means the  
5 owner has to pay \$3 million in sales tax, just  
6 like an automobile or any other taxable item  
7 under the revenue code.

8 REPRESENTATIVE GEIST: That's nothing  
9 on that.

10 MR. ROCKMAKER: The -- the bottom  
11 line was the company decided to pick up the  
12 airplane and literally flew out of  
13 Pennsylvania, those jobs along with that  
14 aircraft, and, of course, the result was a  
15 loss of income to the airport as well.

16 Prior to me taking over at the  
17 council here, I had an assignment when I was  
18 the deputy director of Lehigh Valley  
19 International Airport. This goes back several  
20 years ago.

21 We had identified a company, ITT  
22 Corporation, based in New York City. They had  
23 seven corporate jets based at La Guardia  
24 Airport and we started to negotiate to bring  
25 them to Pennsylvania.



1           And keep in mind, this is in my prior  
2           position. ITT ended up coming into the Lehigh  
3           Valley in this case. They built a brand new  
4           facility, a multi-million dollar facility,  
5           relocated over 80 high-paying jobs into the  
6           Lehigh Valley, and they operated for many  
7           years there.

8           The interesting part was that that  
9           was in my estimation the phase one. ITT's  
10          chairman certainly was very involved in the  
11          decision to move their corporate operation out  
12          of New York.

13          Phase two perhaps could have been the  
14          purchase of the Bethlehem Steel building,  
15          which some of you may know is still vacant to  
16          this day.

17          Now, that's not something -- that's  
18          not something that a lot of people know, but I  
19          decided to bring it out because I was the  
20          person involved in bringing ITT to the Lehigh  
21          Valley.

22          And what am I saying here? Sometimes  
23          the airplane or aircraft come first and then  
24          the business follows.

25          I hope you understood and followed

1 what I -- I just went through there.

2 The Conklin and de Decker site --  
3 study. This important for you. The council  
4 retained the services of the premiere aviation  
5 sales tax specialist in the United States, Nel  
6 Sanders Stubbs.

7 She prepared a study looking at  
8 surrounding states. As we suspected, the  
9 study was quite clear. We were at a  
10 disadvantage.

11 Unfortunately, on a regular basis,  
12 Ms. Stubbs reports to clients across the  
13 United States when they're looking to relocate  
14 their aircraft, because of tax implications,  
15 et cetera, on a regular basis, she is steering  
16 all different size of firms, not just Fortune  
17 100s and 200s, but when it comes to people  
18 that own aircraft, she'll steer them out of  
19 Pennsylvania because of the ensuing sales tax  
20 that will follow when they bring the aircraft  
21 into Pennsylvania.

22 And this happens on a regular basis.

23 The industry right now is going  
24 through another birth of a new category of  
25 aircrafts. Some of you may be familiar with

1 the term VLJ or very light jet and personal  
2 light jets.

3 This category is going to continue to  
4 grow, and it's going to require services and a  
5 wide selection of suppliers across the United  
6 States.

7 Pennsylvania had been in the final  
8 running for service centers for both Eclipse  
9 and Embraer Aviation. We have lost these  
10 business opportunities to New York and  
11 Connecticut respectively. Both of these  
12 states do not have sales tax on parts,  
13 maintenance, and repairs.

14 Each of these facilities would have  
15 employed between 35 to 100 employees to start,  
16 with future expansion.

17 Today I can share that there are  
18 still at least two firms eyeing Pennsylvania  
19 for a similar service center. One of them is  
20 Honda Jet. As most of you know, and I'm sure  
21 Chairman Markosek, and I know Representative  
22 Geist is also aware because of his  
23 international travels, Honda Jet is one of the  
24 premiere total global transportation companies  
25 in the world.

1           Honda is looking at Pennsylvania to  
2 bring in a service center. Their decision, I  
3 believe, will be coming within six to nine  
4 months to break ground some place in  
5 Pennsylvania.

6           On Page 11, I'd like you to follow me  
7 if you could please. It's called the unique  
8 balance.

9           This is an example of what takes  
10 place when DCED is out providing economic  
11 development stimulus packages.

12           A firm will go out -- a firm is  
13 offered a package of incentives to relocate to  
14 Pennsylvania from another state. A relocation  
15 package could include:

16           A \$2 million infrastructure grant.

17           \$500,000 in employee training.

18           \$500,000 in state income tax.

19           On the other side of the balance  
20 sheet, the relocating business determines that  
21 their two aircraft will generate a  
22 Pennsylvania sales tax bill of over \$6  
23 million. This is because the business did not  
24 pay sales tax in the state that they have the  
25 aircraft based and originally purchased in.

1           You can do the math. You'll see that  
2           there's a net loss of \$3 million just moving  
3           into the state with the aircraft. So the \$3  
4           million that the -- that the state is going to  
5           give to help attract really is -- is a -- not  
6           only -- it's not a wash. It's -- it's a net  
7           loss.

8           And the chairman sits there in the  
9           aircraft one day, you know, sitting with the  
10          director of aviation and says, boy, is this  
11          really a good opportunity for us? We're  
12          bringing our airplanes in and we're going to  
13          be really paying a lot in tax just to come  
14          into the state.

15          The Pennsylvania Aviation Advisory  
16          Committee in March 22, 2007 found through a  
17          report that the sales and use tax attributable  
18          to the aircraft, aircraft engine and parts  
19          manufacturing and overhaul dropped from 1.9  
20          million in 0 -- 2000 to only 500,000 in  
21          2005/2006.

22          Accordingly, the total estimated PA  
23          sales tax revenue collected according to the  
24          Department of Revenue in '06 was \$800,000. As  
25          you can see, this is a major drop.

1           There's a very clear picture here,  
2           revenue continues to drop. It will never get  
3           to zero, because not everybody is going to not  
4           do any maintenance in Pennsylvania, but there  
5           will be some light maintenance in  
6           Pennsylvania.

7           But based on that kind of number,  
8           it's -- it's dry -- it has dried up. It has  
9           dried up.

10           Also the Fels Institute did a study.  
11           And, again, I'm not going to read this at this  
12           point. I think you can see for yourself what  
13           the Fels Institute did with their study  
14           information.

15           It's pretty clear, again, we are at a  
16           tremendous disadvantage. Pennsylvania has  
17           turned into a warehouse for aviation. We  
18           turned into a warehouse. And we need to  
19           change that.

20           In the packets that were brought  
21           forward today, I believe they were passed out  
22           in the folders, there is a map. You should  
23           each have a map in there and that also depicts  
24           geographically for picture purposes what we're  
25           talking about.

1           Very clear. Aircraft can move very  
2 quickly. They can get in and out and that --  
3 that is what we're facing.

4           So we're trying to turn it around so  
5 that we're not just a warehouse for aircraft  
6 in Pennsylvania.

7           Thank you very much.

8           CHAIRMAN MARKOSEK: Okay. Thank you  
9 very much.

10           Perhaps brief comments from any of  
11 the other gentlemen?

12           MR. KRAUTER: I'm sorry. I thought  
13 you were going to ask some questions,  
14 Mr. Chairman.

15           CHAIRMAN MARKOSEK: Well, we can. We  
16 can.

17           MR. KRAUTER: I'm ready to go.

18           CHAIRMAN MARKOSEK: For questions or  
19 for --

20           MR. KRAUTER: For -- for an  
21 additional statement.

22           CHAIRMAN MARKOSEK: Okay. Just some  
23 brief statements from all of you or some of  
24 you. We are running -- and I apologize.  
25 We -- we're short on time today.

1           MR. KRAUTER: I'll try to abbreviate  
2 my comments, Mr. Chairman.

3           Obviously, all of you are going to be  
4 sitting here asking the question: Why is this  
5 important for us?

6           We're asking you to eliminate this  
7 tax because we want to retain companies that  
8 are being enticed to relocate out of state.  
9 And you're going to hear from one  
10 representative of that company shortly.

11           We want to achieve competitive parity  
12 with neighboring states that have developed  
13 distinct advantages in attracting  
14 aviation-related businesses that we're  
15 competing for as a result of a more favorable  
16 tax treatment.

17           And we want to make our airports  
18 continue to be financially self-sufficient.  
19 All of you are aware in your various travels  
20 that airports are under increasing pressure to  
21 become financially self-sufficient.

