

MINUTES OF THE MEETING OF THE HOUSE HIGHWAYS AND
TRANSPORTATION COMMITTEE, FEBRUARY 19, 1983

The meeting was called to order by Chairman Abrams on Saturday, February 19, 1983 at 9am, in Room 129, State Capitol. All members were present with the exception of Rep. Howe, who was absent.

HEARINGS

HOUSE JOINT RESOLUTION 26. REP. GENE ERNST, District 47, Judith Basin County testified as sponsor of the resolution which urges congress to limit amendments to bills to the subject matter contained in the bill.

PROPOSERS

There were no proposers of the bill.

OPPOSERS

There were no opposers of the bill and Rep. Ernst closed.

QUESTIONS

There were no questions from the Committee.

HOUSE BILL 820. REP. TOM ASAY, District 50, Rosebud County, testified as sponsor of the bill which pertains to long range building funds for airport improvement. He told the Committee there are 70 eligible airports in communities in the State for which major improvement funds would be available, adding maintenance was not included. He explained the bill is not a "jobs bill" but would create jobs in the State and said funding would be set up on a loan basis whereby any unmatched funds would be provided to other airports within the U.S. Rep. Asay advised \$39 million would be made available to Montana from the aviation fuels tax during the next few years.

PROPOSERS

MR. BRUCE PUTNAM, Billings, President of the Montana Airport Managers Association, told the Committee he represented between 20 and 25 airports within the State. He said his organization supports the bill as the loan program is an important one and would benefit at least one airport in every county of the state. He explained federal funds are matched either by a sponsor or local shares at 10%, adding the real benefit is to small airports which will be allowed to repay the loan over an extended period of time. He requested committee support of the bill, stating it would benefit all Montanans (exhibit).

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SEN. PAT GOODOVER, District 22, Great Falls, asked Mr. Gary Buchanan, Director, Department of Commerce, to address the bill. Mr. Buchanan said the revolving loan program would be set up within the Division of Aviation and Aeronautics, adding it was an opportunity for leverage for the State and urging committee support of the bill.

MR. TOM CRIPPEN, Butte, Montana Business Aircraft and Business Trades Association, advised the Committee of the importance of air travel to business. He said sophisticated planes require sophisticated air strips, which the bill would enable and urged committee support of the bill.

MR. BILL ATWOOD, Manager, Great Falls Airport, also requested committee support of the bill.

MR. HUGH KELLEHER, Helena Airport Manager, told the Committee every airport in the nation is requesting these funds and Montana would lose a great opportunity if it did not participate.

MR. KEN CURTIS, Northwest Airlines, stated his support of the bill.

REP. DAVE BROWN, District 83, stated his support of the bill as a representative of the Butte-Silver Bow Airport.

MR. MIKE FERGUSON, Division of Aeronautics, Department of Commerce, provided the Committee with prepared testimony advising of \$57 million needed for Montana's airports during the next five years.

REP. HELEN O'CONNELL, District 34, Cascade, testified for Mr. Teshovick in support of the bill.

OPPONENTS

There were no opponents of the bill.

IN CLOSING, Rep. Asay advised committee members of a recent situation whereby a muddy runway prevented a plane from landing.

QUESTIONS

REP. KOEHNKE asked who would decide which airports were to receive funding. Mr. Ferguson replied the FAA would be

primarily responsible for any decisions and the new Mountain Regional Office in Seattle has established a field office in Helena, which would have input.

REP. LYBECK asked if funds could be transferred between airports. Mr. Ferguson responded, telling him funds not utilized by an airport would be provided to the next airport on the list waiting for funding.

REP. UNDERDAL asked how the application process worked. Mr. Ferguson said a federal grant application would need to be completed coincidentally with a state loan application.

REP. KEYSER asked if a city would need an NASP designation to qualify for funds. There was no response to his question.

REP. ASAY closed and the hearing on House Bill 820 was closed.

