



# MONTANA AIRPORTS



## 2016 ECONOMIC IMPACT STUDY



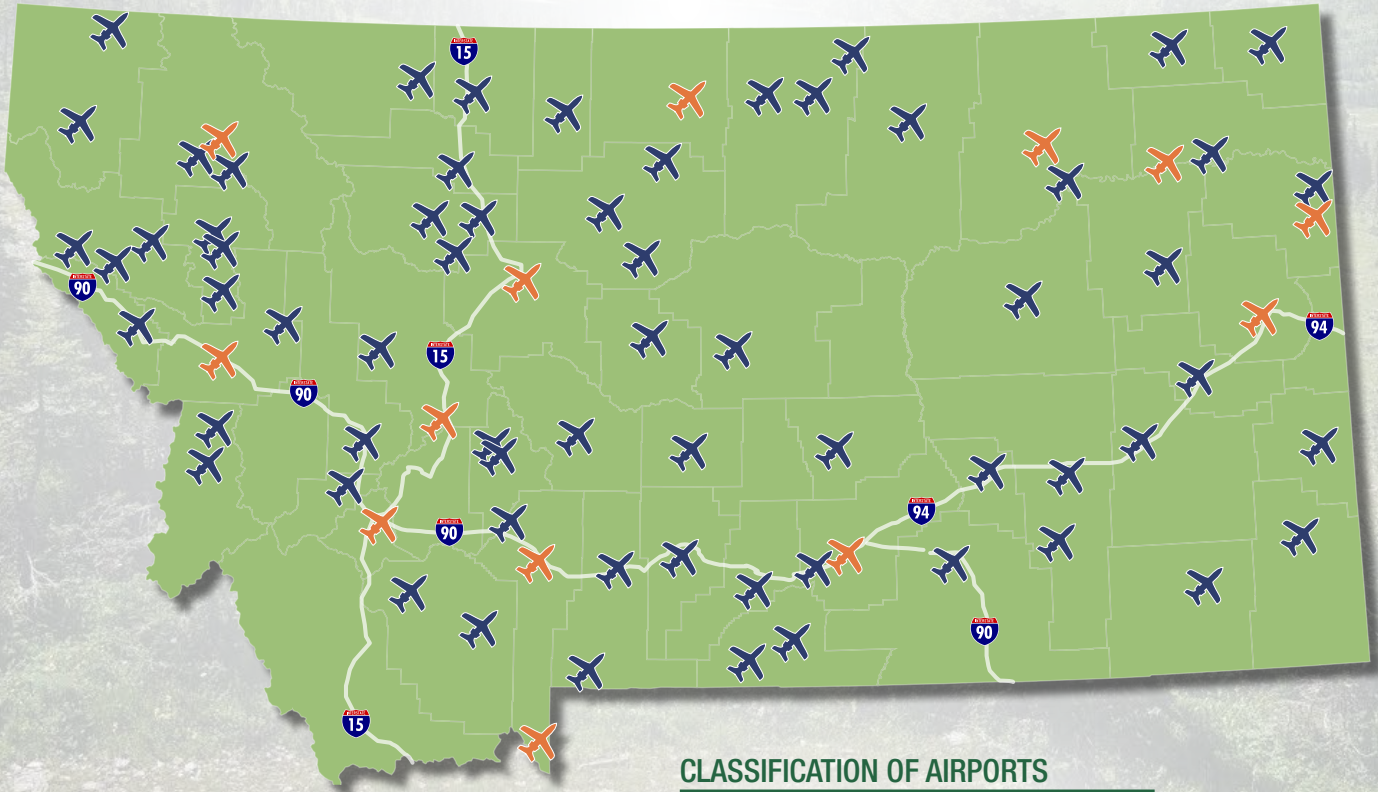
# Introduction

**Montana's airports play an integral role in our transportation system by providing access to destinations within the state, throughout the country, and across the globe.**

Airports also offer significant economic benefits to our communities by supporting jobs; generating payroll; paying taxes; and triggering spending at local, regional, and state levels.

The importance of airports goes beyond transportation and economics. Airports offer access, services, and other valuable attributes for Montanans that cannot always be easily measured in dollars and cents. Residents and visitors use airports for leisure and business travel, and airports serve as the base for a wide range of critical activities such as wildland firefighting, search and rescue operations, and training for future aviators. Airports are the starting point for aircraft that conduct utility inspections, provide medical evacuation services, and transport staff and executives for business activity.

This Economic Impact Study analyzed the contributions of Montana's airports to determine the benefits that airports provide throughout the state. This study updated the previous analysis conducted in 2007 and 2008.