22           And, obviously, any assistance we can  
23 get to attract and retain aviation businesses  
24 at our facilities are going to contribute  
25 dramatically to that.



1           No one is going to disagree that  
2           there are some serious airspace problems in  
3           the New York area that are representing  
4           some -- really opportunities in Pennsylvania.

5           There are many companies that do  
6           business in the New York City metro area and  
7           New Jersey metro areas that are now shopping  
8           airports in Pennsylvania in order to set up  
9           their corporate flight departments;  
10          maintenance, repair and overhaul types of  
11          businesses; and charter and fractional  
12          ownership businesses because they can base  
13          their employees and their aircraft resources  
14          in Pennsylvania and take a short hop into the  
15          New Jersey or New York metro area with their  
16          customers and come back.

17          So it's very financially efficient  
18          for them to do that. Particularly in light of  
19          the airspace problems that they're  
20          encountering in the system.

21          So as a result, we get shopped a lot  
22          by a lot of corporations looking to do  
23          business, and I can tell you that within the  
24          past few months we've been asked to make  
25          proposals to Embraer, Honda Jet, American

1 Eurocopter, and also a Fortune 500 financial  
2 firm that you would easily recognize if I were  
3 able to mention them. And all for the same  
4 purposes.

5 The other issue that I wanted to  
6 bring to your attention that was touched on by  
7 Mr. Rockmaker is the fact that it's forecast  
8 that we'll have 7,600 very light jets flying  
9 in the U.S. by 2025.

10 These jets can retail anywhere from 2  
11 to \$5 million. And Honda Jet, I'll use as an  
12 example, is going to retail for about 3.65  
13 million.

14 Now, obviously when someone wants to  
15 come into the state and buy a Honda Jet  
16 product and base it in Pennsylvania they're  
17 going to be reluctant to pay about \$225,000 of  
18 sales and use tax to do that, as you heard in  
19 the ITT case.

20 As I mentioned, Mr. Chairman, we have  
21 received serious interest from a major  
22 helicopter manufacturer to set up a sales and  
23 service center to service the northeastern  
24 United States at our airport.

25 They visited on numerous occasions

1 and the last visit included the president of  
2 the company himself.

3 And the president of the company told  
4 us in no uncertain terms that he was very  
5 impressed with the airport facility. He was  
6 impressed with the management team at the  
7 airport. He was impressed with our financial  
8 offer.

9 But the sales and use tax was sort of  
10 the issue of the day with the president. And  
11 he had just turned to us and said, look,  
12 Maryland is recruiting us heavily. We would  
13 like to come here, but is there anything that  
14 you can do on the sales and use tax because  
15 that is going to erode our competitive  
16 position dramatically and obviously impact the  
17 decision that we make to come into  
18 Pennsylvania?

19 And obviously we made the president  
20 of the company aware of our efforts and your  
21 efforts to address this matter. I'm hopeful  
22 that we'll be able to address it quickly  
23 enough that we can impact this decision.  
24 Because it's an important decision.

25 Another part of the problem that the

1 sales and use tax creates that I mentioned  
2 impacts our ability to be financially  
3 self-sufficient.

4 If we do have the opportunity to  
5 bring a business into the airport, one of the  
6 problems that we face then is downward  
7 pressure on our rates and charges because  
8 we're effectively going to -- being forced to  
9 make up for the sales and use tax impact.

10 So that company may say, okay, we're  
11 going to deal with the sales and use tax but  
12 now we're going to turn to you, airport  
13 authority, and we're going to say, charge us  
14 less hangar rent. As a -- as an example,  
15 charge us a lower, you know, fuel flowage fee,  
16 other types of things like that.

17 So effectively they're turning around  
18 and putting downward pressure on us and we're  
19 at the same time trying to charge market rates  
20 that we think are -- are reasonable. So we're  
21 kind of being forced to make up for that  
22 situation.

23 And obviously when you're trying to  
24 be financially self-sufficient, that is --  
25 that is a problem.

1           We've made an investment. We at  
2           Lehigh Northampton Airport Authority actually  
3           own and operate the FBO.

4           And we made an investment to  
5           establish a factory sales and service center  
6           for Robinson Helicopters. An R44, which is a  
7           four-place helicopter, can retail for about  
8           \$350,000, just to give you an idea.

9           We made this decision because there  
10          was a big hole in the service area for  
11          Robinson Helicopter sales and service. And I  
12          think one of the big reasons that there's a  
13          big hole in the service area is because no one  
14          wants to come in and put a factory-authorized  
15          dealer in here and pay the six percent that  
16          goes along with all of the work that would be  
17          done on these types of -- of equipment.

18          But our pilots came to us and said,  
19          look, we're tired of flying to New York.  
20          We're tired of flying to Maryland to do basic  
21          maintenance. Is there anything that you guys  
22          can do to try to help us out?

23          So we've made this investment. It's  
24          somewhat of a -- of a business risk in part  
25          exacerbated by the sales and use tax.

1           And it might surprise you on how this  
2 kind of comes around again on rates and  
3 charges. We have mechanics who are very  
4 highly trained, air frame and power plant  
5 mechanics.

6           Do you realize that it costs you more  
7 to go get your Lexus worked on in the Lehigh  
8 Valley than it costs you to use the services  
9 of an air frame and power plant mechanic to  
10 work on a jet aircraft?

11           A hundred bucks at the Lexus dealer.  
12 Eighty bucks at Lehigh Valley Aviation  
13 Services. In part, because we have to be  
14 competitive. We have to lower our -- our shop  
15 rates to offset those sales tax liabilities.

16           One of our tenants at the airport has  
17 estimated that they could add up to seven new  
18 aircraft to their management contract if the  
19 sales and use tax was eliminated.

20           They predict that this would add up  
21 to 30 new jobs, increase fuel sales, and  
22 obviously increase the hangar rental income  
23 back to the airport authority.

24           There is no doubt in my mind that  
25 this is a formula that could repeated at many

1 airports across the Commonwealth if the sales  
2 and use tax was eliminated.

3 As you heard Mr. Rockmaker indicate  
4 earlier, one of the leading experts in the  
5 country, which is often consulted by these  
6 types of businesses, has a clear message that  
7 they're broadcasting to aviation. It's stay  
8 out of Pennsylvania.

9 And obviously that's the wrong  
10 message. They're saying stay out of  
11 Pennsylvania with your high-paying jobs, stay  
12 out of Pennsylvania with your investment  
13 capital, and stay out of Pennsylvania with  
14 your new technology.

15 And obviously we want to work with  
16 the legislators to change that message so the  
17 Conklins and de Deckers of the world are  
18 saying, hey, have you considered Pennsylvania  
19 to base your corporate aircraft or to base  
20 your maintenance, repair and overhaul  
21 business?

22 Very important that we turn this  
23 around in order to retain the businesses that  
24 are here and win new business that's out  
25 there.

1           We have an excellent system of  
2 airports. They're geographically important,  
3 as we're seeing by all this shopping that's  
4 going on for these sales and service centers.

5           The recent experience, though, that  
6 we've had is that the geography alone is not  
7 going to carry us. We have got to have relief  
8 on the sales and use tax if we're going to  
9 continue to be successful in attracting these  
10 new businesses and, of course, retaining this  
11 business.

12           This is not a maybe, someday topic  
13 for us. This is a must have issue. We must  
14 have this issue and we must have your help to  
15 repeal this tax.

16           I appreciate your attention to my  
17 comments, Mr. Chairman.

18           CHAIRMAN MARKOSEK: Okay. Thank you,  
19 Mr. Krauter.

20           Mr. Ford?

21           MR. FORD: Yeah. Good morning.

22           CHAIRMAN MARKOSEK: Mr. David Ford of  
23 Keystone Helicopter.

24           And after your remarks, I think we're  
25 going to go to questions on this particular



1 bill because I know the other speakers are  
2 also interested in the next bill that we're  
3 going to speak on, too, if that's okay with  
4 everybody here.

5 So, Mr. -- Mr. Ford --

6 MR. FORD: Good morning.

7 CHAIRMAN MARKOSEK: -- for brief  
8 remarks. Thank you.

9 MR. FORD: Thank you very much. I --  
10 I think Keystone Helicopter does have a unique  
11 perspective. This is not anecdotal  
12 information. This is our business. This is  
13 what drives us day in and day out.