EXECUTIVE SESSION

HOUSE BILL 820. REP. O'CONNELL moved the bill Do Pass. Rep. Keyser seconded the motion, which was approved by all members except Rep. Hammond, who abstained.

HOUSE JOINT RESOLUTION 26. REP. KEYSER moved the bill Do Pass. Rep. Koehnke seconded the motion, which was approved with all members voting aye except Rep. Brown, who voted no.

HOUSE BILL 636. REP. HEMSTAD moved the bill Do Pass and then moved that page 1, line 14 of the bill be amended to "250", striking "100", and that page 1, lines 17-19, be stricken in their entirety. Rep. Hemstad told the Committee a point system would be used when a violation occurred, referring to the Statement of Intent, and suggested the language remain in the bill. She said there are eleven rules to be followed in filing a flight plan which she believes are not restrictive. Rep. O'Connell seconded the motion.

REP. KOEHNKE asked if several words in the title were not superfluous. Mr. Greg Petesch, Legislative Council Attorney, replied they were.

REP. STOBIE asked why "Montana public controlled airports" language had been omitted from the proposed amendment and said without this language the bill would be unworkable for small airports.

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REP. HAMMOND replied phones were available for compliance with proposed statutes. Rep. Stobie said he thought this action should be left to the discretion of the pilot.

The motion made by Rep. Hemstad was approved by all committee members except Rep. Stobie, who voted no.

REP. HEMSTAD moved the bill Do Pass as Amended, to include the Statement of Intent.

REP. STOBIE made a substitute motion that "controlled" be inserted after "public" on page 1, line 13 of the bill, adding any reasonable person (pilot) could use judgment as to when to file a flight plan.

REP. SOLBERG asked how many airports in the State were controlled. Rep. Shontz replied only those in larger cities are controlled.

REP. KOEHNKE said he believes there are too many regulations and statutes in existence now.

The motion made by Rep. Stobie failed with nine members voting no and seven voting aye. Rep. Howe was absent.

The motion made by Rep. Hemstad was approved with all members voting aye except Representatives Solberg, Stobie and Underdal, who voted no. Rep. Koehnke abstained.

The meeting was adjourned at 10am.


REP. HUBERT ABRAMS, CHAIRMAN

Joann T. Gibson, Secretary



STANDING COMMITTEE REPORT

FEBRUARY 19

19 83

MR. **SPEAKER:**

We, your committee on **HIGHWAYS AND TRANSPORTATION**

having had under consideration **HOUSE JOINT RESOLUTION** Bill No. **26**

FIRST reading copy (**WHITE**)
color

**A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF
REPRESENTATIVES OF THE STATE OF MONTANA URGING THE UNITED
STATES CONGRESS TO ADOPT RULES LIMITING AMENDMENTS TO BILLS
TO THE SUBJECT MATTER REFLECTED IN THE TITLE OF THE BILL.**

Respectfully report as follows: That **HOUSE JOINT RESOLUTION** Bill No. **26**

DO PASS

REP. HUBERT ABRAMS

Chairman.

STANDING COMMITTEE REPORT

FEBRUARY 19 19 33

MR. **SPEAKER:**

We, your committee on **HIGHWAYS AND TRANSPORTATION**

having had under consideration **HOUSE** Bill No. **820**

FIRST reading copy (**WHITE**)
color

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING AN ACCOUNT TO RECEIVE A PORTION OF THE PROCEEDS OF LONG-RANGE BUILDING PROGRAM BONDS TO PROVIDE LOANS FOR THE SPONSOR'S SHARE OF AIRPORT IMPROVEMENT PROJECTS; AMENDING SECTION 67-1-301, NCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

Respectfully report as follows: That..... **HOUSE** Bill No. **820**

DO PASS

REP. HUBERT ABRAMS

Chairman.

STATE PUB. CO.
Helena, Mont.

