

GAO

Testimony

Before the Subcommittee on Aviation,
Committee on Transportation and Infrastructure,
House of Representatives

Hearing
held on
March 13, 1996
Statement
Submitted on
March 13, 1996

AIRPORT IMPROVEMENT PROGRAM

Military Airport Program and Reliever Set-Aside Update

Statement for the Record by John H. Anderson, Jr.,
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Mr. Chairman and Members of the Subcommittee:

We are pleased to provide this statement for the record which addresses issues dealing with the Airport Improvement Program discussed in our June 1994 reports entitled Airport Improvement Program: The Military Airport Program Has Not Achieved Intended Impact (GAO/RCED-94-209) and Airport Improvement Program: Reliever Airport Set-Aside Funds Could Be Redirected (GAO/RCED-94-226). The Military Airport Program (MAP) set-aside fund was established to assist current and former military airports located in congested metropolitan areas in converting to viable civilian aviation use. Congress created the reliever airport set-aside fund to reduce congestion at commercial airports as well as provide general aviation with additional access to airports.

This statement provides an overview of our work on the MAP and the reliever set-aside and updates the status of each program. We would like to first summarize the findings from the two reports and then provide more detail for each:

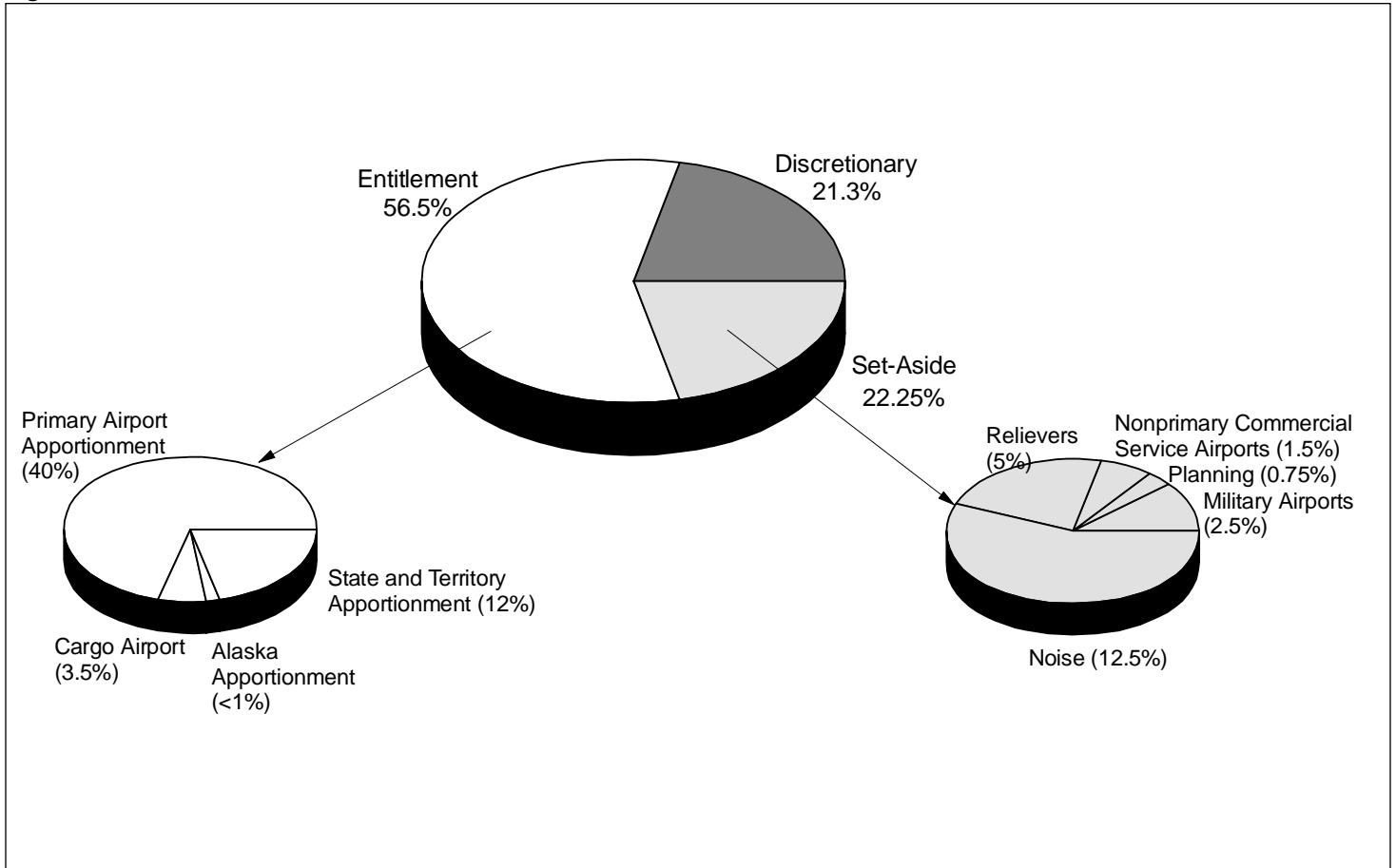
- In 1994, we reported that 9 of the 12 airports selected for the MAP did not meet the key legislatively established program goal to enhance airport and air traffic capacity in congested metropolitan areas by assisting current and former military airports convert to civilian use. Five of the airports in the program at that time were unlikely to increase capacity or reduce congestion at large metropolitan airports because they were not located near airports experiencing 20,000 hours of annual delays. Furthermore, because 9 of the airports had been operating as joint use or civilian airports for a decade or more they already had the types of facilities in place that the program was designed to develop. We recommended and the Federal Aviation Administration (FAA) agreed to tighten its criteria for entry into the program and focus its grant funds on conversion and capacity projects for MAP airports. By fiscal year 1997, FAA plans to have “graduated” all 12 MAP airports out of the program. To date, FAA has identified only two new potential candidates for the MAP that meet its selection criteria.
- In 1994, we reported that the conditions that the reliever set-aside fund was created to address—reducing congestion at commercial airports and providing additional general aviation access—no longer exist. We reported that FAA did not consider general aviation to be a significant factor in congestion at commercial airports because of an overall decline in general aviation traffic. Also, FAA and aviation industry officials considered access to general aviation facilities to be sufficient where most reliever airports