14 Keystone Helicopter was founded in  
15 the state of Pennsylvania in 1953 by aviation  
16 industry icon, Mr. Peter Wright, and we've  
17 been located here every since.

18 In 2005, we were acquired by Sikorsky  
19 Aircraft who is a part of the United  
20 Technologies Group, a \$40 billion Fortune 50  
21 company.

22 We currently do a significant amount  
23 of helicopter completion and maintenance and  
24 repair and overhaul activities here at our  
25 heli-plex activity which is located near

1 Chester County Airport.

2 In fact, in the past five years,  
3 since the acquisition by Sikorsky, we've grown  
4 from a relatively small, \$40 million,  
5 family-owned business with less than 200  
6 employees, to a much larger business. We're  
7 now in excess of \$150 million annual revenue  
8 and we currently employ over 500 employees at  
9 our state-of-the-art facility in -- near --  
10 near Coatesville.

11 As you know, the Commonwealth of  
12 Pennsylvania imposes the six percent sales tax  
13 and that does, in fact, impact our -- our  
14 competitive advantage.

15 If I very conservatively were to  
16 estimate that only ten percent of the business  
17 that we actively seek, we lose because of this  
18 competitive disadvantage.

19 When you -- when you look at six  
20 percent sales tax, that's a significant factor  
21 when somebody is looking at a major either  
22 overhaul or modification or repair, even  
23 purchase of an -- of an aircraft.

24 Most of our major modifications run  
25 in the 1 to \$2 million range and an aircraft,

1 a complete sale of a helicopter can be in the  
2 10 to \$12 million range.

3 And we firmly believe that  
4 elimination of this sales tax would  
5 significantly improve our win rate which would  
6 allow us to continue to grow our business,  
7 which would attract new jobs to the state of  
8 Pennsylvania, add additional revenue, because  
9 obviously we pay corporate income tax at the  
10 9.9 percent rate so every dollar of additional  
11 revenue that we bring in we pay taxes and it  
12 goes back.

13 In fact, we are -- we are currently  
14 considering a major expansion to our facility  
15 that could potentially add another 250 jobs  
16 and would create a construction project in the  
17 neighborhood of \$18 million. If you just  
18 looked at the additional tax that an \$18  
19 million construction job would bring and the  
20 -- the vast majority of that will be  
21 contracted through local Pennsylvania  
22 companies to do all of that construction work,  
23 so if you looked at that, if you look at the  
24 250 new jobs, all of these are -- are  
25 individuals that will be spending their

1 paycheck, buying houses in the local area,  
2 using the services, and -- and obviously  
3 they're paying their -- their personal income  
4 tax, the potential is that we would eclipse  
5 the \$800,000 of -- of tax revenue that the  
6 state brought in 2006 in a very, very short  
7 time.

8           Again, as has been mentioned by  
9 others, these are good, high-paying jobs. A  
10 typical aviation professional is -- is earning  
11 typically in excess of \$60,000 a year. So  
12 you're bringing in, you know, very high,  
13 good-paying jobs into this area.

14           So, again, we would simply urge you  
15 to -- to consider this bill and consider it  
16 quickly, because our decisions are being made  
17 right now in terms of whether we're going to  
18 expand here or whether we're going to divert  
19 that work elsewhere.

20           And potentially we could be faced  
21 with a decision to relocate the entire  
22 business at some point in the future, because  
23 it becomes increasingly difficult to compete  
24 in this environment.

25           Thanks. I'd be happy to answer any

1 questions.

2 CHAIRMAN MARKOSEK: Okay. Thank  
3 you. You've all made your case very well, I  
4 think.

5 We have some -- just for the  
6 information of folks here -- some members who  
7 are Transportation Committee wannabes who have  
8 joined us, I ask them to join us up here at  
9 the front, to show them the courtesies of our  
10 -- our committee here.

11 Any questions from the -- the members  
12 here? Any of the members?

13 I think we all pretty much got the  
14 gist of what you're saying. You made a very,  
15 very good presentation today.

16 So seeing no questions, we'll move on  
17 to the next piece of legislation. Now, some  
18 of you out there at the front, you can either  
19 stay there. I know you have interest in both  
20 issues and we have some other folks who are  
21 moving forward.

22 The other bill -- while we're getting  
23 settled, the other bill is House Bill 2292.  
24 Representative Lentz, who is here today with  
25 us, and while we're waiting to get situated,

1 Representative Lentz, would you like to make a  
2 brief comment on your bill, please.

3 REPRESENTATIVE LENTZ: Thank you. I  
4 apologize to the members and witnesses for  
5 being late. I was at a Local Government  
6 Committee.

7 And based on the testimony I've been  
8 reading here, I wish I'd stayed at the Local  
9 Government Committee.

10 I'm interested to see that  
11 Representative Siptroth's bill appears to be  
12 slightly more popular than my bill. But I --  
13 I have met with some of the representatives  
14 and had some conversation before the hearing  
15 today and I -- I thank Chairman Markosek for  
16 holding these hearings.

17 I think it is an important issue and  
18 I think there is -- there is an obvious  
19 difference to all of us between securing  
20 ground vehicles and securing airplanes.

21 In the Army we used to call it  
22 airplanes have the ability of vertical  
23 insertion which is a great advantage of  
24 vehicles if you're trying to carry out some  
25 bad deed.

1           And as security gets tighter and  
2 tighter at our major airports, that's -- that  
3 can potentially have the impact of -- of  
4 pushing -- making the smaller airports, the  
5 general aviation airports, targets for that  
6 type of activity.

7           I -- I personally don't see this as  
8 being a burdensome requirement, but I know  
9 we're going to hear some testimony to that  
10 effect.

11           But I'm also interested to see has  
12 this been tried in other states and to what  
13 effect and to what success.

14           But I thank the Chairman for having  
15 the hearing and giving me the opportunity to  
16 participate.

17           CHAIRMAN MARKOSEK: Sure. Thank you,  
18 Representative Lentz.

19           I'd like to call on Mr. Brad Penrod  
20 first who's Allegheny County Airport  
21 Authority's new executive director. I just  
22 met him myself today.

23           Welcome, Brad. And you may proceed.  
24 We chatted briefly about your comments  
25 relative to this bill and --

1 MR. BRADLEY PENROD: Very good.

2 Thank you, Mr. Chairman, and good morning to  
3 the committee members.

4 My name is -- my name is Brad Penrod,  
5 executive director and CEO of the Allegheny  
6 County Airport Authority.

7 As the operators of the Allegheny  
8 County Airport and the Pittsburgh  
9 International Airport, the Authority is  
10 acutely aware of the operating security issues  
11 facing airports and the aviation industry  
12 today.

13 At the Allegheny County Airport, one  
14 of the largest general aviation airports in  
15 the Commonwealth, in cooperation with our  
16 tenants and industry groups, we have  
17 implemented a number of best practice related  
18 -- best practices related to security without  
19 the need for legislative guidance from the  
20 state or federal levels.

21 The proposed language for security  
22 plans at public airports in the Commonwealth  
23 is a concern to many airports. Initially, my  
24 primary concern is to identify the exact issue  
25 the proposed language wants to address.



1           Well, I agree that airport operators  
2 are encouraged to coordinate with their  
3 tenants and local Law Enforcement Officers and  
4 industry groups, and promote security  
5 awareness with their tenants, a one-size plan  
6 does not fit, is not realistic, and would, in  
7 fact, restrict general aviation and its growth  
8 in the Commonwealth of Pennsylvania.

9           Given that many public use airports  
10 in the Commonwealth are already security --  
11 have already in place airport security plans  
12 approved by the Transportation Security  
13 Administration, a separate security plan, as  
14 proposed in the current language, would be an  
15 additional burden and cost on airport  
16 operators and tenants with no apparent  
17 benefit.

18           Federal Sensitive Security  
19 Information requirements would need -- would  
20 need to be cleared by federally regulated  
21 airports before they could be disseminated to  
22 state and county officials, further  
23 compromising airport security.

