

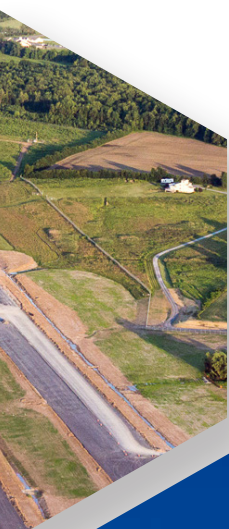


Economic Impacts of New York State Airports and Aviation

2022

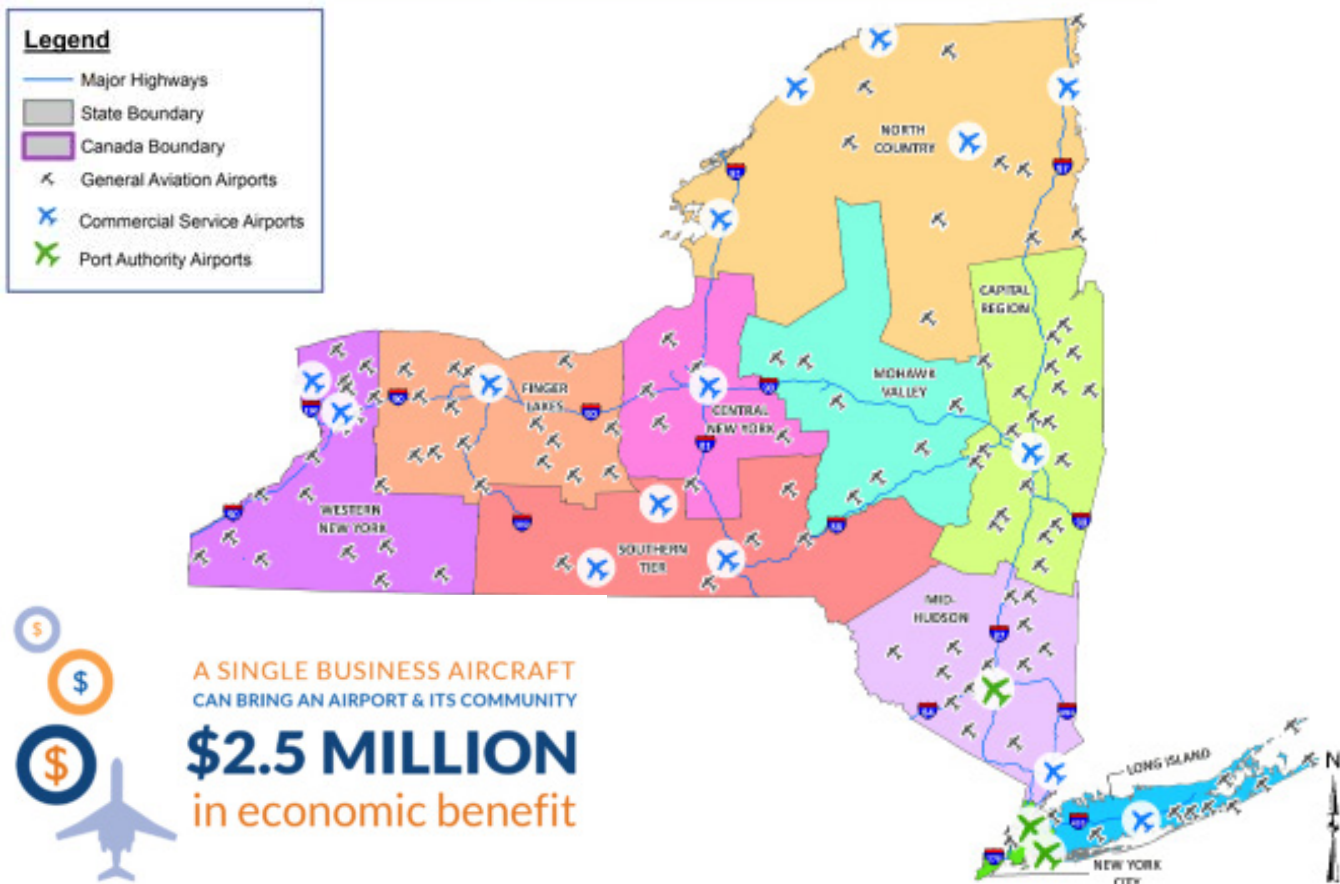
Connecting Communities,
People, and Business
to the World

