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HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS
ANALYSIS

BILL #: HB 329

RELATING TO: Small aircraft transportation

SPONSOR(S): Representative(s) Baker, Stansel and Jordan

TIED BILL(S):

ORIGINATING COMMITTEE(S)/COUNCIL(S)/COMMITTEE(S) OF REFERENCE:

(1) TRANSPORTATION YEAS 12 NAYS 0
(2) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS YEAS 14 NAYS 0
(3) READY INFRASTRUCTURE COUNCIL
(4)
(5)

I. SUMMARY:

Following congressional approval in October 2000, NASA initiated the five-year, $69 million Small Aircraft Transportation System (SATS) research and development program as part of its quest to revolutionize general aviation travel.

SATS is an integration of new technologies that includes small airplanes (seating four to six passengers) with high-tech, user-friendly cockpits, quiet jet-propulsion systems working with integrated airports' infrastructure technology to allow precision landings even in inclement weather. SATS strategies are focused on reducing travel time, expanding the use of regional airports with excess capacity as well as underutilized or unmanaged airspace, and broadening transportation options for travelers.

Daytona Beach's Embry-Riddle Aeronautical University heads a team of more than 40 Florida entities comprising the Southeast SATSLab Consortium, one of four groups in the nation selected by NASA to participate in the research and implementation of a SATS system.

HB 329 expresses legislative intent supporting federal, academic and aviation industry attempts to develop and implement a SATS project in Florida. The bill does not authorize or require the state or any of its agencies to take any action regarding the SATS project.

HB 329 includes no appropriation of state funds for SATS.

The bill would take effect July 1, 2002.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

1.	Less Government	Yes []	No [x]	N/A []
2.	Lower Taxes	Yes []	No []	N/A [x]
3.	Individual Freedom	Yes []	No []	N/A [x]
4.	Personal Responsibility	Yes []	No []	N/A [x]
5.	Family Empowerment	Yes []	No []	N/A [x]

To the extent that HB 329 encourages state-government involvement in NASA's new SATS research and development program, the bill does not support the principle of less government.

B. PRESENT SITUATION:

Florida's aviation industry

Florida has 112 general aviation airports, 19 commercial airports, 12 military airfields, and more than 700 private airports. It also has an estimated 220 flight schools or training facilities, and hundreds of other aviation-related businesses. The Florida Airport Managers Association estimates that all aviation (prior to the economic fallout from the Set. 11, 2001 attacks) in Florida generates $56.3 billion in total economic activity a year.

Florida's 19 commercial airports rank third nationally in enplaned air passengers, and over half of the state's visitors arrive by air each year through these airports. Florida's commercial airports enplane almost 6 percent of the nation's annual air cargo tonnage, and air cargo shipments account for over 25 percent of Florida's international trade dollars.

But Florida's 112 general aviation airports also are significant economic generators. General aviation brings in an estimated 9 million travelers to Florida each year. Florida's general aviation airports house more than 6 percent of the nation's general aviation fleet, and rank second in the nation for the number of general aviation operations. Florida's general aviation airports are responsible for almost 80 percent of all aircraft operation that take place in this state. According to statistics, general aviation airports contribute to more than 23,000 jobs, $680 million in payroll and generate a total of $2.3 billion in economic activity.

Background on SATS

Despite the growing popularity of general aviation operations in the United States, there is a perceived underutilization of general aviation airports and the overutilization of ground transportation. At the urging of the National Aeronautics and Space Administration (NASA), the Federal Aviation Administration (FAA), and state and local aviation development organizations, Congress passed the 1994 General Aviation Revitalization Act and other legislation intended to improve small aircraft so that they are easier and safer to fly, and are more affordable to purchase and operate.

Out of this legislation grew the Small Aircraft Transportation System (SATS). The SATS technologies target smaller aircraft used for personal and business transportation missions within the infrastructure of smaller airports throughout the nation. These missions would include travel by

individuals, families, or groups of business associates. Consequently, the aircraft are intended to be of similar size to typical automobiles and vans used for non-commercial ground transportation (two to eight seats). The SATS technology aboard the aircraft will be integrated with the airport technology infrastructure. These airports will not require air traffic control towers, and the airspace will not require radar surveillance for air traffic services. This integrated technology will require smaller landing space than conventional airport technology.

