

Key Takeaways

- Rural airports are important for the rural economy, contributing more than \$614 million in 2019.
- Reliable, frequent, and quality air service is vital to rural airports and the communities they serve.
- Airline mergers and consolidations have negatively impacted rural airports in terms of service availability, and the communities they serve in terms of economic development.
- Williamsport Regional Airport is an example of the potential issues that may affect rural airports across the state and nation.

The following are highlights of testimony presented at the February 4, 2021, Center for Rural Pennsylvania Hearing on Aviation. The Center’s Board of Directors conducted the hearing to examine the importance of airports and aviation to our rural areas. The hearing highlighted the decision by American Airlines to drop flights from many smaller U.S. cities, including Williamsport, and the economic and social impacts this will have on the region.

Background

Currently, Pennsylvania has 14 commercial service airports (defined as airports with passenger service). Six of these airports are in rural counties and eight are in urban counties.

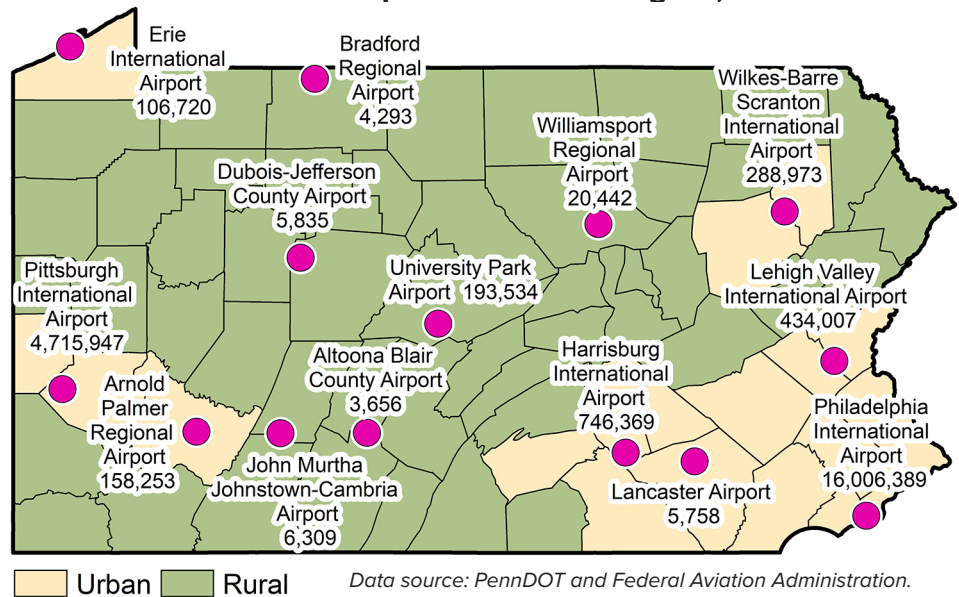
In 2019, more than 20.7 million passengers (91 percent) traveled through the Pittsburgh and Philadelphia airports. That same year, 234,000 passengers used rural airports. The median expenditures at rural airports were \$1.84 million, or \$60 per passenger. At urban airports, median expenditures were \$23.05 million, or \$31 per passenger.

Testimony Highlights

According to the Aviation Council of Pennsylvania, air travel is the third most desired means of transportation.

Pennsylvania Department of Transportation (PennDOT) representatives provided data that showed how vital airports are to the rural economy. According to a 2019 PennDOT study, rural airports had an economic impact of \$614.0 million, which equals \$2,632 per passenger. In urban airports, the total impact was \$26.1 billion, or \$1,161 per passenger. In 2019, rural airports across Pennsylvania employed more

Commercial Airports and Passengers, 2019



Economic Impact of Pennsylvania Commercial Airports, 2019

Airport Name	# Passengers	Total Economic Impact, 2019 (in Millions)	Total Economic Impact per Passenger, 2019
John Murtha Johnstown-Cambria Airport	6,309	\$195.37	\$30,967
Lancaster Airport	5,758	\$80.41	\$13,965
Altoona Blair County Airport	3,656	\$34.71	\$9,493
Dubois-Jefferson County Airport	5,835	\$39.53	\$6,774
Williamsport Regional Airport	20,442	\$94.02	\$4,599
Bradford Regional Airport	4,293	\$17.47	\$4,068
Erie International Airport	106,720	\$182.61	\$1,711
Wilkes-Barre Scranton International Airport	288,973	\$452.14	\$1,565
Pittsburgh International Airport	4,715,947	\$7,011.04	\$1,487
Arnold Palmer Regional Airport	158,253	\$226.31	\$1,430
Harrisburg International Airport	746,369	\$1,017.57	\$1,363
Lehigh Valley International Airport	434,007	\$547.73	\$1,262
University Park Airport	193,534	\$232.95	\$1,204
Philadelphia International Airport	16,006,389	\$16,561.96	\$1,035
Total	22,696,485	\$26,693.80	\$1,176

Data source: PennDOT and Federal Aviation Administration.

than 5,500 employees, and urban airports employed more than 300,000.