Executive Summary



Summary of Statewide Impacts

1. Airports are essential for business development in New York State, creating over 454,000 jobs and nearly \$80B in economic activity statewide.
2. The aviation sector of NY's economy grew by \$30B over the last 10 years.
3. Aviation jobs are high paying and outperform jobs in other sectors of economy.
4. Airports provide critical lifesaving emergency response infrastructure.
5. NYSDOT's commitment and investment in airports is paying off.
 - \$450M invested in Upstate Airports to improve competitive advantage.
 - Aviation Capital Grants have funded \$10.8M in airport hangar development over the last 5 years.
 - \$200 million from the 2016 Upstate Airport Economic Development and Revitalization Program stimulated \$85M of additional Federal and local investment in NY airports.
 - New York's \$6M in AIP matching funds brings \$123.5M in federal funding.
6. \$21B invested in LaGuardia and JFK redevelopment to maintain global leadership.
7. 1M SF of private hangar space currently under development demonstrates the impact AJA has on the competitive advantage of NY airports and aviation.



Total Economic Output, Impact to Jobs, Payroll, and Taxes

The New York Airport System is an important part of the State's economy. New York State's system of 131 public-use airports provides a critical component of access to communities, people and business in all regions of the State.

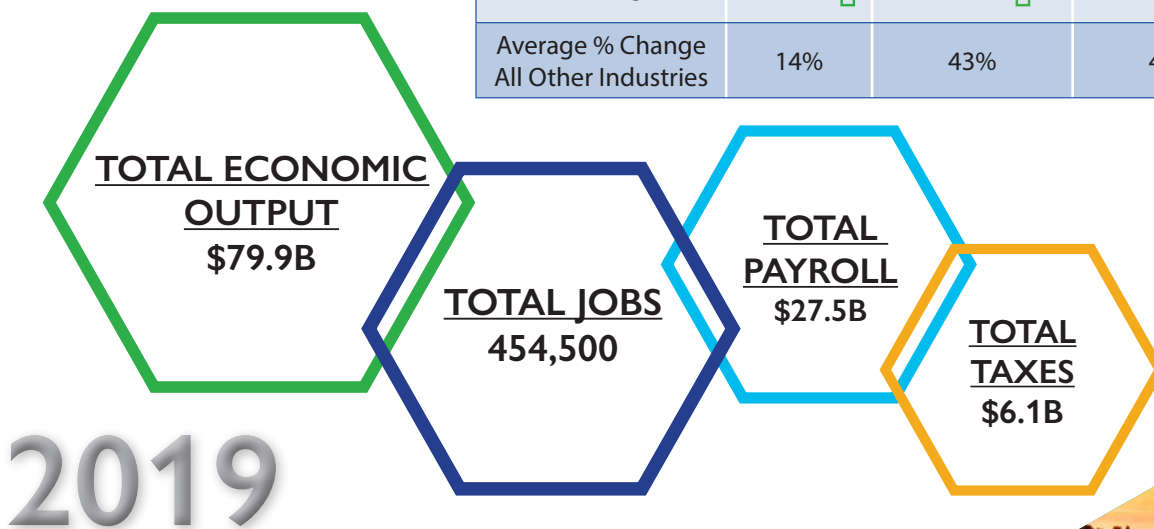
Total System Activity

In 2019, New York State Airports generated 454,500 jobs. These employees received \$27.5B in payroll and benefits and generated \$79.9B in economic activity. In addition to economic impacts, the system of airports provides numerous benefits that enhance the quality of life, health, safety, and welfare of New Yorkers. The State's public-use airport system also generates more than \$6.1B in tax revenues to the State and local communities.

Decade of Growth and Resilience

NYS Airports and Aviation Activity Outpaced All Other Industries

Year	Total Jobs	Total Annual Earnings	Total Annual Output	State & Local Taxes
2010 Impacts	394,500	\$18.1 B	\$50.3 B	\$4.5 B
2019 Impacts	454,500	\$27.5 B	\$79.9 B	\$6.1 B
# Change	60,000	\$9.5 B	\$29.7 B	\$1.6 B
% Change	15% ↑	52% ↑	59% ↑	35% ↑
Average % Change All Other Industries	14%	43%	45%	--



The economic impacts of aviation in New York State presented by this Study utilizes data from 2019 – prior to when activity was impacted by the global COVID-19 pandemic.



Jobs Act Snapshot

The New York Aviation Jobs Act, enacted on September 1, 2015 exempts general aviation aircraft in New York from paying sales and use tax. Prior to this Act, New York lost over 700 based aircraft over the course of ten years to neighboring states with preferable tax rates.



This act helps New York compete to retain its aircraft and attract new tenants, resulting in more jobs for New York State residents. Currently, Senate Bill 7135 (Assembly Bill 9053) proposes to repeal the Aviation Jobs Act (AJA).

The Aviation Jobs Act brought high-paying jobs back to New York.