In addition to aircraft improvements, SATS strategies seek to integrate the different modes of transportation, connecting (at least in concept) smaller landing fields with the interstate highway system, intra-city rail transit systems, and hub-and-spoke airports. The strategy focuses on airborne technologies that expand the use of airports with excess capacity as well as underutilized, unmanaged airspace for transportation use.

SATS funding and partnerships

The SATS Program was initiated in October 2000 with a $9 million budget appropriated by Congress for fiscal year 2001 and a total proposed budget of $69 million over five years. Congress requires a five-year, proof-of-concept research effort. The proof-of-concept program would culminate in a joint NASA/FAA demonstration of SATS operational capabilities. The five-year program objective is to demonstrate key airborne technologies for precise guidance to virtually any touchdown zone at small airports.

In July 2001, NASA formally announced that it had selected four teams to assist in the research, development and implementation of SATS technology. Besides Florida's Southeast SATSLab Consortium, there is the Maryland SATS Lab Team, the North Carolina, Upper Great Plans SATSLab Team, and the Virginia SATSLab Research Alliance. The four teams have signed cost-sharing agreements with NASA that provide a total investment of approximately $13 million for the first year of the program. The NASA portion of the investment is approximately $7.5 million. The four teams will work independently on portions of the total effort.

Direct partners in the Southeast SATSLab Consortium include Embry-Riddle, Georgia Tech Research Institute, Ohio State University the University of Tennessee's Space Institute, 19 aviation companies, 11 airports or airport authorities, five aviation consultants, and four aviation trade associations, according to the consortium's website. However, some of these entities represent multiple organizations, so the number of actual stakeholders in the consortium numbers at least 200.

The consortium expects to receive $2.5 million from NASA this first year, and will match it with $2.5 million in member contributions.

C. EFFECT OF PROPOSED CHANGES:

HB 329 expresses Florida's commitment to participate with NASA, the Federal Aviation Administration, the aircraft industry, and various universities in the SATS project. The bill expresses legislative intent language to:

- Improve travel choices, mobility, and accessibility for the citizens of the state;
- Enhance economic growth and competitiveness for the rural and remote communities of the state through improved transportation choices;

- Maintain the state's leadership and proactive role in aviation and aerospace through active involvement in advancing aviation technology infrastructure and capabilities;

- Take advantage of federal programs that can bring investments in technology, research, and infrastructure capable of enhancing competitiveness and opportunities for industry and workforce development;

- Participate in opportunities that can place the state's industries and communities in a first-to-market advantage when developing, implementing, and proving new technologies that have the potential to satisfy requirements of the public good;

The bill envisions Florida partnering with NASA, FAA, the aircraft industry, local governments, and universities to implement a SATS infrastructure into a statewide network of airports.

There is no appropriation of state funds in the bill.

D. SECTION-BY-SECTION ANALYSIS:

Section 1: Expresses legislative intent that Florida should participate in the SATS program.

Section 2: Specifies that this act shall take effect July 1, 2002.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

Minimal. Costs would be incurred only if the state Department of Transportation (DOT) sends staff to SATSLab meetings in Florida or to NASA SATS conferences out of state.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

Indeterminate. Local governments and their public airports may participate in the SATSLab program and contribute funds, on a voluntary basis.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

HB 329 has no direct economic impact on the private sector. However, aviation industries that choose to participate in the SATSLab pilot project may decide to contribute funds or research staff, in hopes of reaping financial benefits if the technology proves to be workable on a large scale, and airports and pilots choose to use it.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

The mandates provision is not applicable to an analysis of HB 329 because the bill does not require cities or counties to expend funds, or to take actions requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

HB 329 does not reduce the aggregate revenue-raising authority of counties or municipalities.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

HB 329 does not reduce the state tax revenues shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

HB 329 does not raise any constitutional issues.

B. RULE-MAKING AUTHORITY:

HB 329 does not authorize any rule-making authority.

C. OTHER COMMENTS:

During the 2001 legislative session, the similar HB 1059 was filed by Rep. Baker. HB 1059 included intent language identical to what is in the current HB 329; it also included an appropriation of $3,329,500 in general revenue. Later, HB 1059's appropriations language was reduced to $1.5 million in general revenue, to be contingent on receipt of matching federal funds, as the bill went through the process. HB 1059 died on the House Calendar when the 2001 Legislature adjourned.

DOT is neutral on HB 329.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VII. SIGNATURES:

COMMITTEE ON TRANSPORTATION :

Prepared by:	Staff Director:
Joyce Pugh	Phillip B. Miller

AS REVISED BY THE COMMITTEE ON TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS:

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