## CLASSIFICATION OF AIRPORTS

-  Commercial Service Airports
-  General Aviation Airports

# Methodology

To better understand the value of Montana’s airports from the perspective of both economics and community benefits, the Montana Department of Transportation (MDT) conducted a comprehensive study of the state’s aviation facilities. The study analyzed the contributions of Montana’s airports, including aviation- and non-aviation-related businesses, visitor spending, capital expenditures on construction, and additional spin-off (or “multiplier”) effects. The study also examined specific activities and uses at each airport to identify how these facilities support Montana’s residents and visitors.



This study expresses the economic benefits of Montana’s airports in terms of jobs, payroll, and total annual economic impact derived from the activities that occur at aviation facilities. Direct impacts include those from on-airport businesses, construction-related activities, and spending from visitors who travel through an airport.

## On-Airport

Airports host numerous businesses on their properties that serve aircraft or passengers such as:

- ➔ Administration
- ➔ Military
- ➔ Airlines
- ➔ Maintenance
- ➔ Parking
- ➔ Concessions
- ➔ Car rental
- ➔ General aviation
- ➔ Air tours
- ➔ Air cargo

## Construction

Additionally, airports constantly develop and improve their facilities to accommodate current and future demands and maintain compliance with regulatory requirements. Airside and landside construction projects require continuous investments, many of which are high-dollar, long-term undertakings that provide meaningful job opportunities for Montana residents.



## Visitor Spending

Because commercial service and general aviation airports serve as a gateway to Montana for thousands of visitors each year, airports also offer significant economic benefits across hospitality industries. Airports are essential to visitors’ ability to conduct business or vacation in Montana, leading to spending in sectors such as lodging, restaurants, retail, and entertainment.



## Spin-off

Airports’ direct impacts also have spin-off effects throughout Montana, as dollars spent at an airport and by visitors off-airport are re-spent locally, regionally, and statewide. These spin-off effects are caused when a portion of direct business revenues are used to purchase goods and services in Montana (i.e., indirect effects) and when the portion of revenues paid as wages to workers are spent within the state (i.e., induced effects).

***Combined, direct impacts and spin-off effects compose the contribution of an individual airport and determine the total statewide impact of Montana’s airport system.***



# Airport-Specific Total Economic Impacts

CITY	AIRPORT	JOBS	PAYROLL	IMPACT
<b>Commercial Service Airports</b>				
Billings	Billings Logan International Airport	3,265	\$118,844,000	\$408,762,000
Bozeman	Bozeman Yellowstone International Airport	7,024	\$207,325,000	\$717,384,000
Butte	Bert Mooney Airport	322	\$11,399,000	\$41,000,000
Glasgow	Wokal Field/Glasgow International Airport	227	\$11,392,000	\$47,274,000
Glendive	Dawson Community Airport	34	\$1,256,000	\$3,425,000
Great Falls	Great Falls International Airport	2,123	\$89,468,000	\$252,945,000
Havre	Havre City-County Airport	59	\$1,962,000	\$6,668,000
Helena	Helena Regional Airport	2,000	\$79,543,000	\$284,656,000
Kalispell	Glacier Park International Airport	2,154	\$63,245,000	\$228,473,000
Missoula	Missoula International Airport	4,492	\$171,432,000	\$537,927,000
Sidney	Sidney-Richland Municipal Airport	114	\$3,821,000	\$11,409,000
West Yellowstone	Yellowstone Airport	253	\$9,684,000	\$27,226,000
Wolf Point	L. M. Clayton Airport	60	\$2,471,000	\$10,807,000
<b>General Aviation Airports</b>				
Anaconda	Bowman Field Airport	3	\$102,000	\$276,000
Baker	Baker Municipal Airport	57	\$2,106,000	\$7,818,000
Big Sandy	Big Sandy Airport	19	\$805,000	\$3,817,000
Big Timber	Big Timber Airport	12	\$513,000	\$2,176,000
Bigfork	Ferndale Airfield	2	\$96,000	\$283,000
Bridger	Bridger Municipal Airport	2	\$88,000	\$211,000
Broadus	Broadus Airport	1	\$18,000	\$68,000
Chester	Liberty County Airport	18	\$663,000	\$1,763,000
Chinook	Edgar G. Obie Airport	6	\$248,000	\$723,000
Choteau	Choteau Airport	7	\$274,000	\$776,000
Circle	Circle Town County Airport	2	\$157,000	\$555,000
Colstrip	Colstrip Airport	4	\$205,000	\$677,000
Columbus	Wolterman Memorial Airport	7	\$248,000	\$772,000
Conrad	Conrad Airport	4	\$151,000	\$450,000
Cut Bank	Cut Bank International Airport	53	\$2,217,000	\$6,972,000
Deer Lodge	Deer Lodge-City-County Airport	11	\$306,000	\$968,000
Dillon	Dillon Airport	6	\$226,000	\$683,000
Dutton	Dutton Airport	5	\$146,000	\$299,000
Ekalaka	Ekalaka Airport	4	\$161,000	\$500,000
Ennis	Ennis - Big Sky Airport	75	\$2,341,000	\$7,224,000
Eureka	Eureka Airport	6	\$198,000	\$662,000
Fairfield	Fairfield Airport	1	\$71,000	\$115,000
Fairview	Fairview Airport	3	\$139,000	\$205,000
Forsyth	Tillitt Field Airport	15	\$688,000	\$1,902,000
Fort Benton	Fort Benton Airport	64	\$2,739,000	\$12,307,000
Fort Peck	Fort Peck Airport*	0	\$0	\$20,000
Gardiner	Gardiner Airport	2	\$83,000	\$173,000

