STATEMENT OF BRUCE E. CARTER A.A.E DIRECTOR OF AVIATION QUAD CITY INTERNATIONAL AIRPORT before the JOINT COMMITTEE ON GOVERNMENTAL AFFAIRS AND THE SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENTAL MANAGEMENT RESTRUCTURING AND THE DISTRICT OF COLUMBIA THE HEARING ENTITLED "HAS AIRPORT SECURITY IMPROVED" NOVEMBER 14, 2001 10:30 A.M.

Good morning Chairman Lieberman, Senator Thompson, Senator Durbin, Senator Voinovich and distinguished members of the Committee.

I want to thank you for the opportunity to testify today on the concerns of aviation security at small hub airports.

The Quad City International Airport serves the citizens of Western Illinois and Eastern Iowa and has a catchment area of 2.5 million people within 100 miles. We have access to seven different hubs by five different air carriers. Our aircraft mix varies from Boeing 717's to Beechcraft 1900's. We have been one of the fastest growing airports in the country with a 48% growth over the past five years. One of the reasons for this rapid growth is the air service provided by AirTran airways to its Atlanta hub. They have provided our passengers with competitive air fares and, in turn, our other air carriers stay competitive with them. In fact, all of our air carriers have experienced growth. We are a small hub airport and were on track to enplane 400,000 passengers for 2001 until the tragic events of September 11th occurred. Traffic for September 2001 was down 34%, and we experienced a 23% decrease in passengers for October. As of today, we have 20% fewer seats available and have 15% fewer flights daily compared to the September 1st schedule. Our airfares continue to be very competitive and I have noticed a gradual increase in the number of passengers on our airline flights.

What have the passenger declines done to our operating revenue for the airport? Our annual budget for 2001 is \$7,000,000. We are experiencing a 20% decline in parking lot revenue, which equates to an annualized loss of \$300,000, and we are experiencing a 40% decline in rental car activity. The rental car agencies, however, guarantee a monthly minimum which could adversely affect their existence. We have also experienced a 15% loss in landed weight that effects our landing fee revenue. We are trying to find creative ways to further cut expenses and could see layoffs in the near future. We just opened up our new \$18 million terminal concourse expansion and are not hiring the needed building maintenance and custodial personnel. This puts added pressure and stress on our existing staff.

What changes have we seen in airport security and what do we expect those costs to be if the FAA requirements continue? Before we were able to open our airport on September 13th, we had to tow 148 vehicles from our short term and long term parking lot and we cut our rental car ready lot in half to abide by the 300-foot rule implemented by the FAA. We then had to post two employees at the airport terminal curb to insure that no cars were left unattended. We hired a

contract employee for 24 hours a day, 7 days a week at a cost of \$300 per day, or \$109,000 per year. In order to open our much needed short term parking lot, we hired another contract employee for a 12-hour shift at a cost of \$204 per day, or \$63,648 per year. Our public safety department and airport staff accumulated \$11,000 in overtime for a six-week period, and if we continue at this pace, it will result in over \$95,000 in overtime. And that is assuming there will be no more security requirements which require additional manpower.

In late September, the National Guard was assigned to our airport and are only allowed to be present at the security checkpoint. It greatly disturbs me that our request for greater flexibility was denied. I cannot stress enough the need to allow our National Guard presence at locations other than the screening checkpoint, and many small hubs feel the same way. As of today, we have not been able to expand the duties of the guard at our airport. However, President Bush outlined on Friday the need for more flexibility by the National Guard troops and that is what airports have been wanting for the past eight weeks. I hope we see additional troops before I get back to work tomorrow.

Additionally, the FAA required the airport operator to close all gates to the secured area (SIDA) unless the gates were monitored or a procedure was put in place to inspect each vehicle wanting access to the SIDA. The airport has a computer controlled access system that makes the gate much more secure than a lock and key system and this should be an accepted procedure.

At our airport, the airlines have followed all of the FAA directives which require only ticketed passengers beyond the screening checkpoint, the constant wanding of passengers at the gate before boarding, having an airline person at the screening checkpoint, the hand checking of bags of a selectee, and the showing of a picture id multiple times.

I am concerned with the discussions that are taking place that will continue to cost airports more money without additional revenue streams to offset these added expenses. As the cost per passenger increases at smaller airports, the airlines will reconsider their yield potential and profit margin, and I am concerned that they could eliminate service to many communities. There are 437 primary airports in the United States. Primary airports are defined as having scheduled air service and enplaning over 10,000 passengers per year. 50% of these primary airports enplane less than 100,000 passengers. Smaller airports have much smaller staffs and one small requirement, such as inspecting vehicles, has a much greater impact and financial burden than on larger airports. Requiring all airports to have explosive detection equipment installed for checked luggage will have significant operational and financial impacts, especially at smaller to mid-size airports. Who will pay these initial and ongoing costs and who will be responsible? If the cost of the equipment is \$1 million, it would not be unreasonable to expect The annual maintenance costs to be at 10% or \$100,000 per year. What happens if the equipment breaks down and there is no backup? Congressional leaders need to have answers for these questions, and we could talk for hours on other important security issues that need to be considered.

I would like to briefly discuss the personnel that we have at our screening checkpoints. I feel our small hub airport has the same problems as larger airports in hiring, replacing and keeping personnel on the job. If the employees were paid a better wage and a benefit package, would this

reduce turnover and give us a better product? Does a \$20 an hour employee do a better job than a minimum wage employee? We need to have these questions answered before we decide on screening point jurisdiction. Constant turnover causes problems in any type of business! We are fortunate to have the newest, state of the art x-ray equipment at our airport and it has worked flawlessly since it's purchase a year ago.

I feel the FAA Civil Aviation Security personnel need to do a better job of communicating with the operators of our Nation's airports. It is not unreasonable to have airport managers and staff invited to regional headquarters to discuss the concerns of airport security. It is a way to get questions answered in a timely manner and it helps to know what other airports are going through to enhance security. Communication is the key to success and it is our job to encourage people to get back into the Nation's skies. The airlines are doing their job in providing very reasonable fares and making the needed safety improvements to their aircraft. The FAA and airports need to do whatever it takes to provide the safest environment for all citizens that choose to fly. I hope members of this committee and other members of congress will work to ensure that airports throughout the country receive the reimbursement they need to comply with the new security initiatives imposed by the FAA.

I would especially like to thank Senator Durbin for asking me to testify today. Senator Durbin has been a great supporter of our airports in Illinois, and I have enjoyed my ten-year relationship with him. His staff, especially Mr. Pat Souders, has always been available to assist our airport with aviation concerns. Thank you for the opportunity of letting me share my thoughts with you today. I would be pleased to try and answer any questions that you might have.