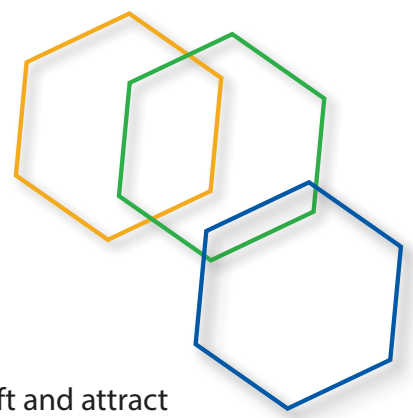
Activity generated by AJA has expanded demand and resulted in:

- Nearly 385,000 SF in new hangar development at just 5 airports alone.
- New GA customs facility at North Country airport to service growing Canadian passenger market.
- New Capital Region aeromedical base with 2 jet aircraft creating 12 Full-time and 50 Part-time local jobs.
- Three Long Island airports see construction on 8 new hangars and plans for 4 more.

Factors Affecting Airport Use and Aviation Activity



- **Statewide & Socioeconomic Trends:** The State of New York is home to a large and diverse population of people, communities, and businesses. Airports and aviation activity are influenced by many factors, including local industry and employers, population, and geography.
- **Aviation Industry Trends:** Legacy airlines serving the commercial passenger market continue to drive change by upgauging their fleets from the 50-seat to 70-seat aircraft configurations and reducing frequency of traditional routes, while low- and ultra low-cost carriers continue to expand routes and service via small and non-hub airports.
- In the general aviation segment of the industry, the number of active pilots continues an upward climb with strongest growth in student and sport certifications. Aircraft and activity in the national fleet continues to evolve away from older, single-engine piston-powered aircraft and toward light-sport aircraft for recreational flying and sophisticated turbo-prop/jet aircraft and turbine helicopters for business and commercial operators. Introduction of sustainable aviation fuels will enhance the environmental compatibility of piston powered aircraft. Rapid development of Unmanned Aerial Systems and Advanced Air Mobility provide exciting new economic development opportunities across New York.
- **Air Cargo Activity & Trends:** Air cargo activity is an integral part of the New York system of airports. Approximately 3.39% of U.S. cargo and mail freight is handled through 15 New York State airports. JFK International handles the largest cargo by volume in the State and is 7th in the country. In 2019, cargo activity at New York airports outperformed airports worldwide compared to an overall decline internationally.





COVID-19 Snapshot

In 2020, the effects of COVID-19 significantly impacted New York's aviation system, reducing its economic activity to \$35.6B (only 45.5 percent of 2019 impacts). Similarly, jobs were temporarily reduced to 196,200 (43.2 percent of 2019), and income from aviation dropped to \$12.4B (45 percent of 2019). Most of this reduced impact came from the loss of visitor spending, as passenger enplanements decreased to 15.2M.



CARES Act Snapshot

During 2020, New York State airports received nearly \$411.2M in relief benefits from the CARES Act, with NYS ranking #5 in the nation for total funding awarded.

The direct infusion of nearly \$411.2M into the aviation system produced a total impact of \$814.7M and sustained almost 5,000 jobs.

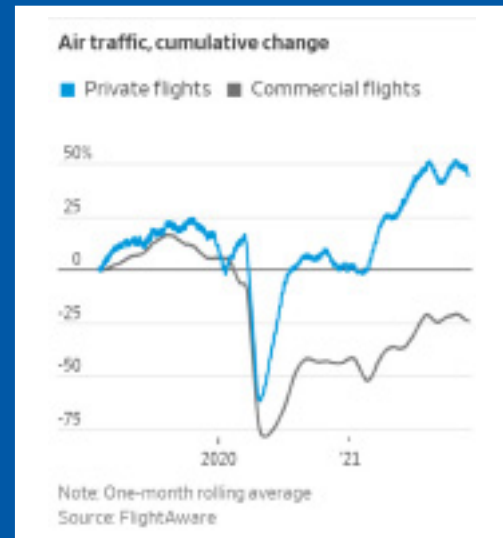
State	CARES Act Grant Awards
California	\$1,088.9M
Florida	\$896.2M
Texas	\$811.5M
Illinois	\$446.7M
New York	\$411.2M

COVID-19/Global Pandemic

Throughout 2020, the sharp drop in international and domestic passenger travel, and reduction in airline routes meant that some segments of the aviation market and geographic regions of the U.S. fared better than others. Users of private, air charter, taxi, and personal aircraft proved that general aviation (GA) and non-airline airports remain a critical link for people, communities, and business spending. Despite the drop in activity, the nearly \$650M in capital and visitor dollars generated by GA airports in 2019 was hard at work in 2020, sustaining airports, business, and their communities during the downturn.