are located. FAA projected an increase in the use of larger general aviation aircraft. However, most reliever airports did not have the facilities, such as a 5,000-foot runway or navigational aids, to accommodate these types of aircraft. We reported that FAA did not consider the presence of specific facilities or a reliever's location when designating reliever airports. We recommended and FAA agreed to reexamine the criteria used for designating reliever airports. However, as of March 12, 1996, FAA has not developed any alternative selection criteria for relievers.

Background

FAA, through the AIP, provides funding for airport planning and development projects that enhance capacity, safety, security, and noise mitigation. FAA has designated about 3,300 airports as critical to the national airport system and thus eligible for AIP funding. FAA allocates most AIP funds on the basis of a legislated entitlement formula and has set-aside categories earmarked for specific types of airports or projects. The set-asides that support MAP and reliever airports are two of five specially legislated funding categories (see fig. 1).

Figure 1: AIP Allocation Method, 1995



FAA also has the discretion to allocate the remaining discretionary funds on the basis of needs identified by the airports. From 1982 through 1994, FAA allocated about \$16 billion in AIP funds for improvements at eligible airports.

Military Airport Program

The MAP set-aside was established to assist current and former military airports located in congested metropolitan areas in converting to viable civilian aviation airports. Currently, the set-aside is authorized at 2.5 percent of the AIP allocation. However, in fiscal year 1996, the MAP allocation was temporarily reduced to 1.8 percent, or \$26 million.¹ The

¹For fiscal year 1996, the Department of Transportation and Related Agencies Appropriation Act (P.L. 104-50) set the MAP funding level at \$26 million.

Congress cited three main conditions that an airport must meet to be eligible for funds under this program: (1) it must be a former or current military airport, (2) it must have the potential for conversion either to a public use commercial service or reliever airport, and (3) its “conversion in whole or in part ... would enhance airport and air traffic control system capacity in major metropolitan areas and reduce current and projected flight delays.” In 1994, the legislation was amended to direct FAA to designate only those airports that met the above criteria and would specifically reduce congestion at airports with more than 20,000 hours of annual delays of commercial passenger aircraft. Also, the Congress expanded potential participation in the program from 12 to 15 airports. Of the 12 airports that have participated thus far, 7 graduated after fiscal year 1995, 1 will graduate after fiscal year 1996, and 4 will graduate after fiscal year 1997.

In 1994, 9 of the 12 airports selected for the MAP did not meet the key congressionally established program goals. Five airports were not located in congested air traffic areas and were unlikely to increase capacity or reduce congestion at large metropolitan airports or systemwide. Furthermore, 9 of the airports had been operating as joint or civilian airports for 10 or more years, and many of the airports had the types of facilities in place that the program was designed to develop, such as terminals, parking facilities, and utilities. While MAP funds could be used for projects outside the regular scope of the AIP (like parking facilities and utilities), most of these airports used the grants for projects like runway and taxiway resurfacing—projects that are not unique to MAP airport participants and could be funded with AIP entitlement or discretionary grants.

