The current economic issues in the airline industry and the general downturn in the United States economy are having an impact on aviation in Ohio. Airlines have reduced the number of flights, and 2008 passenger departures and arrivals have decreased. This has resulted in decreased revenues that result from landing and gate fees at the major commercial airports in the state. The impact on smaller airports is similar due to a decrease in general aviation. Despite this, major projects at several airports are underway that will improve the state’s aviation infrastructure once completed.

Background

Ohio, as the birthplace of aviation, has a long history in the field of aviation and history of support to the aviation industry. Ohio’s system of publicly owned airports and non-system airports generate $10.5 billion in economic activity and create thousands of jobs.\(^1\)

The aviation system has gone through extraordinary changes over the last ten years. First were the increases in security and decrease in traffic due to the 9/11 terrorist attacks, then came increases in competition from low cost carriers, increases in use of regional jets, the spike in oil prices of 2008 and, most recently, the economic downturn. While there have been some failures during that time, overall air traffic has increased. And, while air traffic may be temporarily down due to the economy, it is expected to bounce back.

Airports typically fund infrastructure projects from four sources: cash flow, bonds, grants (federal/state/local), and passenger facility charges (PFCs). PFCs, which are airport use fees airlines pass along to the consumer as part of the ticket cost, are only used at commercial service airports.

Ohio Airport and Aviation Facts and Issues

The aviation infrastructure in Ohio is extensive. Ohio ranks third in the nation with 124 paved and lighted general aviation airports. The core of Ohio’s aviation system is composed of 170 public use airports ranging from commercial passenger airports to general aviation airports used for business, law enforcement, emergency medical response, state and local government services, instructional, and recreational purposes.
Ohio has seven commercial airports, which include four hub airports (Cleveland Hopkins, Port Columbus, Akron-Canton, and Dayton) and three non-primary airports (Toledo, Youngstown-Warren, and Rickenbacker). These seven airports accounted for 11,694,000 passenger enplanements.\(^2\) Enplanements at these airports between 2002 and 2007 increased more than 14%.\(^2\) While all airports had fewer enplanements in 2008 than in 2007, and are likely to again experience a decrease in 2009, the industry forecasts enplanements to continue to increase over the long term at approximately 2.9% annually.\(^3\)

Generally, Ohio’s commercial service airports are in a position to accept the additional enplanements. Cleveland Hopkins has invested significant resources in recent years, including replacement of Runway 5L/23R with new Runway 6L/24R and the uncoupling of Runway 6R/24L and Runway 10/28. Cleveland Hopkins has also recently received funds from the American Recovery and Reinvestment Act to construct taxiways and a holding apron, which will allow the airport to proceed with the construction of a new air traffic control tower. These improvements will allow Cleveland Hopkins to safely handle the expected increase in traffic. Port Columbus and Akron-Canton also have runway replacement and runway extension projects, respectively, that they anticipate will be completed within the next five years. With the completion of these improvements, Ohio appears to be positioned to handle increased capacity needs at its commercial service airports.

Ohio’s commercial airports currently have adequate capacity to handle the number of scheduled airline arrival and departure flights. However, since the national airport system is so closely linked, delays at other airports have a trickle down effect and delays still occur at an increasing rate at Ohio airports.

To alleviate delays, the Federal Aviation Administration (FAA) has developed a plan to increase capacity at other airports that are routinely plagued by delays that affect the entire system. Additionally, the FAA is in the process of implementing the NextGen, GPS-based air traffic control system. The air traffic control system is based largely on 1950’s technology and the current volume of air traffic has exceeded its limits to maintain efficient and safe operation. The full implementation of NextGen will open up airspace and reduce congestion in the air between airports.

The four largest public use cargo airports in Ohio (Cleveland Hopkins, Dayton, Toledo and Rickenbacker) handled approximately 2.2 billion pounds of air cargo in 2007 compared with 3.8 billion pounds in 2002.\(^2\) While all four airports have seen up and down fluctuations over that time, the significant drop is due primarily to Emory Air’s closure of its facility at Dayton in 2006.

To meet the state system’s goals, the Ohio Department of Transportation (ODOT) Office of Aviation has identified $117 million of improvements at general aviation airports.\(^4\) This number does not include costs for maintenance, rehabilitation, or reconstruction of existing infrastructure. It has been estimated that approximately $9.8 million a year is needed to maintain these airports at their existing condition. ODOT’s proposed additions to Ohio’s general aviation system will allow these airports to provide effective support for business, law enforcement, emergency medical response, state and local government services, instructional, and recreational purposes.