24           Other concerns would be with the --  
25 my understanding, at the current time the

1 Bureau of Aviation does not have the staffing  
2 resources to be tasked with reviewing airport  
3 security plans.

4 Additional, it is not certain or  
5 clear if the department would conduct security  
6 assessments or if the task would be outsourced  
7 to the Pennsylvania State Police.

8 If outsourced, the concern becomes  
9 who would do the regulatory inspection and  
10 enforcements.

11 Specialized training specific for  
12 enforcement personnel would need to include  
13 operation of motor vehicles on airports and  
14 the time and cost of this training would need  
15 to be realized in a component of the overall  
16 implementation.

17 Additionally, the legislation  
18 references coordination with the local  
19 Emergency Management Agencies. The EMA,  
20 Emergency Management Agency, may or may not be  
21 the applicable resource to draw from.

22 Law Enforcement Agencies may be  
23 better suited for reviews, depending on the  
24 specific county individual needs, and, again,  
25 a one-size plan does not fit the airport

1 system.

2           Should the proposed language be  
3 implemented, we would need to ask if the  
4 legislation would expose the Commonwealth to  
5 the liability associated with an accident  
6 involving an aircraft in which the pilot did  
7 not remove one of the locks as required by the  
8 legislation.

9           A gust lock, which is a form of  
10 control movement, movement restriction, common  
11 to general aviation aircraft, have been cited  
12 on more than one occasion to have been the  
13 cause of aircraft accidents due to the pilot's  
14 failure to remove the locks prior to flight.

15           Additionally, an example of it, the  
16 pilot -- or the propeller/chain lock, if  
17 required by the Commonwealth, would the  
18 Commonwealth be liable for any propeller  
19 damage or structural fatigue to the aircraft  
20 engine and the associated costs if that  
21 propeller lock would not -- would not be  
22 removed?

23           The Commonwealth should be encouraged  
24 to endorse the Aircraft Owners and Pilots  
25 Association's Airport Watch Program and best

1 practices that are in place today.

2 Aircraft Owners and Pilot  
3 Association, AOPA; and the TSA, Transportation  
4 Security Association; airport industry groups  
5 and airports across the United States work on  
6 a regular basis to address a well-coordinated  
7 and thought-out security solution that is  
8 applicable to the entire industry.

9 Because aviation is a national and  
10 even international system in nature, the  
11 security of the same should be a nationwide  
12 standard.

13 A legislative solution on a state  
14 level to a problem that does not exist will be  
15 a deterrent to general aviation in the  
16 Commonwealth.

17 Given the significant number of  
18 public use airports in the Commonwealth, not  
19 to mention the many private airfields, the  
20 resources needed to inspect and enforce the  
21 proposed security plans would be a significant  
22 strain on existing resources and would require  
23 an expense -- an expenditure of  
24 variable (sic) funds.

25 The responsibility of enforcement of

1 the proposed language is not clearly  
2 identified.

3 Further, the systems and controls  
4 that are identified in the proposed language  
5 would be burdensome and costly to maintain and  
6 are currently without a funding source.

7 The proposed language identifies that  
8 airports would be responsible for complying  
9 with the act. The additional inspection of  
10 aircraft locks, a task and burden on airport  
11 operators, would require additional staff and  
12 time and resources.

13 Additionally, if the locks are  
14 interior to the aircraft, there would not be a  
15 physical way to inspect that lock.

16 A concern also is to penalize airport  
17 operators of the loss of department funding --  
18 would be to establish legislation that is set  
19 to fail upon implementation and airport  
20 improvements across the Commonwealth are  
21 required to ensure safe operating conditions  
22 and improve facilities would not be funded.

23 The proposed language is not clear as  
24 to who would be liable for any criminal  
25 penalty that may be imposed for noncompliance.

1           Certainly the airport operator and  
2           sponsor -- or sponsor should not be as -- as  
3           they do not operate and maintain the aircraft.

4           Additionally, in many cases an  
5           aircraft operator -- an aircraft is owned by a  
6           group, a club, a corporation, or a person and  
7           may not necessarily be the same person that  
8           would be operating the aircraft.

9           For the reasons outlined above, and  
10          for the betterment of aviation in the  
11          Commonwealth, I strongly suggest that the  
12          security plan and the two-lock rule currently  
13          proposed not be supported.

14          Thank you.

15          CHAIRMAN MARKOSEK:   Okay.   Thank you  
16          very much.

17          Mr. Roger Moog --

18          MR. MOOG:   Thank you.

19          CHAIRMAN MARKOSEK:   -- from the  
20          Delaware Valley Regional Planning Commission.

21          MR. MOOG:   I thank you, Mr. Chairman,  
22          and good morning to the committee.

23          I represent the Delaware Valley  
24          Regional Planning Commission.   We do Aviation  
25          System Planning in the Delaware Valley and

1 metropolitan area, twelve counties in and  
2 around Philadelphia, Bucks, Montgomery,  
3 Chester, Delaware County and Philadelphia  
4 County in Pennsylvania since 1982.

5 In the wake of 9/11/01 communities in  
6 our region in Pennsylvania indicated some  
7 anxiety about their general aviation airports.  
8 We're not talking about Philly International  
9 or any commercial service airports but general  
10 aviation.

11 That those airports might be used as  
12 staging areas for terrorist activity or the  
13 site of terrorist activity and thereby  
14 jeopardize the communities that they -- the  
15 suburban communities that they belong into.

16 As a result, DVRPC did a study of  
17 security risks and countermeasure  
18 recommendations at 22 total airports in the  
19 region, including New Jersey and Delaware and  
20 one airport in Maryland.

21 In Pennsylvania we looked at 13 small  
22 airports. Each airport was surveyed  
23 physically and people at that airport were  
24 interviewed.

25 The airport risks were rated and

1 analyzed against one another. We were not  
2 compared to risk of terrorism by other  
3 transportation modes, like a truck or a car or  
4 another surface transportation.

5 I'm going to give you briefly the  
6 conclusions of that study. It was determined  
7 that the risk of terrorism type -- type events  
8 relating to small airports had to do with four  
9 major variables.

10 One was runway length, which, of  
11 course, is also proportionally to the size of  
12 the aircraft that can use the airport.

13 Second was critical public  
14 infrastructure nearby, thereby considered to  
15 be attractive targets by the security analysts  
16 that did the study.

17 If operations levels at the airport  
18 was busier, then it was assumed it could be a  
19 higher risk airport.

20 And, finally, if there was  
21 agricultural activities at the airport, which  
22 I found to be interesting, but the security  
23 analysts thought that that was an important  
24 variable as well.

25 For the 22 airports in the study, 13



1 were in Pennsylvania, three were determined to  
2 be high risks, seven were voted -- were  
3 determined to be medium risks, and three in  
4 the study -- and they're all in the  
5 Philadelphia area -- were determined to be low  
6 risk.

7           Then the study developed  
8 countermeasure recommendations to control or  
9 minimize that risk in the future. And as you  
10 would expect, the lowest risk airports had the  
11 fewest countermeasure recommendations and they  
12 were simply awareness campaigns at the  
13 airport, a single point of contact for -- for  
14 unusual activity that might be noted, and  
15 securing all aircraft keys. And I presume  
16 that the owners of those aircraft would secure  
17 those keys.

18           As you look at the airports that got  
19 more risky, additional strategies were added.  
20 The principal one was secure the aircraft  
21 itself; random security patrols;  
22 relationships -- formalized relationships with  
23 local police; employee I.D.; limited access to  
24 the field itself, the operating area; and,  
25 finally, for the -- for the biggest of the

1 G.A. airports, that the cargo and passengers  
2 should be verified by the airport operator  
3 and -- and -- and verified as being in the  
4 appropriate aircraft.

5 None of these countermeasure  
6 strategies that were proposed in our study was  
7 high capital intensive in nature. We weren't  
8 asking the airport to do major construction to  
9 improve security like they do at commercial  
10 service but were really procedural in nature  
11 as far as raising awareness and preventing  
12 careless situations.

13 You'll be hearing, I know, from a  
14 number of representatives of PA Pilots and  
15 Airport Owners that have some problems with  
16 the -- with the securing aircraft by a  
17 two-lock rule, as has been proposed in the  
18 legislation.