COMMITTEE SECRETARY

STANDING COMMITTEE REPORT

FEBRUARY 19

19 83

MR. **SPEAKER:**

We, your committee on **HIGHWAYS AND TRANSPORTATION**

having had under consideration **HOUSE** Bill No. **636**

FIRST reading copy (**WHITE**)
color

**A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE PILOT
OF AN AIRCRAFT TO FILE A FLIGHT PLAN ON CERTAIN LONG-DISTANCE
VFR FLIGHTS ORIGINATING AT A MONTANA PUBLIC AIRPORT;
PROVIDING RULEMAKING AUTHORITY TO THE DEPARTMENT OF
COMMERCE; AND PROVIDING PENALTIES."**

Respectfully report as follows: That **HOUSE** Bill No. **636**

Be amended as follows:

- 1. Title, line 8
Following: "COMMERCE"
Strike: "remainder of line 8 through "PENALTIES"**
- 2. Page 1, line 14
Following: "than"
Strike: "100"
Insert: "250"**
- 3. Page 1, lines 17 through 19
Strike: subsection (2) in its entirety
Renumber: subsequent subsection**

AND AS AMENDED

DO PASS

REPRESENTATIVE HUBERT ABRAMS

Chairman.

ROLL CALL VOTE ----- 1983 HIGHWAYS AND TRANSPORTATION COMMITTEE

	Date: 1/27 No: HB 7	Date: 2/17 No: HB 636 Table	Date: 2/17 No: HB 443 Do Pass	Date: 2/17 No: HB 636 Reconsider	Date: 2/19 No: HB 636 Amend.	Date: No:
ABRAMS	Y	N	Y	Y	Y	
ZABROCKI	Y	Y	Y	Y	N	
BROWN	A	Y	Y	N	N	
COMPTON	Y	Y	Y	N	Y	
HAMMOND	Y	N	N	Y	N	
HARP	Y	N	N	Y	N	
HEMSTAD	Y	N	Y	Y	N	
HOWE	Y	Y	N	N	A	
KENNERLY	Y	Y	N	N	N	
KEYSER	Y	Y	Y	N	Y	
KOEHNKE	Y	Y	Y	N	Y	
LYBECK	Y	N	N	Y	N	
O'CONNELL	Y	N	Y	Y	N	
SHONTZ	A	N	N	Y	N	
SOLBERG	N	Y	Y	N	Y	
STOBIE	Y	Y	Y	N	Y	
UNDERDAL	Y	Y	Y	Y	Y	

VISITORS' REGISTER

HOUSE

Highways

COMMITTEE

BILL

HJR 26

Date 2-19-83

SPONSOR

Ernst

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

HOUSE

Highways

BILL

HB 820

Date 2-19-83

SPONSOR

Assay

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

Form CS-33
1-81

WITNESS STATEMENT

Name Tom Crippen Committee On Highways Transportation
Address 240 Hagel Dr Bozeman Date 19 Feb 1983
Representing Montana Business Aircraft
Montana Aviation Trades Support X
Bill No. 920 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1. Business people use Airports in different ways some for transportation of goods to be sold, for replacement parts, for transportation of people. we Business people who own and operate Aircraft require will maintain
2. Airports that have up to date facilities. ~~Funding for~~ this Bill would create funding to provide the types of Airports we need
3. From a trade stand point we also need Airports capable of handling our airplanes we use almost every Airport in the state. This Bill would create the kind of funding needed for these Airports
- 4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

Name KENNETH CURTIS Committee On Highway Transportation
Address HELENA, MT. Date 2-19-83
Representing NORTHWEST AIRLINES Support X
Bill No. HB 820 Oppose _____
Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

1.

COPY ATTACHED

2.

3.

4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.

WITNESS STATEMENT

Name J. Bruce Pyman

Committee On Highway Transportation

Address Billings

Date 2-19-83

Representing Montana Airport Management Assoc.

Support X

Bill No. HB 820

Oppose _____

Amend _____

AFTER TESTIFYING, PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

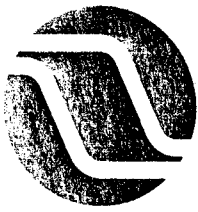
1.

