

STATEMENT OF

THE HONORABLE DOUGLAS KAERCHER  
COUNTY COMMISSIONER  
HILL COUNTY, MONTANA

ON BEHALF OF THE NATIONAL ASSOCIATION OF COUNTIES  
ON  
RURAL AIR SERVICE

BEFORE THE SUBCOMMITTEE ON AVIATION  
SENATE COMMITTEE ON COMMERCE, SCIENCE AND  
TRANSPORTATION

SEPTEMBER 14, 2006  
WASHINGTON, DC

---

Good morning, Chairman Burns and members of the Subcommittee on Aviation. My name is Doug Kaercher and I am a county commissioner in Hill County, Montana. I am here representing Hill County, the Montana Association of Counties (MACo) as its president, and the National Association of Counties (NACo)\*.

I want to thank Senator Burns and the rest of the committee for the invitation to testify on Essential Air Service.

Essential Air Service (EAS) is extremely important to NACo members from rural areas, to Hill County, to the seven additional communities in Montana that receive EAS service, and to the approximately 143 other rural communities in 36 states, such as Alaska, Hawaii, West Virginia, Maine and North Dakota, that have EAS air service. In a nutshell, EAS keeps these communities linked to the rest of America. It provides a link for citizens to travel to the larger communities plus a link to the nation and world through the hub airports that EAS connects to. EAS plays a key role in local communities by attracting and retaining businesses that depend on commercial air service, in health care by enabling our citizens to more easily access sophisticated healthcare that is often absent in rural communities, and by making the business of government work much better when elected officials, such as myself, can fly to the state capital to confer with key state officials. When the Commerce Committee in 2007 considers the reauthorization of the federal airport and aviation programs, we urge you to extend EAS and provide an authorized level of funding that is adequate for meeting the demands and costs of the program.

The Havre City-County Airport is located in Hill County and is jointly administered by a city-county board. Big Sky Airlines has EAS service to Billings and flies into and out of Havre twice

---

\* The National Association of Counties (NACo) is the only national organization that represents county governments in the United States. Founded in 1935, NACo provides essential services to the nation's 3,066 counties. NACo advances issues with a unified voice before the federal government, improves the public's understanding of county government, assists counties in finding and sharing innovative solutions through education and research, and provides value-added services to save counties and taxpayers money. For more information about NACo, visit [www.naco.org](http://www.naco.org).

daily Monday through Friday and once a day on Saturday and Sunday using a 19 passenger turboprop aircraft. This service carried 2973 passengers in 2005. What does commercial service mean to our region? Hill County, with a population of about 17,000, is 250 miles from Billings, the commercial, financial, and healthcare hub of Montana. Without EAS service, our economic development efforts would be seriously hampered. Often the first question we get from when recruiting industry is whether we have passenger air service. It is unlikely that a company would locate in our community if the closest good air service was a two hour drive. Our current employers depend on EAS. Havre is the home of a Burlington Northern Santa Fe Railway regional headquarters and a General Electric repair facility and these two large corporations are constantly flying their employees in and out. A substantial amount of oil and gas exploration is taking place in Hill County and the adjoining region with many industry workers using Big Sky. Montana State University Northern is located in Havre and air service makes it easier for faculty, students and visitors to take advantage of the university. Because of declining number of acres in agricultural production, the agricultural equipment dealers in our community are fewer and farmers and ranchers are dependent on Big Sky to ship those needed parts to keep their equipment running in a timely fashion.

Billings is the medical capital of Montana, where our citizens go for specialized and advanced medical care. EAS service makes it possible for citizens in a rural community such as ours to take advantage of the type of medical care that is easily accessible to residents of metropolitan areas. EAS allows an individual in need of such critical care to avoid a 10 hour round trip drive to Billings.

EAS also allows the citizens and elected officials in Hill County to better participate in government. As a county commissioner I need to travel frequently to our state capital in Helena to work with the legislature, state agencies and our state association of counties. EAS flies to Billings where I can make a connection on Big Sky to Helena. How many elected officials and citizens are going to make that 420 mile roundtrip by car to talk with a legislator? We have a substantial Native American population in Hill County and the residents of Rocky Boy's Reservation use EAS to go to training programs and attend meetings throughout the region. EAS makes democracy in Montana a little more accessible.

There are seven other EAS communities in Montana and members of the Commerce Committee need to understand Montana to understand why we have so many EAS subsidized air service communities. Montana is the 4th largest state in area and the distances between communities are substantial. Our state is 255 miles by 630 miles. Imagine, from Wolf Point, Montana, an EAS community, it is 317 miles to Billings or five hours. That's about the distance from Hartford, Connecticut to Washington, DC or St. Louis to Chicago. If you want to get to Helena, the distance is 412 miles or eight hours. Just think about a 10 hour road trip to see a medical specialist or a 16 hour trip to visit the state capital. From Glasgow the drive to Billings is 277 miles or six hours and 363 miles or seven hours to Helena. The other EAS communities are also long distances from Billings. From Glendive it's 222 miles, from Sidney it's 272 miles from Miles City it's 146 miles. West Yellowstone, our eighth EAS community, has service on Sky West to Salt Lake City on a seasonal basis. Without EAS, there would be no alternative to these long drives-- no Amtrak and no Greyhound service. To a varying degree, this describes all the approximately 150 communities currently served with EAS service-about 115 in the continental United States, Hawaii and Puerto Rico and 35 in Alaska.

In Montana, the EAS subsidy is about \$7 million per year, which provides air service to nearly 60 per cent of Montana's population. Those of us who live in rural Montana believe this is a small price to pay for keeping the citizens of small and rural communities connected. The current total cost of the EAS program is about \$110 million a year, with about only \$60 million coming from the general fund. For a \$110 million a year, we have been able to keep 150 rural communities linked to the rest of America. That's a great investment.

Mr. Chairman, this concludes my testimony. I would be happy to answer any questions you or other members of the subcommittee have.