

TESTIMONY BEFORE THE  
SUBCOMMITTEE ON AVIATION OPERATIONS, SAFETY, AND SECURITY  
COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION  
U.S. SENATE

SEPTEMBER 16, 2010

Good afternoon, Chairman Dorgan and members of the Committee, my name is Charles Darwin Snelling, and I am Chairman of the Metropolitan Washington Airports Authority. I am pleased to appear today, together with our President and Chief Executive Officer, Lynn Hampton, to testify on our stewardship in operating Ronald Reagan National and Washington Dulles International on behalf of the Nation.

The Airports Authority was created on October 18, 1986, the date President Reagan signed the Metropolitan Washington Airports Act, by an Interstate Compact between the Commonwealth of Virginia and the District of Columbia.

In that Act, the Congress had authorized the Secretary of Transportation to lease National and Dulles Airports to the Airports Authority for 50 years. Up to that time, both Airports had been built and operated by the Federal Aviation Administration and its predecessors.

The lease between the United States and the Airports Authority was executed in March 1987, and the Authority took over operations in June. The lease has since been extended to 2067. Under the lease, all property of the two Airports, including the Dulles Access Highway, was transferred to the Airports Authority, along with the authority and responsibility to operate, promote, protect, improve and develop the Airports.

The purpose of the Airports Authority's creation and the transfer to it of the region's two airports – and the clear direction to the Airports Authority -- was to provide the funding the federal government couldn't for the development of these airports into world class facilities fitting their status as the airports serving the nation's capital. Equally clear was that this purpose and direction were to be pursued by the Airports Authority at National Airport in a manner consistent with traditional limitations relating to the number of flights, or "slots," and a "perimeter" applicable to non-stop flights, that Congress established by statute at the time it authorized the transfer. At the time of the transfer, Linwood Holton, former Governor of the Commonwealth of Virginia, at the time serving as the Chairman of the Advisory Commission on the Reorganization of the Metropolitan Washington Airports, testified, "The continuing debates over operating policy, particularly at National will end. As part of the transfer, a statutory freeze would be in place on growth in air traffic at National. This will enable the new authority to plan on long overdue improvements there without uncertainty about the future use of the Airport." Governor Holton, by the way, became the first Chairman of the Metropolitan Washington Airports, serving six years, a feat unmatched by his successors.

The Airports Authority now consists of 13 Members, generally known as the Board of Directors, with three Members appointed by the President of the United States, five appointed by the Governor of Virginia, three by the Mayor of the District of Columbia, and two by the Governor of Maryland. I was appointed to the Authority by the President in 2003, and elected Chairman for a second annual term by my colleagues just this month. The Authority today employs more than 1,400 people in an organizational structure that includes central administration, airports management and operations, and public safety, and more recently, the operation of the Dulles Toll Road on the Authority's right-of-way.

The Airports Authority's operations are not taxpayer-funded, but are self-supporting, using airline landing fees, terminal rents, and revenues from concessions to fund operating expenses at both Airports. Our capital program is funded by revenue bonds secured by the same revenues, with additional support from grants from the Airport and Airways Trust Fund and passenger facility charges, which in turn are fees on aviation activities and passenger tickets.

In order to ensure modern and efficient ground transportation service to Dulles International Airport, the Airports Authority has recently assumed responsibility for the operation of the Dulles Toll Road from the Commonwealth of Virginia and the construction of a 23-mile extension of the Washington Metrorail System to Dulles and beyond into Loudoun County. Most of this rail extension will be located within the median of the Dulles Airport Access Highway, which is legally a part of Dulles Airport and therefore covered by our lease.

When Congress authorized the lease with the Airports Authority and entrusted to us the operation and development of the region's two federally-owned Airports in accordance with the direction it provided, it struck a balance among the sometimes competing interests of the Airports' many stakeholders, including the federal government, the airlines, Baltimore Washington International Thurgood Marshall Airport, the region's local governments and business communities, and the residents living near the airports.

It has been an honor for us to be able to carry out the extraordinary vision our leaders left for us, particularly that of President Eisenhower and the Congress in building Dulles, with its ten thousand acres, well beyond the developed area in the region, a facility with capacity for growth that is likely to take us comfortably through the 21<sup>st</sup> Century. No other city on the East Coast can match the opportunity for airport development in Washington.

Over the last quarter of a century, the Airports Authority has worked diligently to live up to the Congress's expectations as stewards of the Metropolitan Washington Airports. We believe we have, in large measure, been successful in developing both Reagan National and Dulles International Airports into the world class facilities that the Congress desired, while remaining true to the balance of interests that the Congress struck when entrusting the airports to us.

We remain fully committed to continuing to fulfill our role as stewards of Ronald Reagan Washington National and Washington Dulles International Airports.

I would now like Lynn Hampton, the President and Chief Executive Officer, to expand on the performance of the Airports Authority over the years and to share some of the Airports Authority's financial, management and operational characteristics with the Subcommittee.