Through the end of 2019, airports and the aviation industry throughout the U.S. were in the midst of a decade of robust growth - and the outlook for both commercial service and general aviation airports and activity showed widespread confidence in continued growth and expansion. All sectors showed growth projections for fuel consumption, aircraft manufacturing, shipments, and increased use of sophisticated jet and other aircraft in the general aviation fleet. The devastating impacts of COVID-19 globally placed an immediate halt to this trend.

The airline industry was hit very hard seeing passenger activity drop as much as 90 percent in April 2020. While domestic markets have begun to recover more quickly than international markets, passenger volumes are not expected to return to 2019 numbers until at least 2024. As of December 2021, domestic leisure travel had largely returned to pre-pandemic levels. Through the end of 2019, airports and the aviation industry throughout the U.S. were in the midst of a decade of robust growth - and the outlook for both commercial service and general aviation airports and activity showed widespread confidence in continued growth and expansion. All sectors showed growth projections for fuel consumption, aircraft manufacturing, shipments, and increased use of sophisticated jet and other aircraft in the general aviation fleet. The devastating impacts of COVID-19 globally placed an immediate halt to this trend. Domestic and international travel came to a standstill as public health became priority #1 worldwide.



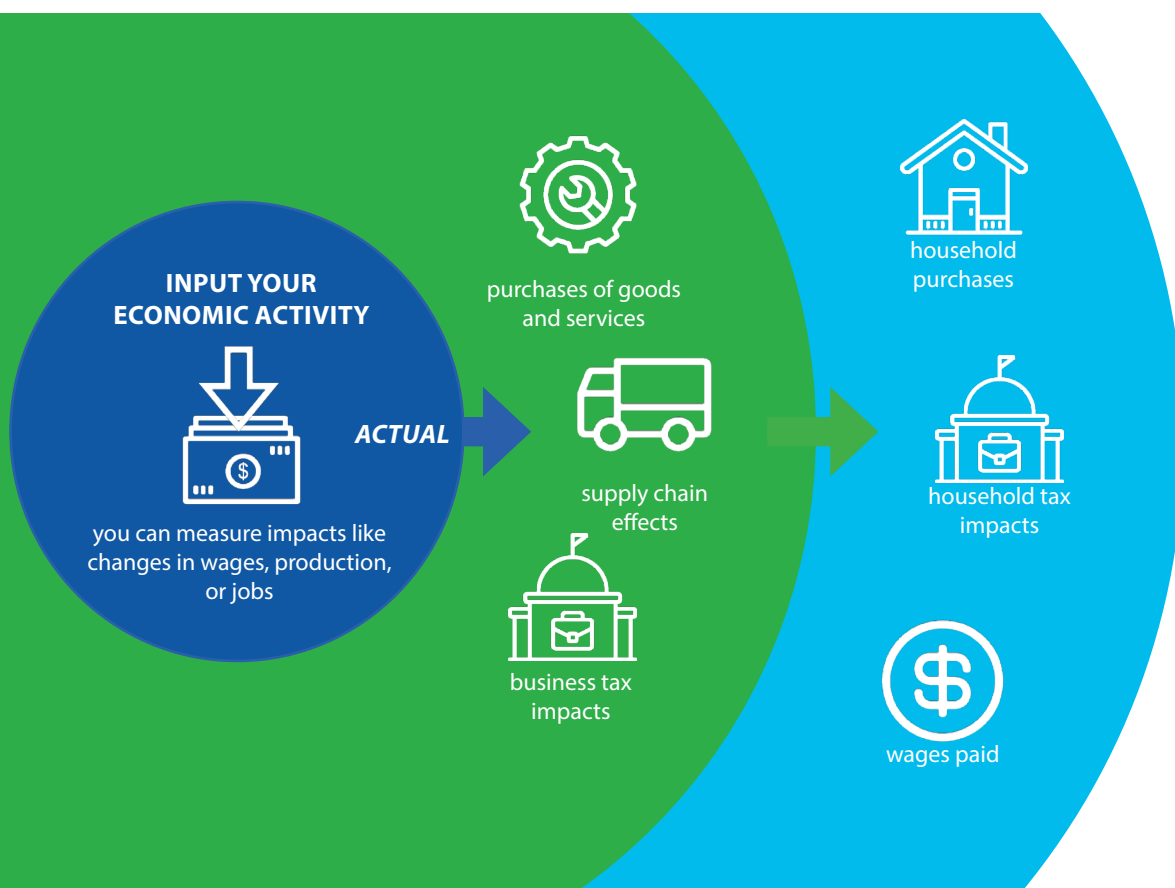
Study Methodology

The New York State Department of Transportation (NYSDOT) commissioned this Study to measure the economic benefits that these airports provide to the broader state economy and to demonstrate the importance of a strong aviation system.