19 But I -- since my region is partially  
20 in New Jersey and New Jersey currently has  
21 that two-lock rule for its general aviation  
22 airports, I made some contacts at New Jersey  
23 DOT and they have indicated to me that there  
24 has been no resistance by pilots or airport  
25 owners to this rule.

1           However, I think that the rule as  
2           proposed needs to be more specifically  
3           interpreted and -- with regard to a liability  
4           issue for aircraft -- airport owners, because  
5           they cannot necessarily control the aircraft  
6           owners on their airport. Also the potential  
7           for lost state grant aid for noncompliance  
8           again because the airport owners do not  
9           necessarily control the aircraft operators' or  
10          owners' behavior.

11           And, lastly, I would say that -- that  
12          given the fact that the payload of larger  
13          business type aircraft is larger than smaller  
14          recreational-type aircraft that is housed at  
15          many of these smaller airports, perhaps the  
16          two-lock rule might be tailored to larger  
17          aircraft versus smaller aircraft in some way.

18           The last comment I would make is that  
19          in the -- in the case of the New Jersey  
20          experience, the aviation people in New Jersey  
21          commented to me that the inspection for  
22          conformity to the two-lock rule has -- is done  
23          on a regular basis by state employees that are  
24          out there inspecting the airports anyway so  
25          they've experienced no increase in

1       bureaucratic cost to administer this rule.

2               That concludes my comments.

3               CHAIRMAN MARKOSEK:   Okay.  Thank you  
4       very much.  Very interesting comments.

5               Next Mr. Kelly Fredericks.  Is he up?  
6       Not here?  Okay.

7               MR. ROCKMAKER:  He's here,  
8       Representative.  But you're not going to  
9       testify?

10              MR. FREDERICKS:  Not yet.

11              MR. ROCKMAKER:  Right now he said  
12       he's not going to testify.

13              CHAIRMAN MARKOSEK:  Oh, okay.  Sir,  
14       you are?

15              MR. GREG PECORARO:  Greg Pecoraro  
16       from AOPA.

17              CHAIRMAN MARKOSEK:  Would you like  
18       to --

19              MR. PECORARO:  Yes, thank you very  
20       much.  Thank you, Mr. Chairman.

21              CHAIRMAN MARKOSEK:  -- proceed  
22       briefly?

23              MR. PECORARO:  Yes.  Good morning.

24              Thank you for allowing us to testify  
25       on behalf of the Aircraft Owners and Pilots

1 Association, the world's largest aviation  
2 association representing more than 415,000  
3 members, including more than 13,600 in  
4 Pennsylvania, and we're here to express our  
5 opposition to House Bill 2292.

6 First, we'd like to make sure you  
7 understand that general aviation aircraft are  
8 not considered a significant threat by the  
9 Transportation Security Administration.

10 The typical GA aircraft weighs less  
11 fully loaded than a Honda Civic weighs empty.  
12 The first attempt to bring down the World  
13 Trade Center and the successful attack --  
14 attack later on the federal building in  
15 Oklahoma City, both used trucks.

16 Yet it is the aircraft and their  
17 pilots that is targeted in the proposed  
18 legislation.

19 Make no mistake. AOPA believes that  
20 securing one's aircraft using at least one  
21 method is a good idea. But mandating it is  
22 not necessary.

23 An aircraft is a high-value item.  
24 Even a simple, 30-year-old aircraft can be  
25 worth \$40,000 or more. Owners take reasonable

1 precautions to protect that investment.

2 A recent survey of AOPA members shows  
3 that 91 percent secure their aircraft from  
4 theft or unauthorized use. At the same time,  
5 these members are adamantly opposed to  
6 government mandates requiring them to do so.

7 Historically, in the years since 9/11  
8 only about nine general aviation aircraft a  
9 year are stolen, and the number of GA aircraft  
10 stolen is down sharply since the general  
11 aviation community has taken steps to enhance  
12 security. Only three aircraft were stolen in  
13 2007, this out of a nationwide fleet of over  
14 220,000 registered GA aircraft.

15 Security is a priority for the  
16 federal government and the entire aviation  
17 community. Security at general aviation,  
18 which is non-airline, non-military, airports  
19 is a complex issue.

20 While operations at airports with  
21 airline service are similar enough for the  
22 government to impose one-size-fits-all  
23 security requirements, general aviation  
24 airports are too varied for any single  
25 solution to work.

1           The federal government uses a  
2 multi-layered approach to aviation security.  
3 It's much more than fences, gates, and locks.  
4 It begins when a person first decides to learn  
5 to fly. You have to prove your nationality,  
6 and if you're not a U.S. citizen, you have to  
7 undergo a background check. And everyone who  
8 holds a U.S. Pilot certificate, whether they  
9 are a foreign national or a U.S. citizen, is  
10 checked constantly and regularly checked  
11 against all available terrorist watch lists.

12           For general aviation airports, the  
13 U.S. Transportation Security Administration  
14 has provided guidelines scalable to fit the  
15 needs of everything from the smallest grass  
16 airstrips to executive airports serving  
17 business jets.

18           A key component of those guidelines  
19 is the Airport Watch program developed by AOPA  
20 in close collaboration with the TSA. It is  
21 essentially a neighborhood watch program for  
22 pilots -- airports that draws on the eyes and  
23 ears of America's 600,000 pilots as well as  
24 airport employees.

25           In fact, Airport Watch's message to

1 pilots is lock up and look out. And I have  
2 one of the posters here for the program which  
3 you can see encourages people to do that and  
4 says, have you secured your aircraft? Because  
5 we do take the issue of securing aircraft very  
6 seriously, and these are posted at  
7 aircrafts -- at airports all across America as  
8 well as these signs that AOPA has worked to  
9 make sure get posted. This is for the Airport  
10 Watch program, it lists an 800 -- a toll-free  
11 number that is staffed by TSA personnel,  
12 available 24/7 for people to call in. And, of  
13 course, we always encourage people in the case  
14 of an immediate emergency to call 911.

15 Aviation security is the business of  
16 everyone who flies. But it is the  
17 jurisdiction of the federal government, who  
18 has consistently worked at this -- since -- in  
19 the years since 9/11 and has also imposed, as  
20 we do, a patchwork of regulations that would  
21 differ across the country, such as we would  
22 have if Pennsylvania were to take this step.

23 Pennsylvania's proposed two-lock rule  
24 with its criminal penalties makes no more  
25 sense that jailing a mom with arms full of



1 groceries who forgets to lock her car on the  
2 way into the house.

3 We encourage you to reconsider this  
4 legislation. Thank you for your time and  
5 consideration.

6 CHAIRMAN MARKOSEK: Okay. Thank you.

7 Mr. Gary Hudson, briefly, and then  
8 we'll throw it open to questions. Thank you.

9 MR. GARY HUDSON: Okay. Thank you.  
10 Good morning, Mr. Chairman.

11 I'm here today because I'm very much  
12 in favor of this two-lock rule for the simple  
13 fact that I'm the airport manager at Chester  
14 County Airport and I look at my airport as  
15 being in the traffic for terrorists' possible  
16 activity.

17 Right now we have about 148 total  
18 aircraft. Of those 148, 31 are business jets.  
19 We have a 5400-foot runway. We have about  
20 54,000 operations a year.

21 The airport is also in very close  
22 proximity to what I consider to be three  
23 security-sensitive areas. We're only ten  
24 nautical miles from the Limerick nuclear power  
25 plant, only 15 miles from the Peach Bottom

1 nuclear power plant, and we're about 45 miles  
2 northwest of Philadelphia, which, as you know,  
3 is a very largely populated area.

4 We also have a lot of influential  
5 people that come in and out of the airport and  
6 that are also based at the airport. And for  
7 that reason, a lot of these people want to  
8 feel safe, not only for themselves but for  
9 their investment.

10 I do realize that there are some  
11 things that need to be done to try and tweak  
12 this -- this particular plan. It does have  
13 some flaws in it, which Roger and I were  
14 concerned about, but I also feel that it is  
15 something -- it's something that should not be  
16 put off on the back burner. It's something  
17 that should really be thoroughly looked at  
18 and -- and really thought of.

19 Because my philosophy has always been  
20 that terrorists are constantly looking for new  
21 ways to try and cause destruction to -- to  
22 persons and property.

