

## **OP-ED**

### **Large airlines want to cut the lifeline for many small towns and rural businesses**

*By Niel Ritchie, Executive Director of the League of Rural Voters*

*Point-Counterpoint appearing in Duluth News-Tribune on July 12, 2008 in response to the question: Are owners of private planes getting a break at the expense of the rest of us?*

From the agricultural regions of southern and western Minnesota, to the natural resource-rich areas of the Iron Range and the Arrowhead, rural and small-town Minnesotans get up every day to work hard and invest in their families, their communities and their future.

But rural communities face special challenges: aging populations, health care access and education, not to mention \$4 gas. Globalization has changed the way the way we do business and the cost of fuel is changing it more and more.

And if those challenges aren't daunting enough, our small airports and the people who depend on them for business or community service are being threatened by large corporations looking to pad their bottom line.

The latest shot across rural America's bow comes in the form of a new "study" by the Washington, D.C.-based think tank, the Institute for Policy Studies and Essential Action, which clearly is backed by the commercial airlines. The report spreads misinformation about small businesses and towns that rely on general aviation in an attempt to revive a failed commercial airline plan to transfer billions of dollars of their tax obligations away from rural America.

Contrary to what these big-city groups would have you believe, 85 percent of these companies and organizations that rely on general aviation aircraft are small to mid-sized businesses, not the super-rich or wealthy CEOs. These are medical personnel, construction companies, telecommunication providers, manufacturers, farmers and ranchers, food suppliers and emergency and natural disaster responders that serve the majority of the airports around the nation that the giant airlines don't even bother to serve.

Second, the study claims that small aircraft businesses are thriving in spite of the economic woes faced by the rest of the country. Nothing could be further from the truth. General aviation flight hours have remained steady over the past several years, according to the Federal Aviation Administration. Meanwhile, commercial airline flight hours have exploded at hub airports.

The authors of this study also claim "U.S. passenger airlines pay 95 percent of the taxes going into the air traffic control system, yet use only 73 percent of the services." However, the FAA's own data proves this wrong, stating that commercial airline passengers pay 77 percent of the costs into the air traffic control system. According to

the same FAA data, general aviation pays 8.6 percent of the costs into the air traffic control system.

Just as they have cut service to hundreds of communities nationwide and slashed pensions for their workers, the major airlines are now hungrily looking to shift billions of dollars of their tax burden away from the one lifeline that remains to the rural communities around the nation. The claims by the Institute for Policy Studies and Essential Action [is] simply an attempt to convince airline passengers that they will somehow benefit from another airline tax cut.

Rural communities should not be forced to shoulder the obligations of the major airlines. We urge lawmakers in Minnesota and across the country to reject this big corporate tax cut and stand up for rural America.

*For a copy of the entire argument, please contact the Duluth News-Tribune.*