The methodology used in this Study follows the Federal Aviation Administration guidelines for estimating annual economic impact. This analysis measures direct impacts, indirect impacts, and induced impacts.

All public-use airports in the New York State system were contacted to collect the most current and accurate information relative to on-airport job counts and types, including the airport owner, tenants, cumulative 5-year capital spending, visitor estimates, and impacts of the global COVID-19 pandemic.

- These are **direct impacts** - the first part of the economic cycle that begins with jobs, the payroll associated with those jobs, and capital spending by airport sponsors on each airport in New York State. Together, these components of on-airport activity represent the direct impact of the airport and is the starting point for additional economic activity and spending that reaches out into each airport's community and the region.
- This direct, on-airport activity generates **indirect and induced impacts** out in the community and region, and can be measured also in terms of jobs, payroll or income, and additional spending. To estimate indirect and induced, impacts, an econometric input/output model (IMPLAN) is used, which utilizes data inputs and is calibrated to replicate specific, county-level, regional, and statewide re-spending patterns (often called multipliers) that produce impacts by creating additional jobs, payroll, and taxes.
- When added together, **direct, indirect, and induced** impacts equal total economic impacts.



WHAT IT SHOWS YOU

DIRECT IMPACTS

These are the immediate effects that are caused by each Airport's economic activity. The IMPLAN model computes how each region will process these initial effects of Airport activity.

INDIRECT IMPACTS

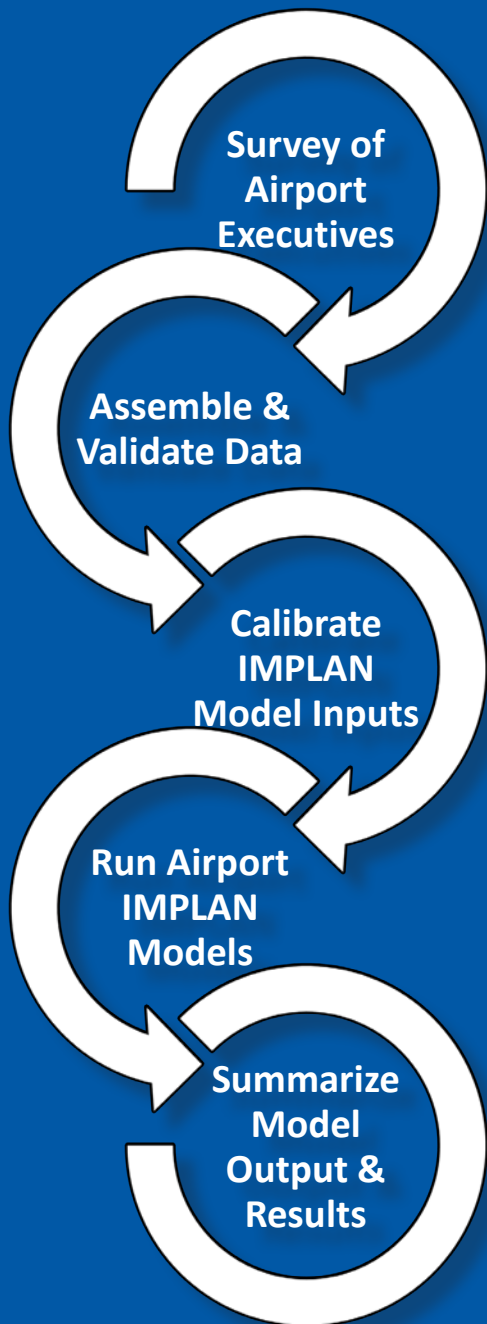
These are the effects of business-to-business transactions in the local economy caused by direct Airport activity.

INDUCED IMPACTS

These are the effects that take place in the local economy caused by income spent by those jobs created.

This study of Economic Impacts of Airports and Aviation in New York State is based upon the following primary data inputs associated with airports and providers of services at each airport:

- 2019 On-Airport Jobs
- 5-Year Average Annual Capital Spending
- 2019 Visitor Spending



- The **value of on-airport activity direct impacts** is the sum of all payroll, capital expenditures, operating and maintenance costs, taxes, and fees incurred by providers of services at an airport. In addition, direct impacts include users of airport services that are derived from off-site economic activities that are attributable to the airport. The value of these impacts is the sum of the fees and charges paid, expenses related to food, lodging, ground transportation, and similar outlays.
- **Spin-off Activity** is the indirect effects of the direct impacts generated by an airport. The indirect impacts begin with the first round of re-spending, which creates and includes successive rounds of re-spending until the original direct impact of airport-related activity is completely exported from the region.
- **Economic Activity Generated** is modeled, tracing the spending impacts through many sectors of the State's economy, illustrating how business-to-business and personal spending patterns distribute the impact of aviation and New York's system of public-use airports to businesses and communities far-removed from airports.
- **State and Local Tax** contributions are an important component of airport and aviation economic activity because it represents transactions between the government and consumers (taxes, transfers such as unemployment compensation, welfare), between firms and government (such as business taxes) and between consumers and firms (dividends from stock ownership).