23 In closing, I'm the type person where  
24 I honestly believe that you don't wait for the  
25 dam to break before you fix it.

1 Thank you very much.

2 CHAIRMAN MARKOSEK: Okay. Thank you  
3 very much, Mr. Hudson.

4 Representative Watson.

5 REPRESENTATIVE WATSON: Thank you,  
6 Mr. Chairman.

7 My mike may or may not be working.  
8 I'll try and speak up.

9 I have questions first. Any of you  
10 gentlemen could answer.

11 Let me begin by giving just kind of a  
12 resume for me. I've been on the  
13 Transportation Committee since I came in 2001.  
14 I am the author of legislation you may or may  
15 not like, which is Flying While Impaired.  
16 Because, quite frankly, rather than terrorists  
17 being in the Philadelphia area, what we had to  
18 fear out of the sky were several pilots who --  
19 I can't imagine -- but were able to manage to  
20 get the aircraft up and fly drunk.

21 And because they couldn't be  
22 prosecuted by the state criminally, we took  
23 care of that.

24 I would also share with you that I  
25 have, as I'm afraid probably some of you do in

1 this room, a very close association,  
2 particularly, for 9/11 in the sense that my  
3 son was on an aircraft that had just left New  
4 York that morning and we couldn't find him for  
5 four hours. And we weren't sure if it  
6 wasn't -- we didn't have his -- he's an adult.  
7 You know how they don't tell you everything.  
8 We didn't have his exact -- you know, what  
9 plane he was flying on and so forth.

10 So there is nobody who worries about  
11 terrorism -- my son still lives in New York  
12 City, in spite of his mother's begging. So  
13 there's nobody who doesn't care about all  
14 that.

15 Okay. All that said, I'm also not, I  
16 guess, affluent enough that no one in my  
17 family owns an aircraft. I have received  
18 information.

19 Sir, if I were to own an aircraft and  
20 ask to come to your airport to house my  
21 aircraft, a little far from Bucks County, but  
22 let's assume I move to Chester.

23 MR. HUDSON: Uh-huh.

24 REPRESENTATIVE WATSON: Do I not have  
25 to -- I mean is it just automatically, if I

1 pay you the rent, I get to do what I want or  
2 do you not have rules for me to be a part of  
3 it, to be a -- a tenant, or what you will, at  
4 your aircraft -- at your airport?

5 MR. HUDSON: Yeah. There are certain  
6 rules that are in place. For instance, if you  
7 want to become a tenant in my airport and you  
8 want to build a hangar, well, obviously you  
9 have to meet the financial obligations.

10 Right now in terms of security, we  
11 really don't have anything in place in terms  
12 of --

13 REPRESENTATIVE WATSON: But you could  
14 do that, sir, and impose those rules?

15 MR. HUDSON: Oh, absolutely.

16 REPRESENTATIVE WATSON: Okay.

17 MR. HUDSON: Absolutely.

18 REPRESENTATIVE WATSON: Because I am  
19 familiar with Doylestown Airport.

20 MR. HUDSON: Uh-huh.

21 REPRESENTATIVE WATSON: I live in  
22 Warrington, Bucks County, and I went to all of  
23 them and that's what they assured me, that  
24 these things were being done.

25 I also, having come out of county

1 government, have connections and in Bucks we  
2 have the advantage that in the five county  
3 area some of our people are key in the  
4 Homeland Security issue.

5 I talked to all of them, and I'm  
6 sorry, Representative Lentz, you picked the  
7 wrong seat coming in because -- but they all  
8 assured me and said, what is this? This  
9 doesn't -- you know, this is not on the radar  
10 screen.

11 And these are the folks that get the  
12 grants that do the things in the five county  
13 area. And when I called them -- one I knew  
14 well enough to call at home over the  
15 weekend -- and they just said to me -- so I  
16 didn't understand where this came from.

17 I heard from people I never heard  
18 from before. There are a lot of affluent  
19 people in my area who own aircraft. I was  
20 amazed. And they all very much opposed,  
21 opposed because -- and, again, I think I  
22 understand, in the sense I felt I was right to  
23 have criminal penalties for flying while  
24 impaired, but they got really upset about the  
25 idea and so someone forgets to lock and

1       somebody comes through that day I am now  
2       facing criminal charges.

3               And then a discussion -- and I had  
4       wonderful letters from a gentleman, I guess,  
5       and ladies in your association who  
6       certainly -- you obviously must have given  
7       bullet points because they used some of the  
8       same material.

9               But I realize -- I just have concern  
10       that it seems to be a solution in search of a  
11       problem and I try to do every bit of due  
12       diligence in talking to Pennridge Airport,  
13       that's right in my district; Doylestown  
14       Airport, which is not; Homeland Security. I  
15       went everywhere I could, and, quite frankly, I  
16       didn't get any support, regardless of New  
17       Jersey or whatever.

18               And, more importantly, they all told  
19       me they had the rules and they have the rules  
20       in place and they were aware of this, because  
21       this goes back about three years, if I'm  
22       correct --

23               MR. MOOG:   Yes.

24               REPRESENTATIVE WATSON:  -- Mr. Moog?

25               MR. MOOG:   Yes.

1           REPRESENTATIVE WATSON: Okay. That  
2 they all had implementation at their airports  
3 to provide for security and that it was being  
4 abided by. And, quite frankly, they were in  
5 better -- a better place to enforce their own  
6 security rules because they were right there.  
7 So this wasn't tasking someone else who had  
8 another job to come in and also do this.

9           And so I guess, Mr. Chairman, and  
10 with all due respect to Representative Lentz,  
11 who comes from where I grew up so we have an  
12 affection for Delaware County, but I guess to  
13 use a line from that movie Big, I don't get  
14 it. I just don't get it.

15           Thank you.

16           CHAIRMAN MARKOSEK: Thank you,  
17 Representative.

18           We'll let Representative Lentz ask a  
19 question or respond or whatever.

20           REPRESENTATIVE LENTZ: I will say  
21 that was a -- a -- that was an excellent --  
22 that was an excellent question.

23           REPRESENTATIVE WATSON: Thanks. I  
24 did ask the gentleman.

25           REPRESENTATIVE LENTZ: But no. Well,



1 I've heard the testimony and I appreciate the  
2 input. People in general, as we all know, are  
3 resistant to regulation and oversight.

4 However, I am not persuaded by the analogy to  
5 automobiles, because, as I said, there's a  
6 clear difference.

7 We have dealt with -- because of  
8 things like the Oklahoma bombing and the first  
9 bombing of the World Trade Center, we have  
10 dealt with the access of trucks and cars to  
11 sensitive areas. Those are called the  
12 barricades. You can't get near the White  
13 House anymore. You can't park a vehicle in  
14 front of a federal building anymore

15 That's been dealt with on the ground  
16 in reaction to that threat. We have -- we  
17 have not completely dealt with the aerial  
18 threat and -- and, as was pointed out in -- by  
19 Mr. Hudson, it doesn't take a big -- a broad  
20 imagination to think of things that you could  
21 do as a terrorist or for any other type of  
22 criminal if you get in an airplane.

23 And it doesn't matter whether it's as  
24 big as a Honda or -- or -- or smaller. The  
25 fact is that they can insert aurally into

1 places that are otherwise secure from the  
2 ground. You can't get to them driving. You  
3 can't get to them walking. But you can get to  
4 them coming from the air.

5 And it seems to me that to ask people  
6 to lock airplanes up is -- is not an overly  
7 burdensome thing to do. And we haven't even  
8 mentioned the federal law and local law. We  
9 have an obligation in the State Assembly  
10 through everything we can do to prevent that  
11 type of activity.

12 And, you know, with regard to  
13 liability, I would say that in -- in my --  
14 from my perspective you're more likely to be  
15 liable as an airport because you did require a  
16 locking system on airplanes -- if one of those  
17 airplanes is used in an attack, you're more  
18 likely to be sued for having failed to take  
19 that action than you are to be sued as a  
20 result of requiring it.

21 So I -- I agree that it should be  
22 tweaked and maybe we shouldn't link it to  
23 funding, but to have a summary offense to do,  
24 as Jersey apparently is successfully doing, to  
25 do everything we can to assure things that are

1 sent -- that can be turned into missiles or  
2 used for various other bad activities are  
3 secured, to me is -- is a very minimal ask of  
4 the aviation community.