CITY	AIRPORT	JOBS	PAYROLL	IMPACT
Geraldine	Geraldine Airport	2	\$57,000	\$142,000
Hamilton	Ravalli County Airport	204	\$7,492,000	\$20,090,000
Hardin	Big Horn County Airport	19	\$785,000	\$2,500,000
Harlem	Harlem Airport	2	\$102,000	\$356,000
Harlowton	Wheatland County Airport*	0	\$0	\$65,000
Hot Springs	Hot Springs Airport*	0	\$8,000	\$24,000
Hysham	Hysham Airport*	0	\$0	\$3,000
Jordan	Jordan Airport	2	\$145,000	\$426,000
Kalispell	Kalispell City Airport	68	\$2,053,000	\$6,709,000
Laurel	Laurel Municipal Airport	66	\$2,416,000	\$11,084,000
Lewistown	Lewistown Municipal Airport	426	\$17,363,000	\$43,043,000
Libby	Libby Airport	27	\$853,000	\$2,554,000
Lincoln	Lincoln Airport	1	\$58,000	\$189,000
Livingston	Mission Field Airport	25	\$803,000	\$2,929,000
Malta	Malta Airport	11	\$412,000	\$1,373,000
Miles City	Frank Wiley Field Airport	52	\$2,636,000	\$5,934,000
Plains	Plains Airport*	0	\$0	\$122,000
Plentywood	Sher-Wood Airport	9	\$434,000	\$1,097,000
Polson	Polson Airport	29	\$872,000	\$3,360,000
Poplar	Poplar Municipal Airport	25	\$836,000	\$2,531,000
Red Lodge	Red Lodge Airport	4	\$189,000	\$643,000
Ronan	Ronan Airport	84	\$4,045,000	\$7,999,000
Roundup	Roundup Airport	14	\$591,000	\$2,161,000
St. Ignatius	St. Ignatius Airport	4	\$200,000	\$675,000
Scobey	Scobey Airport	18	\$754,000	\$2,197,000
Seeley Lake	Seeley Lake Airport	1	\$41,000	\$135,000
Shelby	Shelby Airport	20	\$802,000	\$2,667,000
Stanford	Stanford Airport/Biggerstaff Field	5	\$152,000	\$482,000
Stevensville	Stevensville Airport	68	\$1,933,000	\$7,780,000
Superior	Mineral County Airport	5	\$165,000	\$560,000
Terry	Terry Airport	2	\$74,000	\$236,000
Thompson Falls	Thompson Falls Airport	3	\$98,000	\$317,000
Three Forks	Three Forks Airport	54	\$2,071,000	\$8,261,000
Townsend	Canyon Ferry Airport	8	\$237,000	\$612,000
Townsend	Townsend Airport	2	\$62,000	\$193,000
Turner	Turner Airport	7	\$170,000	\$509,000
Twin Bridges	Twin Bridges Airport	61	\$2,537,000	\$8,265,000
White Sulphur Springs	White Sulphur Springs Airport	4	\$141,000	\$456,000
<b>TOTAL ANNUAL IMPACTS OF MONTANA AIRPORTS</b>		<b>23,849</b>	<b>\$838,510,000</b>	<b>\$2,779,115,000</b>

\* Less than one-half of one job supported by capital expenditures on construction, visitor spending, and spin-off effects. Any partial job estimates greater than 0.5 have been rounded up to the next whole number.

## DIRECT ECONOMIC IMPACTS

On-Airport  
**\$911,144,000**

Construction  
**\$61,147,000**

Visitor Spending  
**\$717,784,000**

**SPIN-OFF ECONOMIC EFFECT**  
**\$1,089,040,000**

## STATEWIDE TOTAL IMPACTS

**23,849** **\$838,510,000**

**\$2,779,115,000**

## Statewide Summary of Impacts

Based on an analysis of on-airport businesses, non-aviation tenants, off-airport businesses serving airport visitors, capital expenditures on construction, and airport-reliant businesses, **Montana aviation system provided an overall net contribution to the state's economy of nearly \$2.8 billion in business sales and approximately 24,000 jobs.** Nearly 4% of the jobs in Montana are supported by the aviation industry, generating \$839 million in payroll for state residents.

