

MINUTES
Approved by the Committee
Intrastate Commercial Air Service Committee
Friday, December 11, 2020
9:00 A.M.
Room EW42
Boise, Idaho

Cochair Johnson called the meeting to order at 9:01 a.m.; a silent roll call was taken.

Members present: (in-person) Cochair Senator Daniel Johnson, Bill Connors, Jeff Marker, Gary Peters, and Scott Turlington; (via video conference) Cochair Representative Caroline Troy, Rick Cloutier, Rebecca Hupp, Jeff Newgard, and Carol Waller; LSO staff: Ryan Bush, Jennifer Kish, and (via vc) Christine Otto. Absent: Scott Kennedy.

Attendance of audience members was not recorded.

NOTE: presentations and materials distributed to members are posted to the Legislature's website: <https://legislature.idaho.gov/sessioninfo/2020/interim>; and copies of those items are on file with the Legislative Services Offices located in the State Capitol.

Cochair Johnson requested a motion to approve minutes of the previous meeting. **Mr. Connors moved to approve the minutes as presented; Mr. Peters seconded the motion; with no objections, the motion passed.**

At 9:04 a.m., Cochair Johnson recognized Jeffrey Hartz, Project Manager for Mead & Hunt, for his presentation to the committee. Mr. Hartz's presentation **Idaho Intrastate Passenger Air Service Study December 2020** discussed the current progress of the study, the types of data collected, assessment of aircraft size and availability, and the delivery of the report for mid-January.

- Cochair Johnson requested that Mr. Hartz explain the acronym MSA. Mr. Hartz explained that MSA stood for metropolitan statistical area, which was a region that consists of a city and surrounding communities that are linked by social and economic factors.
- Cochair Troy wondered whether Mead & Hunt were using past load data between regional airports and Boise. Mr. Hartz responded that his company was using both the current market and past market data and agreed with her in noting that the crux of the solution was the aircraft size. He added that the ideal size of a 19-seat or 30-seat turboprop aircraft was difficult to obtain since it mostly did not exist in the lower 48 states, except for cargo use.
- Mr. Connors inquired whether the 9-seat aircraft mentioned by Mr. Hartz as being used in Oregon was within a subsidized program. Mr. Hartz reported that the service was in Pendleton, Oregon, and it was part of the Essential Air Service program, which were permanent subsidies that are able to be renewed.

At 9:28 a.m., Cochair Johnson asked Ms. Hupp to begin the committee's discussion on the Small Community Air Service Development (SCASD) grant program. Ms. Hupp explained that the grant program application ended in January, was a somewhat complex application to put together, usually required a local match of funds, and that the number of grants issued was limited not only in money but also by region. She cautioned that other airports may intend to apply and would compete for funds.

- Mr. Cloutier surmised that the committee was not ready to apply this year. He noted that an applicant needed to have the information prepared well in advance of the application being announced as it was a very detailed process.
- Cochair Johnson inquired whether the state of Idaho could make an application through the department of aeronautics. Ms. Hupp responded that states could and had put in applications,

but acknowledged that the application would compete with other airports. She surmised that an application by the state may have a better opportunity to be awarded the grant but agreed that the committee was not prepared to submit an application in time. Mr. Hartz commented that only a few states had been awarded SCASD grants and cautioned about the confusion that might occur when a state's application included service to an airport that might put in its own application. He also reported that only four grants were allowed per state - typically only two were awarded - and more likely only one would be given.

- Ms. Waller commented that her company/community had received SCASD grants over the last ten years. She echoed the others' comments about the application needing to be well planned and needing to identify matching funds. Ms. Waller felt that it was rather late for the group to attempt to put together an application when it really didn't have the focus that an application required. She encouraged the gathering of information and planning for a future application.
- Mr. Peters asked Mr. Hartz whether there was any difference in the application when a state made the application (i.e., a different deadline). Mr. Hartz responded that there was no difference - the department of transportation treated all applications the same. He commented that the current application was actually for the 2019 FY; the department was behind in getting the grants out as this was the 2021 FY. Mr. Hartz shared that his company kept close ties with the department to learn about these announcements in advance. He surmised that the department would have to have a second announcement, possibly in the spring, in order to get back on track with the FY awards.
- Mr. Marker inquired whether this type of grant provided sustainability over the long term or if additional state or local support was necessary. Ms. Hupp remarked that it would give a "jump start" to a program but it was not sustainable on its own. She also noted that having the funding was not a guarantee that a program would launch, especially if one could not find a service provider. Ms. Waller agreed with Ms. Hupp's remarks.
- Mr. Cloutier commented that the funds from a SCASD grant were viable for only three years; the funds were either used within three years or returned.
- Cochair Johnson felt that the state should take a stronger role to support Idaho's intrastate travel, much like Wyoming's model. Cochair Troy suggested that the final report from Mead & Hunt be presented to both the Senate and House committees on transportation and commerce. Cochair Johnson agreed and requested that Mr. Hartz be part of those presentations.
- Mr. Connors requested that Mead & Hunt research as to whether the state qualified for any type of essential air service programs. Mr. Cloutier clarified that no Idaho airport qualified for the Essential Air Service program. Mr. Hartz agreed with that statement.

Cochair Johnson requested that LSO staff coordinate with Mead & Hunt to schedule a meeting date for January in order to discuss the completed study.

With no further business, the meeting was adjourned at 9:58 a.m.