According to Volaire Aviation Consulting, small city airports have been hit on two fronts: consolidation of the industry, and

the onset of COVID-19. Together, these factors have affected rural airports, such as Williamsport Regional Airport (IPT).

IPT is in a precarious situation because its major airline is leaving. Lycoming County Commissioners expressed concern of air carrier deregulation and the impact it has had on rural America. Many small airports have required Essential Air Service designation to support a minimum level of service. In Pennsylvania, five airports have such a designation and receive federal dollars. These are: Altoona-Blair County, Bradford Regional, Dubois Regional, John Murtha Johnstown-Cambria County, and Lancaster.

Rural Aviation Case Study: Williamsport Regional Airport

In late 2020, American Airlines, IPT's only major carrier, announced that it was withdrawing service at IPT. This announcement was preceded by reductions in airplane size/seating capacity, and cuts to regularly scheduled flights. IPT's executive director expressed concern that the result of this withdrawal will vacate IPT of any scheduled service.

The impact of this announcement has profound impacts to the Williamsport region:

- **Recruitment of new employees and businesses.** At the hearing, business owners, such as Lycoming Engines and Fish Real Estate, and the Chamber of Commerce expressed frustration with the threat this pullout presents to attracting and recruiting quality employees.
- **Cost of doing business.** Testifiers said a lack of quality air service diverts potential air customers to drive to other hubs, burdening employees, customers, vendors, students, and visitors with extra costs and travel time. For example, a representative from Energy Aviation reported that this change could mean up to \$600,000 in losses annually.
- **Health care provision and access.** A UPMC representative reported that 90 percent of candidates for physician positions expressed the need for airline service.
- **Education.** According to Pennsylvania College of Technology representatives, recruitment of students and faculty is potentially diminished. Within a 40-mile radius of IPT there are seven colleges and universities with approximately 26,484 students.
- **Tourism.** Williamsport is home to the Little League World Series, which attracts thousands of visitors from across the world. Access to Williamsport will be degraded by the lack of air service. Local residents' leisure travel will be complicated by reduced access as well.

Overall, because of the forthcoming limited access to air service, nearly 500,000 residents within a 40-mile radius of IPT will be affected. This means that these residents must rely on other, more distant airports for business and leisure travel.

The implications from the IPT case study show how the lack of air service from a major airline may affect other rural areas across Pennsylvania and the nation.

Thank you to the following individuals who attended the hearing and provided testimony: Anthony J. McCloskey and Jennie A. Granger, Pennsylvania Department of Transportation; David Heath and Fran Strouse, Aviation Council of Pennsylvania; Jason Fink, Williamsport/Lycoming Chamber of Commerce; Richard Howell, Williamsport Regional Airport; Michael Mooney, Volaire Aviation; Richard Mirabito, Scott L. Metzger, and Tony R. Mussare, Lycoming County Commissioners; Frank Pellegrino, Williamsport Municipal Airport Authority; Stephen Keener, Little League ®; Patti Jackson, UPMC Susquehanna; Patrick Marty, Pennsylvania College of Technology; Shannon Massey, Lycoming Engines; Brent Fish, Fish Real Estate Inc., and; and Robert Jenkins, Energy Aviation.

Center for Rural Pennsylvania Board of Directors

Chairman

Senator Gene Yaw

Secretary

Dr. Nancy Falvo, Clarion University of Pennsylvania

Treasurer

Mr. Stephen M. Brame, Governor's Representative

Senator Katie J. Muth

Representative Dan Moul

Representative Eddie Day Pashinski

Dr. Timothy Kelsey, Pennsylvania State University

Dr. Catherine Koverola, University of Pittsburgh

Ms. Shannon M. Munro, Pennsylvania College of Technology

Dr. Joseph T. Nairn, Northern Pennsylvania Regional College

Dr. Charles Patterson, Mansfield University of Pennsylvania

Mr. Darrin Youker, Governor's Representative

Center for Rural Pennsylvania Staff

Director

Kyle C. Kopko, Ph.D.

Senior Policy Analyst

Jonathan Johnson

Communications Manager

Christine Caldara Piatos

Program Manager for Grants

Pam Frontino

Office Manager

Linda Hinson