Impacts of Commercial Airports

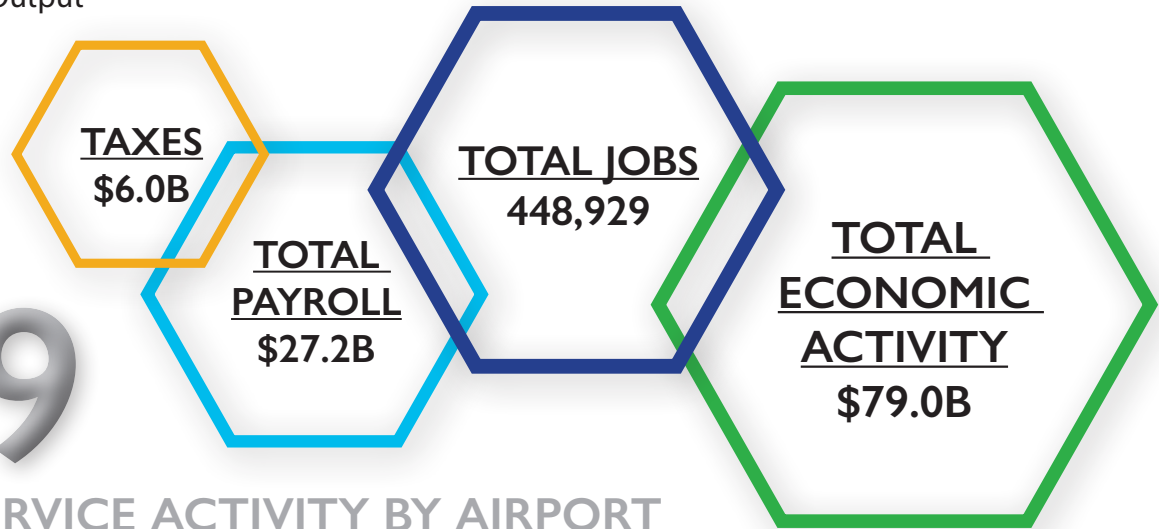
The following table shows the total annual economic impacts for primary, hub, and non-hub commercial service airports in the State of New York. Impacts were measured using the IMPLAN model and include direct, indirect, and induced impacts. More information can be found in this Study's technical report.

Direct Airport Activity

- 235,441 Full-Time Equivalent Employees
- \$15.1B in Payroll for On-Airport, Visitor and Capital Spending Jobs
- \$49B in Total Economic Output

Total Output: Commercial Airports

2019



COMMERCIAL SERVICE ACTIVITY BY AIRPORT

Airport	Total Jobs	Annual Earnings	Annual Economic Activity	State and Local Tax
Total Commercial Service	448,929	\$27,174,020,300	\$79,019,119,200	\$6,054,956,000
JFK International Airport	284,479	\$17,699,578,600	\$52,702,926,200	\$4,038,439,100
LaGuardia Airport	120,922	\$6,865,918,400	\$19,760,153,600	\$1,514,150,800
Buffalo Niagara International Airport	9,863	\$650,974,900	\$1,472,111,700	\$114,084,600
Westchester County Airport	5,433	\$443,689,300	\$1,060,443,300	\$70,984,200
Albany International Airport	7,004	\$367,794,100	\$938,725,500	\$67,620,800
Syracuse Hancock International Airport	5,691	\$298,767,500	\$830,757,200	\$74,258,800
Greater Rochester International Airport	4,612	\$233,974,800	\$621,488,800	\$52,745,100
Long Island MacArthur Airport	4,086	\$229,334,400	\$577,186,500	\$45,986,900
Stewart International Airport	2,196	\$139,210,000	\$413,571,100	\$31,690,500
Niagara Falls International Airport	1,840	\$92,628,000	\$219,379,200	\$12,370,800
Elmira/Corning Regional Airport	765	\$38,397,200	\$117,294,500	\$10,684,600
Plattsburgh International Airport	714	\$37,582,300	\$99,762,000	\$7,235,400
Ithaca Tompkins International Airport	596	\$32,349,500	\$90,156,100	\$6,649,100
Greater Binghamton Regional/Edwin A. Link Field	357	\$21,467,000	\$56,833,300	\$4,165,100
Ogdensburg International Airport	148	\$7,952,500	\$22,759,700	\$1,480,700
Watertown International Airport	118	\$8,347,300	\$18,350,100	\$1,449,000
Adirondack Regional Airport	73	\$3,924,400	\$11,637,500	\$553,700
Massena International Airport - Richards Field	34	\$2,130,100	\$5,582,900	\$406,800