2.

3.

4.

Itemize the main argument or points of your testimony. This will assist the committee secretary with her minutes.



NORTHWEST ORIENT

City - County Airport Helena, Montana

February 18, 1983

HOUSE BILL 820

MR. CHAIRMAN/MEMBERS OF THE COMMITTEE:

I AM KEN CURTIS AND AM THE LOCAL MANAGER FOR NORTHWEST AIRLINES IN HELENA AND HAVE BEEN WITH NORTHWEST FOR TWENTY YEARS. I AM HERE REPRESENTING ALL AIR CARRIERS SERVING MONTANA TO VOICE OUR SUPPORT OF HB 820.

WE FEEL IT IS ESSENTIAL THAT FUNDS BE MADE AVAILABLE TO PROVIDE THE STATES 10% MATCH OF AVAILABLE FEDERAL MONIES FOR AIRPORT IMPROVEMENT PROJECTS AND THIS BILL PROVIDES A GOOD VEHICLE FOR OBTAINING THOSE FUNDS. OTHER AVENUES FOR OBTAINING THE REQUIRED FUNDS, I.E., DIRECTING THE COSTS PRIMARILY TO THE AIRLINES WOULD BE UNACCEPTABLE PLACING ADDITIONAL HARDSHIP ON AN ALREADY FINANCIALLY TROUBLED INDUSTRY. THE AIRLINES ARE PRESENTLY PAYING OUR FAIR SHARE OF COSTS IN THE WAY OF AIRCRAFT, PROPERTY AND FUEL TAXES, LANDING FEES AND FACILITIES RENTAL.

AGAIN, THE AIRLINES FEEL HB 820 PROPOSES A VIABLE METHOD OF GENERATING FUNDS FOR AIRPORT IMPROVEMENT PROJECTS AND WE SUPPORT THE BILL.

LADIES AND GENTLEMEN, THANK YOU FOR LISTENING.

**MONTANA
AIRPORT
MANAGEMENT
ASSOCIATION**

*Hugh R. Kelleher, A.A.E. - Executive Secretary
Helena Airport, Helena, Montana 59601*

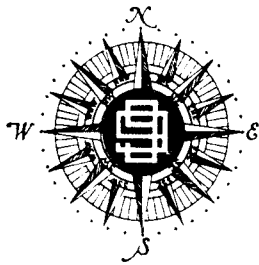
TESTIMONY OF J. BRUCE PUTNAM
PRESIDENT - MONTANA AIRPORT MANAGEMENT ASSOCIATION
BEFORE HOUSE HIGHWAY/TRANSPORTATION COMMITTEE
REGARDING HB 820

"An act to provide loans for the sponsors share of
Airport Improvement Projects"
SATURDAY FEBRUARY 18, 1983

The Montana Airport Management Association membership is composed of the managers of many of Montana's airports. We strongly urge your support of HB 820 which will establish an important loan program to provide sponsors share monies to match Federal Airport Improvement Program (AIP) Grant funds. These Federal user generated trust monies are parcelled back out to eligible airports in Montana (approximately 70 Montana airports are eligible) based on a 90%/10% formula. Therefore, eligible Montana airports can receive 90¢ of a construction dollar from the Federal AIP Program by contributing only 10¢ to the match.

The loan program for the sponsors share match provided in HB 820 would insure that many of Montana's airports could use the available Federal Grant funds. It is the opinion of the Montana Airport Management Association that this would benefit all of the eligible Montana airports but would especially benefit many of the state's smaller airports. This is because many of our smaller airports have a difficult time generating even the 10% sponsors match monies necessary to capture the 90% Federal funds.

Passage of this bill would be a step in the right direction toward insuring the continued operational efficiency and safety as well as the fiscal viability of Montana's important aviation system. We must remember that in a sparsely populated, geographically large state like ours, all Montanans benefit from the existence of these important airport facilities.