5 But I appreciate the opportunity to  
6 be here today and -- and participate,  
7 Mr. Chairman.

8 CHAIRMAN MARKOSEK: Thank you,  
9 Representative Lentz.

10 And do we have any other -- any other  
11 questions? I -- I have -- okay. Let me just  
12 ask -- I'll ask mine first.

13 REPRESENTATIVE SIPTROTH: Oh, yeah.  
14 Sure. I thought you were summarizing.

15 CHAIRMAN MARKOSEK: Just briefly, for  
16 some of us that are, I guess, amateurs to --

17 REPRESENTATIVE GEIST: Representative  
18 Lentz is on his way to get his picture taken  
19 with Hillary so he's excused.

20 REPRESENTATIVE LENTZ: Thanks for the  
21 championship football team. Otherwise, I'd  
22 stay.

23 CHAIRMAN MARKOSEK: Hilar was on your  
24 high school football team?

25 Yes, just a -- I have a guess of it,

1 but let me ask mine first and then  
2 Representative Siptroth and then  
3 Representative Wannabe Moyer.

4 Just very briefly, the two-lock  
5 system, you know, reading through the -- the  
6 bill and the analysis, they give you a number  
7 of options for the two lock or the two types  
8 of locks. None of them -- I mean just reading  
9 off the top of my head here -- and I'll be the  
10 first to tell you I'm a novice at this.

11 But none of them seem all that  
12 unreasonable. So I guess I -- you know, if  
13 there's a question here, I'm trying to see the  
14 -- you know, the opposition, what -- is it the  
15 liability part of it that, you know, if we can  
16 deal with that, would make a difference? Or  
17 Brad?

18 MR. PENROD: I think you're -- if I  
19 could, just to touch on -- on the two locks, I  
20 think some of it is the inspection  
21 requirements and responsibilities. Who would  
22 actually do that?

23 If an aircraft is noted to only have  
24 one lock, who would be responsible to place  
25 the second lock? Who would be responsible if

1 you didn't place that second lock?

2 So I think it starts to become -- the  
3 details -- the devil in the details truly  
4 becomes the point in this case. Is it the  
5 hangar door lock? Is it the aircraft lock?

6 In the case of Allegheny County  
7 Airport, we'd implemented almost immediately  
8 after 9/11 the I.D. -- photo I.D. badge  
9 program that I think is -- is probably one of  
10 the best -- best practices in the country  
11 with -- without any legislation to do that.

12 And so it really comes down, I think,  
13 on the details of the two locks because  
14 there's so many different types of aircraft,  
15 there would be as many different types of  
16 locks, and the knowledge of those locks and  
17 how they work and who keeps the spares for  
18 those, just becomes a very unmanageable spare  
19 parts function almost.

20 CHAIRMAN MARKOSEK: Okay.  
21 Representative Siptroth, then Representative  
22 Moyer.

23 REPRESENTATIVE SIPTROTH: Thank you,  
24 Mr. Chairman.

25 This question is directed to AOPA.

1       Would -- would your organization object if  
2       this were aimed and targeted for Category 3  
3       aircraft versus 1s and 2s?

4               Does that makes a better fit for --  
5       for this particular piece of legislation?

6               MR. PECORARO: Well, certainly  
7       without -- without endorsing a two-lock rule  
8       for anybody, I would suggest that, you know,  
9       aircraft of that nature probably are less  
10      likely to be using the airports that we're  
11      most concerned about and are more likely to be  
12      using the airports that, in fact, in  
13      Pennsylvania, you have so many of them, are  
14      already access controlled.

15              In other words, you have a large  
16      number of access controlled airports in  
17      Pennsylvania and those aircraft, I think,  
18      generally are locked anyway.

19              So I think that while a criminal  
20      offense, criminal penalties are probably an  
21      over-reaction in any case, I think you would  
22      find that most aircraft that would fit that  
23      category probably do benefit from protection  
24      from -- from two locks somehow.

25              REPRESENTATIVE SIPTROTH: One other

1 question. One of the -- of the penalties is  
2 grants to public airports. A number of  
3 individuals that have aircraft have private  
4 airports of their own and so the only -- the  
5 only penalty would be the summary offense  
6 itself.

7 And I think there's some concern  
8 there that it's a double penalty if it's a  
9 public airport versus a private airport.  
10 That's another concern of mine.

11 MR. PECORARO: Well, you raise a good  
12 point, Mr. Siptroth, and that is, you know,  
13 who is going to be going on private property  
14 and inspecting aircraft at privately owned  
15 airstrips to see if they're double locking the  
16 aircraft? Which, you know, is -- is  
17 certainly, I would think, problematic for  
18 anybody.

19 REPRESENTATIVE SIPTROTH: And in some  
20 instances with the double lock it's still  
21 possible to get an aircraft airborne.

22 MR. PECORARO: Well --

23 REPRESENTATIVE SIPTROTH: And  
24 depending on the type of lock that's used, and  
25 then you have the instability of the aircraft

1       once it's in the air and it could cause  
2       additional problems to the public, more public  
3       harm than what would be expected if there was  
4       a terrorist activity.

5               MR. PECORARO: Well, as anybody who  
6       has ever had their home burgled can tell you  
7       that with elaborate security systems, you  
8       know, any -- any security system or lock can  
9       be defeated.

10              The issue here -- and I think this is  
11       a very important issue -- is that you have to  
12       know how to fly the plane to get it up and do  
13       anything with it.

14              And as I've said, the pilot  
15       population is constantly monitored. People  
16       who have the ability to fly these planes are  
17       being checked against the terrorists' watch  
18       list as well as lots of other levels of  
19       security with the TSA and the FAA and Homeland  
20       Security you've instituted.

21              And it's our view that -- that, as  
22       the Representative said, this really is a  
23       solution in search of a problem because there  
24       just have not been any instances and -- and we  
25       don't -- you know, we don't expect that this



1 is likely to be a problem.

2 REPRESENTATIVE SIPTROTH: Thank you  
3 very much.

4 Thank you, Mr. Chairman.

5 CHAIRMAN MARKOSEK: Thank you.

6 Our analyst points out that the  
7 language of the bill says that this is for  
8 public airports. So private airports  
9 apparently aren't covered under the language  
10 of the bill.

11 Representative Moyer.

12 REPRESENTATIVE MOYER: Yes.

13 Mr. Chairman, I guess I'm one of those  
14 wannabes. I -- I did put in for the  
15 committee, but I didn't make the cut.

16 But the reason I'm here is --

17 REPRESENTATIVE GEIST: Then you  
18 better watch what you're saying then.

19 REPRESENTATIVE MOYER: Right. The  
20 reason --

21 CHAIRMAN MARKOSEK: You got my vote.

22 REPRESENTATIVE MOYER: Hey, thank  
23 you. Well, thank you, Mr. Chairman.

24 The reason I'm here this morning is  
25 because I -- I placed my name on this bill,

1 because -- as a co-sponsor because I looked at  
2 it as a -- as a national security issue.

3           However, since I did that, I received  
4 some emails and some phone calls, one from a  
5 friend that's a pilot saying, Jay, this is  
6 nothing but a nuisance piece of legislation.

7           And I -- I have a question for the  
8 gentleman from Chester County. Did I  
9 understand you to say that you don't require  
10 any security for your aircraft? In other  
11 words, if I'm a pilot and I -- I contract with  
12 you in terms of parking my aircraft at your  
13 airport, you -- you don't require any security  
14 measures on my behalf at all?

15           MR. HUDSON: I believe the question  
16 that was originally asked me was if a new  
17 tenant comes on my airport what do we do. And  
18 as of right now, if you want to become a  
19 tenant and you want to build a hangar, things  
20 of that nature, we don't have anything in  
21 place in terms of doing a security background  
22 check.

23           If you come to the airport and you  
24 want to learn how to fly, that's a little  
25 different. Okay?

1           But I also want you to understand  
2           that we do have security measures in place at  
3           my airport.

4           REPRESENTATIVE MOYER: Right.

5           MR. HUDSON: I think for the size of  
6           the airport we have and for the type of  
7           equipment that we have flying at our airport,  
8           I think we have a -- a good system in place.