**ON-AIRPORT** • Montana's airports function as regional and statewide centers for on-airport employment by providing services to airlines, airline passengers, and general aviation pilots and their aircraft. Additionally, some airport properties host aviation and non-aviation tenants that rely on the facility's infrastructure to conduct business operations. On-airport activities result in a direct economic impact of \$911 million and support a total of 9,663 jobs that generate \$453 million in payroll.

**CONSTRUCTION** • Airport capital expenditures on construction are necessary to support continuous operations, safe working conditions, and, in some cases, expanded operational capacity. Capital expenditures at Montana's airports resulted in a \$61.1 million economic impact. When spin-off effects are added, that contribution increases to \$99.3 million, generating 729 jobs and \$30 million of annual payroll.

**VISITOR SPENDING** • In 2015, 1.9 million visitors utilized Montana's commercial and general aviation airports and spent \$717.8 million across a variety of hospitality industries. In total, visitor spending supports over 13,500 jobs, \$356 million in payroll, and \$1.22 billion in business sales within the state.

*Montana's airport system contributes 4% to the state's employment base.*

# Quality of Life

Aviation's benefits to Montanans are not only financial. Commercial service and general aviation airports provide essential services to residents and visitors—particularly in the most remote corners of the state.

Montana airports also serve as access points for visitors from around the world who are drawn to the state's unparalleled recreational opportunities, spectacular public lands, and uniquely western landscapes.

*These quality of life benefits make Montana safer, more accessible, and a richer place to visit and call home.*



## Agricultural Spraying

Aerial applicators are a major function of Montana's airport operations, particularly across the farmlands that dominate the state's central and eastern expanses. Agricultural spraying is efficient, provides a highly effective means of delivering crop protection products, produces maximum crop yields, and saves crop land from trampling by surface applicators. Some agricultural aircraft can also serve as airtankers for wildfire suppression. While airports may only receive a small amount of revenue from this service, aerial spraying is vital for producers and the communities they support.



## Medical Flights

Medical flights support the health and overall well-being of Montanans, especially those residents who live in remote areas of the state without access to major medical facilities. Airports host emergency evacuation services and healthcare practitioners who fly to communities to provide routine medical care. Many rural airports accommodate weekly medical flights that offer care for residents who cannot receive required medical attention in their local communities. Medical flights are particularly vital for patients in critical condition without immediate access to specialized medical attention.



## Corporate and Business Activity

Airports provide a vital link between Montana's businesses and markets throughout the United States and across the globe. In 2015, over 5,000 tons of incoming commodities and outgoing products were transported in Montana. These goods were worth approximately \$621 million and supported almost 900 jobs and \$42 million in payroll. In addition to cargo services, on-airport tenants are involved in activities such as fixed-base operations, fuel sales, flight schools, rental car agencies, food vendors, and other businesses that service passengers, airlines, and general aviation pilots. Without Montana's airports, business activity would be severely impacted.



## Aerial / Wildland Firefighting

A network of federal, state, Tribal, and local agencies coordinated by the Montana Department of Natural Resources and Conservation (DNRC) provides fire protection across 5.2 million acres of Montana wildlands. The DNRC operates a fleet of 10 aircraft; additionally, federal agencies including the U.S. Forest Service and Bureau of Land Management actively maintain aircraft across the state to support fire protection. Most of Montana's airports serve as a primary or suitable alternative airport for aerial wildland firefighting operations. Single-engine air tankers (SEATs), helicopters, and smokejumpers provide rapid-response services to even the most remote regions of the state.



## Military Exercise / Training

Over 30 airports in Montana accommodate military aircraft operations. In fact, some facilities, including Cut Bank International Airport, Glasgow International Airport, Lewistown Municipal Airport, Great Falls International Airport, and Helena Regional Airport, were first established by the U.S. Army Air Forces for training pilots and aircrews during World War II. Today, Great Falls International Airport is home to the Great Falls Air National Guard Base that hosts the 120th Airlift Wing known as the "Vigilantes." These operations support military and civilian jobs and drive fuel sales. Military benefits are especially pronounced at the small general aviation facilities that accommodate this activity.



## Law Enforcement

Agencies use aviation facilities to conduct general and emergency law enforcement activities such as responding to calls in remote areas; conducting search and rescue, aerial surveillance, and homeland security operations; transporting prisoners; and pursuing criminal suspects by air. The Havre Sector of U.S. Border Patrol provides homeland security along a 456-mile stretch of Montana/Canadian border from six substations within 45 minutes of the international divide.



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