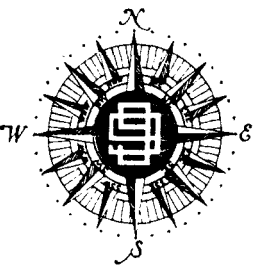
MONTANA CHAPTER NINETY-NINES, Inc.

STATEMENT OF DOROTHY K. CURTIS
CHAIRMAN - MONTANA CHAPTER NINETY-NINES, INC.
BEFORE THE HOUSE HIGHWAY AND TRANSPORTATION COMMITTEE
REGARDING HB 820
FEBRUARY 19, 1983

The Montana Chapter of Ninety-Nines, the international organization of women pilots, urges your support of HB 820, "An act establishing an account to receive a portion of the proceeds of long-range building program bonds to provide loans for the sponsor's share of airport improvement projects...." Passage of this bill would provide airports, ie. communities, across Montana with a source of funds with which to gain access to over 12 million dollars authorized by Congress for use in Montana through the Airport Improvement Program (AIP). If these funds are not used within the required time period they will no longer be authorized for the exclusive use by our state. This would mean not only the loss of resources to build and strengthen Montana's airport system, but also a loss of jobs for Montanans which would have been available through airport construction programs.

Airports are vital to the development of Montana. They are every citizen's link to the state, national, and worldwide air transportation system. Through airports pass airplanes, vehicles which shrink time and distance, thereby making Montana's 147,138 square mile size compatible with the pace of the modern business world. Many new businesses and industries rely on aviation as a tool to further growth and maintain efficiency; a strong airport system would be an appealing attraction to these businesses. Mail passes through airports into our communities. Millions of pounds of high value freight pass into and out of our communities by air; items as diverse as replacement drill bits to organ transplants travel by air. Airports link Montanans to the finest medical care available anywhere in the state or the world.

It is for these, and many more reasons, that we urge support of our airports by passage of HB 820. This bill will create growth in Montana through increased jobs, enhanced facilities, and an improved transportation and delivery system for all of our citizens.



MONTANA CHAPTER NINETY-NINES, Inc.

909 North 32 Street
Billings, MT 59101
February 20, 1983

The Honorable Hubert Abrams, Chairman
House Highway and Transportation Committee
Montana House of Representatives
State Capitol
Helena, MT 59601

Dear Mr. Abrams:

Enclosed is a copy of a statement which I wished to make before the House Highway and Transportation Committee on Saturday, February 19, regarding HB 820. Unfortunately, the weather over Bozeman pass that morning prevented me from getting to Helena.

Consequently, I am sending the statement to you as I would still like you and your committee to know the feeling of the Montana Chapter of Ninety-Nines with regards to this legislation.

Thank you very much for your time.

Sincerely yours,

Dorothy K. Curtis, Chairman
Montana Chapter Ninety-Nines

Certificate of Award

\$\$

M I L L I O N S F O R M O N T A N A N S

WHAT'S AT STAKE

\$13,000,000 in Federal Grant funds
available for Montana airports

WHY IT'S IMPORTANT

Use it or lose it
Create jobs now
Stimulate economic recovery

WHAT'S NEEDED

10% matching fund
\$1,458,000 during biennium

WHO SUPPORTS IT

Aviation Trade Associations

An opportunity currently exists to infuse \$14,596,000 into Montana's economy during the next biennium. Ninety percent of this money, \$13,138,000, already has been allocated, through a federal program, for use by airports in Montana. But to get access to these funds it will be necessary for Montana's airports to have available \$1,458,000 from the General Fund as the Sponsors' 10% matching share.

What is this federal program? The federal funds are available through a matching share program called AIP (Airport and Airways Improvement Act of 1982). The funds are collected from user fees placed upon the aviation system. States are allotted funds from two categories: enplanement funds which are based upon the total number of passenger boardings at air carrier airports, and apportionment funds which are based on an area/population formula.