9           But, once again, terrorists are  
10          always looking at new and inventive ways.

11          REPRESENTATIVE MOYER: Well, what I'm  
12          saying is if I had -- if I had my aircraft  
13          parked at your hangar, isn't there a checklist  
14          of things that you say to me as a pilot/owner  
15          of the aircraft, please lock your aircraft up.  
16          Don't you have signs to that effect? Isn't  
17          there some sort of security?

18          MR. HUDSON: We -- we -- yes, we do.  
19          We have a -- actually a security  
20          representative who represents AOPA --

21          REPRESENTATIVE MOYER: Right.

22          MR. HUDSON: -- who -- they would  
23          do -- post these particular type of signs  
24          around the airport.

25          Other than that, that's basically it

1 right now.

2 REPRESENTATIVE MOYER: And the other  
3 question, final question I have is for  
4 Mr. Moog.

5 I listened to your testimony and I  
6 read your testimony and it wasn't clear to me  
7 whether you are for or against it. Are you  
8 sort of taking the middle line here? Are  
9 you -- are you for this -- this -- this  
10 proposed legislation? Are you against it?

11 MR. MOOG: Well, I think that the  
12 legislation -- I am for it in concept. I  
13 think it's got to be modified to address some  
14 of the issues that have been raised here  
15 today.

16 And I'm not an airport operator/owner  
17 or a pilot. I'm a system planner that has  
18 some sense of fiduciary responsibility for the  
19 airport system in the Philadelphia area as an  
20 asset to our community. And it seems to me --  
21 and I've -- I've also dealt with a number  
22 of -- of concerns of community members about  
23 potential security risks.

24 And it seems to me that a little  
25 formalization of security thinking and

1 regulation in that area is something that's  
2 good for the aviation community in the sense  
3 of public relations with the neighbors that  
4 they have to deal with to do anything  
5 substantive at that airport.

6 REPRESENTATIVE MOYER: Thank you,  
7 Mr. Chairman.

8 CHAIRMAN MARKOSEK: Thank you.

9 Just to mention that we have another  
10 former member who entered the room, our former  
11 member Gene Hill.

12 Gene, welcome.

13 Representative Chairman Geist.

14 REPRESENTATIVE GEIST: Thank you. I  
15 don't think he looks like a terrorist at all,  
16 no matter what anybody says on that beard.

17 But to the aircraft owners, just one  
18 question.

19 MR. PECORARO: Yes, sir.

20 REPRESENTATIVE GEIST: Is that -- is  
21 that number right of three airplanes stolen --

22 MR. PECORARO: Yes, sir.

23 REPRESENTATIVE GEIST: -- in 2007?

24 MR. PECORARO: That is -- yes, sir.

25 In 2007, that's correct.

1           REPRESENTATIVE GEIST:  Is somebody  
2 going to establish a need for writing this law  
3 then?

4           MR. PECORARO:  Well, I mean I  
5 don't -- I would suggest that I don't think  
6 that there is a need for this law because --

7           REPRESENTATIVE GEIST:  Well, we're  
8 looking to your industry.

9           MR. PECORARO:  Right.  I'm sorry?  
10 I'm sorry.  Perhaps I don't understand your  
11 question.

12          REPRESENTATIVE GEIST:  Well, do we  
13 really need what we talked about here today  
14 for three airplanes for the whole country?

15          MR. PECORARO:  Oh.  No, sir.  I don't  
16 believe we do.  I believe that the -- as TSA  
17 has said, that the solution to this problem is  
18 increased emphasis on Airport Watch programs.

19                 And, in fact, two years ago in  
20 Pennsylvania, when this issue was discussed  
21 previously, we worked with -- with a number of  
22 legislators here and with PennDOT to do a  
23 Pennsylvania-specific outreach to pilots in  
24 Pennsylvania to emphasize the Airport Watch  
25 program, to make sure that they were

1 participating, to make sure their airports  
2 were participating.

3           We are glad to do that. Again, we've  
4 already had the discussion with the Bureau of  
5 Aviation about this here in Pennsylvania and  
6 they said they would be glad to work with us  
7 on that and we would suggest that that perhaps  
8 would probably be the most cost effective,  
9 sensible route for the state to take, but  
10 partnered with us as we partner with TSA on  
11 this.

12           REPRESENTATIVE GEIST: Maybe -- maybe  
13 one of the things -- and Joe had mentioned it  
14 also -- is that -- make it a secondary offense  
15 much like we do the seat belt law in  
16 Pennsylvania.

17           You know, we just write way too much  
18 law. So I want to make sure that -- that  
19 there's really a need before we move something  
20 like this out of committee.

21           CHAIRMAN MARKOSEK: Thank you.

22           Representative Moul.

23           REPRESENTATIVE MOUL: Thank you. I'm  
24 a transportation or aviation wannabe.

25           Speaking as a 20-year plus pilot,

1 aircraft owner, and member of AOPA, I can tell  
2 you that all the pilots at the airport I'm  
3 based at are pretty much vehemently against  
4 this.

5 They are all pro an awareness  
6 program. They are all pro helping airports be  
7 aware.

8 But the one thing that this  
9 legislation leaves out, which would be private  
10 airports, is probably where, if somebody is  
11 going to go steal an airplane to use it for a  
12 missile, that's where they're going to go to  
13 steal it.

14 Because at a public airport, such as  
15 Thomasville, it's a 5,000-foot runway, it's  
16 open to the public, privately owned, you know,  
17 there's always people walking around there and  
18 we all know each other. We know a strange  
19 face when we see it.

20 But to mandate putting a double lock  
21 system on an aircraft, trust me when I tell  
22 you this. It will kill somebody someday.  
23 Because there will be a pilot someday saying,  
24 well, I didn't want to put this prop lock on  
25 my plane, which is basically a chain covered



1 with vinyl with a lock on it, and if it's put  
2 on properly, at least from my cockpit, I would  
3 not be able to see it.

4 Just a -- a little situation that  
5 happened to me personally. After checking my  
6 oil in my first airplane one day -- and I only  
7 made this mistake once -- I forgot to lock the  
8 latches on my canopy cover for my engine.

9 And I was taxiing out -- thank God --  
10 a gust of wind came along and blew that side  
11 up. I was just about to take off with that  
12 unlocked.

13 Now, chances are it wouldn't have  
14 brought me out of the sky, but it could have  
15 come back through the windshield and taken me  
16 out. Then I would have come out of the sky.

17 And that was an honest mistake. Can  
18 you imagine what would happen if you left the  
19 chain hanging on your prop or a lock on your  
20 el rods?

21 Trust me when I tell you, if you're  
22 smart enough to fly the airplane, you're smart  
23 enough to pick a lock on a door, you're smart  
24 enough to get through the second lock, whether  
25 it's a throttle lock or any other type of

1 lock.

2 And personally -- nothing against  
3 Representative Lentz. I think he's a  
4 wonderful man, but this is silly legislation.  
5 That -- and we should not be doing anything  
6 with it.

7 I'm also a little tired of government  
8 trying to protect me from myself. And if a  
9 terrorist wants to get in my airplane and take  
10 off, even locked in my hangar with the doors  
11 locked, it's not going to stop him. He's  
12 going to get in and do it.

13 And this will actually hurt somebody  
14 someday, and I don't want to see that happen.  
15 There's my two cents.

16 Thank you, Mr. Chairman.

17 CHAIRMAN MARKOSEK: Okay. Thank you.

18 And we're right on time. So I want  
19 to thank all the folks that traveled here to  
20 be here to testify. Very, very interesting.  
21 Very good testimony.

22 I will mention for the Committee  
23 members that our next meeting is next  
24 Wednesday, March 19th at 8:30 a.m. here. It's  
25 a hearing relative to the study we had done

1 relative to privatizing state transportation  
2 assets.

3 And -- and with that, seeing no more  
4 questions, the meeting is adjourned. Thank  
5 you.

6 (The proceedings were concluded at  
7 10:57 a.m.)

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

I hereby certify that the proceedings  
and evidence are contained fully and  
accurately in the notes taken by me on the  
within proceedings and that this is a correct  
transcript of the same.

\_\_\_\_\_  
Brenda S. Hamilton, RPR  
Reporter - Notary Public