The FAA’s Airport Improvement Program (AIP) grant program expired in 2007 and has since been operating under short-term continuing resolutions. These short-term continuing
resolutions have made it difficult for airports to complete larger multiyear projects, since funding cannot be guaranteed for more than three to six months.

Aviation activity generates annual tax revenues of approximately $22 million for Ohio. Ohio reinvests a portion of these proceeds into infrastructure through the Ohio Airport Grant Program. The Ohio Airport Grant Program provides financial assistance to publicly-owned airports that do not receive FAA passenger or air cargo entitlements. Grants are typically used for airport pavement resurfacing, obstruction removal, and marking. While the amount of the program has varied year to year, it has typically been between $1.5-1.8 million annually over the last few years. However, the program is facing possible funding cuts beginning in FY2010. Even if the program funds are not decreased, Ohio’s grant program is significantly smaller than the grant programs of states of similar size.

The FAA sets a performance goal of ensuring that 93% of National Plan of Integrated Airport Systems (NPIAS) airport runways are maintained in good or fair condition. Based on data from 2007, the FAA rated 79% of Ohio’s NPIAS runways as good, 18% as fair, and 3% as poor. At commercial service airports, the runways fared slightly better, with 80% good, 18% fair, and 2% poor.\(^3\)

The ODOT Office of Aviation has established goals that 85% of all runways, 80% of all taxiways and 75% of all aprons have a satisfactory pavement condition rating. Based on the most recent data available, only 58% of runways, 57% of taxiways and 62% of aprons meet the satisfactory condition index.\(^2\)

Ohio residents have good access to commercial service airports, with 87% living within a 60-minute drive to a commercial service airport and 98% living within a 90-minute drive (these figures factor in out-of-state airports, including the Cincinnati Northern Kentucky International, Pittsburgh International, Tri-State, and Mid-Ohio Valley Regional airports). 90% of Ohio residents live within a 30-minute drive to an advance service airport (commercial airports and general aviation airports capable of serving larger business/corporate jet aircraft).\(^4\)

**Policy Options**

The national aviation system faces a number of major challenges in the coming years. To meet these challenges, the national aviation infrastructure must become more flexible, and we must ensure that the necessary expenditure of capital to meet the infrastructure need is available.

ASCE supports the permanent extension and increase of user fees as necessary for continued funding of AIP through the Airport and Airway Trust Fund. All monies collected from these user fees should be deposited in the Airport Trust Fund, and the Airport Trust Fund should be removed from the unified federal budget. Revenue Aligned Budget Authority (RABA), which allows for the allocation of all trust fund revenues, should be established in the airport trust funds. Additionally, Congress must provide continued, but separate, non-AIP and non-PFC funding for security operations.

There is general consensus that maintaining the integrity of the national airport system requires continual updates and a steady and predictable flow of capital. Federal and state funding at current levels is not sufficient to maintain the integrity of existing airports and address the capital improvements identified. For Ohio’s airports to fully serve the residents, business and government interests, additional funding needs to be acquired. The passage of a new federal
AIP program, including an increase in PFC caps, would be an important step in continuing this important program. Additionally, Ohio should increase the state grant program. The additional state funding could be generated from existing aviation fees and taxes that currently go into the general revenue fund.

Specific ASCE Ohio Council Recommendations

- Reauthorization of the FAA’s AIP grant program
- Removal of the Airport Trust Fund from the federal budget
- Increase the cap on PFCs
- Support the modernization of Air Traffic Control Systems
- Utilize state aviation fees and taxes exclusively for aviation purposes, including increased funding to the Ohio Airport Grant Program

Sources

1 Office of Aviation, ODOT, The Economic Impact of Airports in Ohio, January, 2006

2 Federal Aviation Administration, Department of Transportation, CY 2002-2007 Passenger Boarding and All Cargo Data, September, 2008


4 Office of Aviation, ODOT, Ohio State Airport System Plan, May, 2006

The following sources provided additional information considered in the preparation of this section of the report card:

5 Ohio Aviation Association


7 ASCE Policy Statement 149, “Intermodal Transportation Systems,” 2008

8 ASCE Policy Statement 434, “Transportation Trust Funds,” 2006