In response to recommendations in our 1994 report, FAA has taken several actions to address the MAP-related issues we identified. First, FAA tightened the eligibility criteria that airports must satisfy to enter the program by requiring that airports be selected based in part on their ability to reduce delays at airports experiencing more than 20,000 hours of annual delays. Second, FAA has required that all airports participating in the program submit a 5-year capital plan that identifies conversion- and capacity-related projects that require the flexibility of MAP funds. Third, FAA has graduated 7 of the 12 MAP airports out of the program because they had participated for 5 years and were no longer eligible for MAP funds. By the end of fiscal year 1997, FAA expects that the five remaining airports will have graduated. Currently, FAA has identified two airports (Williams Air Force Base in Arizona and George Air Force Base in California) that meet

AIP and MAP eligibility criteria, are interested, have the potential to be added to the program, and have not previously participated in the program.²

Reliever Set-Aside

The Congress authorized FAA to allocate 5 percent of AIP funds to a set-aside fund for reliever airports. However, in fiscal year 1996, the reliever allocation was temporarily reduced to 3.3 percent, or about \$48 million.³ The Congress created the set-aside for relievers so that they could better (1) relieve congestion at commercial airports and (2) provide additional general aviation access to the community. Since 1982, FAA had designated 329 reliever airports, most of which are located near major metropolitan areas.

In 1994, we reported that the objectives for the reliever set-aside—to reduce congestion at commercial airports and to provide additional general aviation access—no longer existed. With respect to congestion, FAA did not consider general aviation to be a significant factor in congestion at commercial airports. Our analysis in 1994 showed that during 1983 to 1991 the proportion of general aviation traffic decreased by 38 percent at the nation's congested commercial airports. We reported that this decrease was attributable to an overall decline in general aviation traffic, not the presence of reliever airports. FAA's projections at that time for general aviation traffic suggested that the future role of reliever airports in alleviating congestion and delays would likely remain small.

However, FAA's forecast foresaw a significant increase in one segment of general aviation traffic—larger general aviation aircraft such as turboprops and turbojets. These types of aircraft, which constitute about 5 percent of the general aviation fleet, are most likely to use commercial airports. Yet, most relievers' facilities cannot accommodate the larger general aviation aircraft or the relievers are located too far from major business centers. Aviation association officials told us that pilots of larger general aviation aircraft generally prefer airports that have at least a 5,000-foot runway, navigational aids (like an instrument landing system)

²In 1990, the Congress directed FAA to survey all current and former military airports to identify potential candidates for the program. FAA completed its survey in 1995 and has identified 16 candidates that today would be eligible to receive AIP funds. Of the 16, 4 have the potential to reduce delays at commercial airports exceeding 20,000 hours of annual delay. Two of the 4 have already participated in the program (Norton Air Force Base in California and Pease Air Force Base in New Hampshire) and are scheduled to "graduate" after fiscal year 1997. The remaining 2 airfields (Williams and George) meet both the AIP and MAP criteria.

³For fiscal year 1996, the Department of Transportation and Related Agencies Appropriation Act (P.L. 104-50) set the reliever funding level at \$48 million.

that allow all-weather operations, and a location near major business centers.

When it designated reliever airports, FAA did not consider existing facilities or their proximity to major business centers. In 1994, only 67 of the 246 reliever airports linked to a nearby commercial airport had the facilities desired by larger general aviation aircraft pilots. Furthermore, only 32 of the 67 reliever airports were located near congested airports.

Regarding general aviation access, FAA and aviation industry group officials considered access to these facilities to be sufficient—and often more than sufficient—in most areas where relievers are located. In 1994, we analyzed five major metropolitan centers with a total of 34 relievers linked to their commercial airports. We spoke with officials at 28 of the 34 relievers to, among other things, obtain their views as to the adequacy of general aviation access in the area. Officials at 22 of the reliever airports told us that they considered reliever airports within their metropolitan area to be underused. The officials pointed to the shrinking size of the general aviation market as a cause and said that the shrinking market was forcing them to compete for customers.

In our 1994 report, we recommended and FAA agreed to develop and formalize criteria to determine (1) when the presence of reliever airports could provide relief to airports that experience air traffic delays caused in part by general aviation traffic, (2) how much general aviation access is required nationwide, and (3) whether the current number of reliever airports is appropriate for current and future general aviation traffic. FAA's Director of the Office of Airport Planning and Programming said that the agency was currently in the process of finalizing a report that contains revised program criteria; however, as of March 12, 1996, the report had not been issued.

Mr. Chairman, this concludes our prepared statement.

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