Impacts of General Aviation

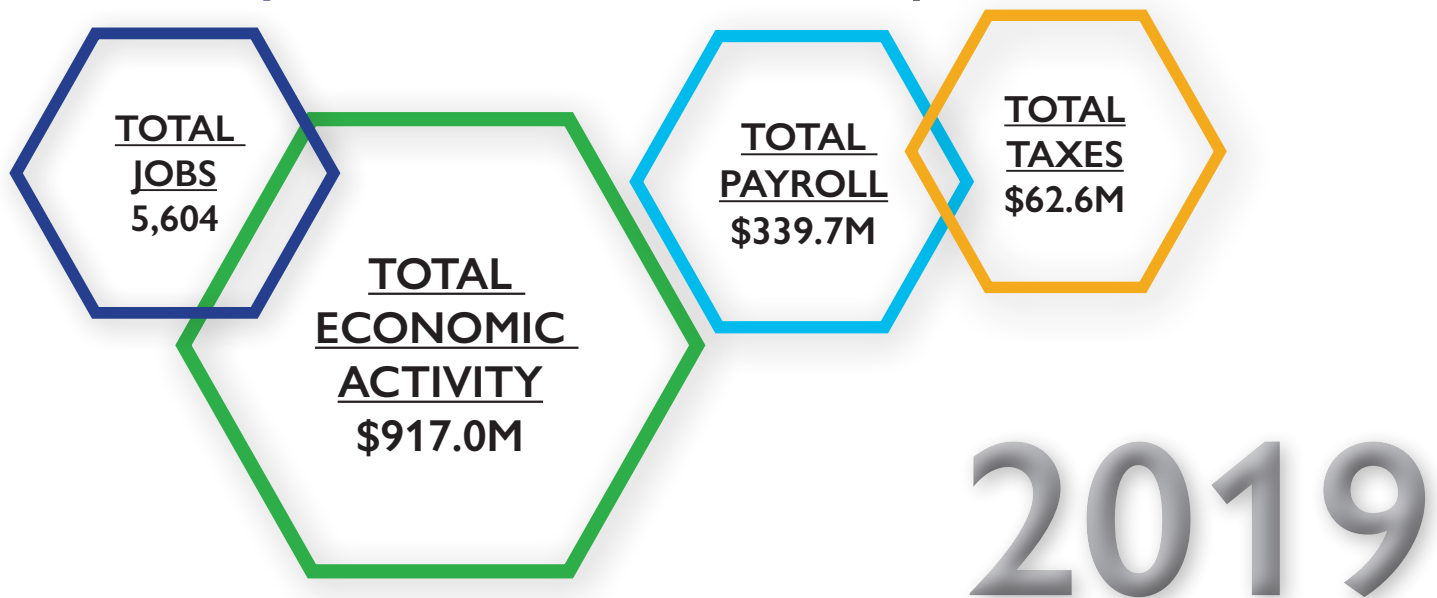
The following table shows the total annual economic impacts for general aviation airports in the State of New York. Impacts were measured using the IMPLAN model and include direct, indirect, and induced impacts. This places the aviation system at or about the same magnitude as natural resources, mining, construction, and manufacturing industries in the State. More information can be found in this Study's technical report.



Direct Airport Activity

- 3,969 Full-Time Equivalent Employees
- \$245.6M in Payroll for On-Airport, Visitor and Capital Spending Jobs
- \$650M in Total Economic Output

Total Output: General Aviation Airports



GENERAL AVIATION ACTIVITY BY REGION

New York Region	Total Jobs	Annual Earnings	Annual Economic Activity
Total General Aviation	5,604	\$339,714,200	\$916,974,400
Long Island	2,525	\$161,061,061	\$415,351,824
Capital Region	1,332	\$59,201,748	\$135,972,134
New York City	377	\$37,842,600	\$114,414,793
Mid-Hudson	465	\$34,378,222	\$92,672,676
Mohawk Valley	275	\$16,314,380	\$52,400,615
Finger Lakes	242	\$12,236,642	\$44,947,068
North Country	130	\$6,025,435	\$26,489,222
Western New York	124	\$6,356,507	\$17,923,783
Central New York	67	\$3,435,744	\$8,991,912
Southern Tier	66	\$2,861,861	\$7,810,373



Port Authority of New York and New Jersey Airports



2019

The data shows total 2019 annual economic impacts for JFK International, LaGuardia, and New York Stewart International, which are owned and/or operated by the Port Authority of New York and New Jersey (PANYNJ).