IF A STATE DOES NOT USE ITS ALLOTTED FUNDS - IT LOSES THEM!!

Who will be affected by this program? Seventy airports in communities throughout Montana are eligible for AIP funds. These airports all belong to NASP (National Airport System Plan). Of these 70 airports, seven are air carrier airports and will receive enplanement funds; the other 63 airports are eligible for apportionment funds.

Why is investment in airports critical? There is a pressing need to infuse dollars into the Montana Airport System. A recent study by T.A.P., Inc. for the Montana Aeronautics Division identified the need for nine new airports and listed an additional ten airports that will become unuseable if not substantially improved immediately.

4

How will this program be administered? The Sponsors' share - \$1,458,000 - will be deposited in a trust account within the Montana Aeronautics Division. Money from this account will be used solely for the AIP program. Acceptance of the Federal Grant Offer by the Sponsor (community and/or airport) will serve as approval authority for the Division to release the percentage of these funds needed.

What are the Sponsor's obligations? In order to qualify for the Federal Grant Offers, the Sponsor must meet and agree to a set of assurances from the Federal Aviation Administration which include the ability to maintain the facilities. In addition, the Aeronautics Division will require the communities/airports to show ability to maintain the facilities and require assurances that the airports will remain open for public use. If a community should fail to comply with these assurances it may be denied a second Grant.

What will AIP funds mean to Montana? JOBS! Contractors, suppliers, labor trades and others will find numerous, major, new construction projects immediately available once the Federal Grant Offers are accepted by the Sponsors and the matching funds are secured from the Montana Aeronautics Division. These jobs, as are the airports involved, will be located throughout the state. Putting Montanans back to work will bring increased spending in all facets of a community's economy and will mean increased revenues to the state through a strengthened tax base. An improved airport system could also attract modern business and industry which rely on aviation as a means to further growth and efficiency.

What will happen to unused trust funds? Unallocated trust funds will be returned to the General Fund at the end of the biennium.

Why is it important to act now? The Airport Improvement Program is currently funded through fiscal year 1988 with Federal funds having already been allocated on a fiscal year basis to each of the states. Montana has access to \$39,108,000 over the next five years through both enplanement and apportionment AIP funds (\$31,608,000), and through eligibility for discretionary AIP funds (\$7,500,000). If the 10% Sponsors' share is not provided our airports will lose access to the 90% Federal share for investment in the state's economy. Each year that funding is delayed for lack of the Sponsors' share, is a loss of millions of dollars to Montana.

Who supports this request for General Funds? The request for General Funds for use as the Sponsors' share to match Federal funds in the AIP program is supported by the Montana Aviation Advisory Council which is comprised of the following organizations:

Montana Airport Managers Association

Montana Aviation Trades Association

Montana Business Aviation Association

Montana Chapter Ninety-Nines, Inc.

Montana Pilots' Association

Representatives of the Airlines serving Montana

HB STATEMENT OF INTENT
Bill No. 636 [LC 2227]

A statement of intent is required for this bill because it provides rulemaking authority to the Department of Commerce in section 1.

The Legislature intends that rules be made that provide a reasonable definition of origination of a flight. The purpose here is not to cover the flight that originates out-of-state and makes a short stop in Montana to pick up fuel with the intent of continuing directly on the journey. The Legislature also recognizes that rules may be required to conform enforcement to the manner in which the Federal Aviation Administration administers the flight plans filed with it. The Legislature intends that the Department should adopt any rules necessary in this regard.

HOUSE HIGHWAYS AND TRANSPORTATION COMMITTEE

Bill Summaries

HB 820 establishes an earmarked revenue account to be used to provide loans to governmental agencies for airport improvement projects not to exceed the sponsor's share under the federal Airport Improvement Act. Funding for the account is to come from a portion of long-range building program bonds.

HJR 26 urges the U.S. Congress to adopt rules prohibiting unrelated amendments and riders **from** being attached to bills.