

## Remarks for Charles Snelling

Before the Board of Directors  
Metropolitan Washington Council of Governments  
Board of Directors Meeting  
October 12, 2011

Good afternoon, Madam Chair and members of the Council of Governments Board. As Chairman of the Metropolitan Washington Airports Authority, I want to extend our appreciation for the opportunity to share with you our position regarding legislation currently pending in Congress that has the potential to significantly change the structure and continued success of the Airports Authority, and to affect the entire region. With me today are Members of our Board, Michael Curto, representing Maryland, and Warner Session, representing the District of Columbia along with the former Chairman of COG, H.R. Crawford. We also have with us today Jack Potter, our President and CEO.

The Metropolitan Washington Airports Authority, like the Metropolitan Washington Council of Governments, is a regional body that serves a critical function in providing essential services to the National Capital Region. The Airports Authority, through Reagan National and Dulles International Airports, provides excellent air service to the residents of Maryland, Virginia and the District of Columbia, as well as visitors from across the country and around the world.

By any measure, the Airports Authority has an exemplary record of accomplishment in managing these invaluable regional and national assets. I believe you are familiar with the extensive capital investment we have made over years in our two airports, the economic importance of those airports and the passengers they bring to the region.

The economic impact of the airports alone is significant – they are responsible annually for 312,970 jobs and \$14 billion in labor income in the Metropolitan Washington area. With respect to cargo, our airports carried more than \$13.4 billion in air exports last year,

with Virginia, Maryland and the District accounting for 40 percent of our total air cargo exports.

The Metropolitan Washington Airports Authority was created in 1986 by joint legislation of the Commonwealth of Virginia and the District of Columbia. It is an “interstate compact” under Article I, Section 10 of the Constitution. In June 1987, the Airports Authority took control of Washington National and Washington Dulles International Airports under a 50-year lease from the United States, since extended to 2067.

The creation of the Airports Authority ensured that adequate investment would be made in airport facilities to allow them to meet the needs of the region. The current structure of the Airports Authority has served this region well as we have successfully managed large airport infrastructure projects and raised billions of dollars in the bond market. The Airports Authority is entirely self-sustaining; it is not supported by Virginia, D.C. or Maryland tax revenues and it does not have the authority to impose taxes.

Like COG, the Airports Authority is the product of a carefully crafted regional agreement. In the case of the Airports Authority, our enabling legislation resulted from a collaborative effort, resulting in a balanced representation of interests, with no one jurisdiction controlling governance. There was considerable input from elected officials and the public during the development of the original governing structure of the Airports Authority.

Our predecessors have run these Airports over the last 24 years in the spirit of regionalism, and we continue to do that today.

We have always tried to be the best of neighbors, both to residents and local governments, and we thank you as representatives of those various jurisdictions for your willingness to work with us over the years on our mutual goal to provide excellent aviation service while contributing to our regional economy.

Today the Airports Authority Board consists of 13 members – 5 appointed by the Governor of Virginia, 3 appointed by the Mayor of the District of Columbia, 2 appointed by the Governor of Maryland, and

3 appointed by the President. Those Presidential appointments are made by the President to "ensure that adequate consideration is given to the national interest." Directors receive no compensation, serve six-year terms, may be reappointed once, and may only be removed for cause.

The composition of the Authority's Board of Directors and the staggered, fixed-length terms they serve are designed to ensure that the interests of the federal government and the three local jurisdictions are represented fairly and deliberately, so that no one entity can exercise unilateral control over policy or operations.

The proposed legislation would add four Virginia Members to our 13-Member Board. Doing so would give Virginia an absolute majority. I believe a regional organization like the COG can readily understand the importance of a well-balanced board and the undesirability of turning over a regional institution to the control of a single jurisdiction.

An equally troublesome provision would allow appointing officials to remove Directors whenever they want to, without cause. This would have a chilling effect on the ability of Directors to exercise their independent judgment on behalf of the best interests of the airports, free from influence and pressure.

Combined with the extra four Directors, the net effect would be to transfer absolute control of the airports to Richmond. We have great concerns since the airports themselves are federally owned and regional assets that serve passengers from throughout the Metropolitan Washington area.

Third, the bill would provide that Directors could not serve past the end of their terms – currently they can serve until reappointed or replaced. This seems a technicality, but is vitally important to the Authority to maintain a quorum on the Board. We believe that this issue of timely appointments would be best addressed directly with the appointing officials.

For Congress unilaterally to attempt to change the governing structure of the Airports Authority runs counter to the original agreement among all the parties. Beyond the elements of this legislation I have just described, we are equally concerned that there was no process followed to involve the Airports Authority and the three jurisdictions represented on our Board to allow us to present our views.

In closing, I reiterate our opposition to this legislation and urge the COG Board to share its views on this legislation with the area Congressional delegation.

We appreciate this opportunity to share our concerns with you; I would be pleased to answer any questions.