



**STATEMENT OF
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KING SCHOOLS, INC.**

**REPRESENTING THE
NATIONAL BUSINESS AVIATION ASSOCIATION**

**BEFORE
THE COMMITTEE ON SMALL BUSINESS
U.S. HOUSE OF REPRESENTATIVES**

**REGARDING
USER FEES IN THE AVIATION INDUSTRY:
TURBULANCE AHEAD**

SEPTEMBER 12, 2012

Mr. Chairman, Ranking Member Velazquez and members of the Committee, thank you for the invitation to appear before you today.

My name is Martha King, and I am honored to be here today to represent the National Business Aviation Association (NBAA). NBAA has over 9,000 members. I am proud that my company is one of them, and I'm equally proud to serve on NBAA's Associate Member Advisory Council. All NBAA Members have one thing in common: they rely on business aviation to meet some of their company's travel challenges. I am also a proud member of the Aircraft Owners and Pilots Association (AOPA).

Mr. Chairman and members of the Committee, I am a co-founder, co-owner and co-chairman of King Schools, a flight-training company my husband and I started in 1975.

Our company produces, CD-ROM, DVD and web-based training courses for pilots. We launched our business out of our home nearly forty years ago. Today, I say with some pride that it has been estimated that nearly every pilot has taken one of our courses during his or her flying career.

In addition to being type rated in our company airplane, a Dassault Falcon 10, I also hold every category and class of FAA rating on my pilot and instructor certificates. I regularly fly everything from jet and piston airplanes and helicopters to powered parachutes. I also pilot blimps from time to time.

King Schools has grown from its original two employees—myself and my husband—and general aviation has been critical to that growth. Like thousands of small start-up companies all over the United States, we found that utilizing a general aviation airplane made our company, King Schools, more efficient and more productive. It allowed us to do more in less time. It helped us survive. It helped us compete. It helped us grow.

Thirty-seven years later, we are still working to survive. We are still working to compete. We are still working to grow. And, we still depend on our general aviation airplane.

Mr. Chairman and members of the Committee, as you know, general aviation is one of our nation's most significant industries. It is one of the few U.S. industries that contributes positively to our nation's balance of trade. It is fundamental to our nation's manufacturing base. It employs 1.2 million Americans, at a time when our country urgently needs jobs. It is an economic lifeline to thousands of small and mid-size American communities with little or no scheduled airline service. It helps companies of all sizes be more efficient, productive and competitive. And, it is vital to our nation's humanitarian efforts.

The great recession has been devastating to the general aviation industry. By virtually any measure, our industry shrank by 30 to 60 percent, and while things have stabilized

somewhat, we have yet to approach anything near our 2007 or 2008 levels. King Schools has not been spared from the impact of the recession: our business, which reached a high of 90 employees in 2007, is today down to 50 employees.

It is difficult to imagine how, at a time when a critical American industry is struggling the way general aviation is, people in Washington could be contemplating an onerous, regressive and administratively burdensome new per-flight tax euphemistically called a “user fee.”

A \$100 per-flight tax on all turbine powered aircraft would be devastating for thousands of small businesses like mine. I hope this important committee will put an end to this nonsensical proposal once and for all.

Mr. Chairman, you and your colleagues on this Committee are very familiar with business aviation. But for anyone who isn't, here are a few informative facts, in addition to those I've previously shared with you:

- Business aviation is a U.S. industry. Most of the planes and component parts flying in the world today were built in the United States.
- Eighty-five percent of the U.S. companies that utilize business aviation are small and mid-size businesses.
- Most business aviation flights fly to or from airports with no scheduled airline service.
- The average age of the U.S. general aviation turbine airplane fleet is over 25 years old.

Mr. Chairman and members of the Committee, I know there are those who try to promote a caricature of business aviation that is at odds with these facts. But the reality is that my small business, King Schools, is very representative of business aviation in the United States.

We fly a business jet that was built in 1974. Our 50 employees at King Schools depend on us to be strategic, efficient and productive. Our employees are instructors, technicians, sales people and customer service representatives.

We don't have an army of accountants standing by to process a deluge of new \$100 per-flight invoices from some new federal bureaucracy. And quite frankly, our country doesn't need some new “Sky-R-S,” complete with auditors, billing agents and collectors.

Today, business aviation pays at the pump through a per-gallon fuel tax. It is simple. It is fair. It is efficient. It is progressive. It is environmentally friendly. And...it is adjustable.

Congress can always raise or lower the fuel tax. We never need to establish a foreign-style system of user fees in the United States. We have a better way. We have fuel taxes.

Mr. Chairman and members of the Committee, over the past year, Republican and Democratic Governors have written letters in opposition to the \$100 per-flight user fee. Over 100 mayors, Republicans and Democrats, from virtually every state in the Union, have written in opposition to the \$100 per-flight fee. As you know, a bipartisan group of 195 House members have written in opposition to aviation user fees. Mr. Chairman, we thank you and the Committee members who signed that letter.

In addition, local news networks in towns in from Arkansas, to New Hampshire, to Indiana, to South Dakota and Idaho have reported on the danger a \$100 per-flight fee represents to their communities and their local airports.

Make no mistake about it. A new \$100 per-flight fee on all turbine airplane flights is a bad idea. It will hurt our economy. It will hurt our transportation system. It will hurt small towns. And it will hurt small businesses like mine. We are counting on this committee to make sure that doesn't happen. We are counting on you to spread the word: aviation fuel taxes work. Per-flight fees destroy.

Thank you for the opportunity to be here today. I'll be happy to answer your questions.