Type	Employment	Labor Income	Output
Passenger Impacts	104,812	\$ 9,484,887,474	\$ 32,057,215,736
Cargo Impacts	73,097	\$ 4,441,324,766	\$ 12,524,675,787
Capital Spending Impacts	13,645	\$ 1,036,494,763	\$ 2,416,759,288
Total PANYNJ Airport Impacts	191,554	\$ 14,962,707,003	\$ 46,998,650,812

Data provided by PANYNJ

Port Authority Airports: Lead the Way

Type	Employment	Labor Income	Output
PANYNJ Airport Total Impacts	191,554	\$14,962,707,003	\$46,998,650,812
All Other System Airport Impacts	262,980	\$12,551,027,497	\$32,937,442,788
Total System Impacts	454,533	\$27,513,734,500	\$79,936,093,600
PANYNJ % of Total System Impacts	42%	54%	59%

Total Jobs – 42%

Total Income – 54%

Total Output – 59%



JFK International Snapshot

JFK is a massive international hub, with eight airline terminals, four runways, large parking structures, multiple access roads, rail destinations, and large air cargo handling facilities. Boasting more than 70 airlines serving 189 non-stop destination, JFK was ranked sixth in the nation in terms of passenger traffic in 2019. JFK ranks 7th in the U.S. for total cargo volume by weight, however, it claims the top spot in the US for cargo value.

JFK International leads Port Authority airports in New York State (LaGuardia & New York Stewart International) in economic impacts, providing:

- Nearly 75% of Passenger Impacts
- Nearly 100% of Cargo Activity Impacts
- JFK and LGA account for 50% and 49% of Capital Spending Impacts, respectively.

Area	2019 Impacts
Total Employment Impacts	284,479
Grand Total Dollar Impacts	\$ 52,702,926,200
Grand Total Income Impacts	\$ 17,699,578,600
Grand Total Employment Impacts	284,479
Estimated State and Local Taxes	\$ 4,038,439,100

2019 Visitors

JFK	11,818,153
LGA	5,975,278
SWF	97,002
Total	17,890,433

PANYNJ airports in New York served nearly 17.9M passengers in 2019, generating visitor spending of more than \$24.5M for retail, lodging, meals, entertainment and local transportation. PANYNJ airports in New York also accommodated roughly 2.2M tons of air freight/cargo, and capital spending at these three airports combined to support nearly 13,650 full-time equivalent jobs and produce over \$2.4B in total output.



Type	Employment	Labor Income	Output
Total Passenger Effect	78,094	\$7,067,037,438	\$23,885,316,974
Total Cargo Effect	72,779	\$4,422,048,320	\$12,470,315,601
Total Capital Spending	6,816	\$513,492,827	\$1,197,293,613

JFK is one of the busiest airports in the world, serving as an international gateway to New York and the U.S. for both cargo and passengers. Visitor spending and the large volume of cargo activity at JFK are leading factors in JFK's economic impact. JFK is host to a vast array of airlines and airport concessionaires such as hotels, restaurants, shops, as well as government agencies including Transportation Security Agency (TSA), Federal Aviation Administration (FAA), and U.S. Customs and Border Protection (USCBP) that are also important economic contributors.



Type	Employment	Labor Income	Output
Total Passenger Effect	26,014	\$2,354,151,167	\$7,956,608,030
Total Cargo Effect	77	\$4,679,801	\$13,197,186
Total Capital Spending	6,700	\$513,087,420	\$1,196,348,339

LGA is the second busiest airport in New York State, serving as a short haul domestic gateway for business and leisure travelers to New York City. Located just 8 highway miles from Manhattan, visitor spending is a significant component of LGA's economic impact. Economic contributions are also provided by on airport employers including concessionaires, airport related service industries, TSA, FAA, and many others.



Type	Employment	Labor Income	Output
Total Passenger Effect	704	\$63,698,869	\$211,790,064
Total Cargo Effect	240	\$14,596,645	\$41,163,000
Total Capital Spending	130	\$9,914,516	\$23,117,337

SWF serves as a business platform for both aviation and nonaviation companies and organizations. In addition to the employees of the airlines, the airport supports aviation-related employees of several rental car agencies, concessionaires, corporate flight departments, federal government, TSA, aircraft charter firms, flight training, aircraft maintenance and fuel sales personnel, State government and Airport management. Non-aviation employers in the industrial park include Anheuser-Busch, Epicor Software, New York State Police, Bank of America, and the Newburgh Enlarged School District. Other nearby prominent companies include Piller, Local Media Group, SUNY Orange County Community College, and Orange Regional Medical Center.



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