The Kansas Airport System

There is a strong relationship between Kansas’ economy and aviation. The state’s system of seven commercial service and 73 general aviation airports, listed in the National Plan of Integrated Airports System (NPIAS), provide the gateway to the nation’s air transportation system and the world’s economy. Airports support the Kansas economy by increased efficiency and productivity for all business activity, including the transportation of passengers for both recreational and business purposes. Airports are important economic catalysts, supporting thousands of jobs and billions of dollars in economic activity. Most of Kansas’ largest employers – both large and small – rely on the state’s aviation system to transport employees, customers, supplies, and products. Kansas’ 80 NPIAS airports serve as the base of operations for a variety of businesses, including airlines, air cargo companies, flight instructors, charters, concessionaries, government entities, and many others. Kansas tourism industry also depends on the state’s system of airports to accommodate thousands of visitors each year.

Study Process

The Kansas Department of Transportation, Division of Aviation, implemented this study through a Federal Aviation Administration (FAA) grant, to quantify the economic impact and relationship between the state’s system of airports and the economy. The study follows an approved methodology that has successfully quantified the value of airports and airport systems throughout the United States.

The economic contribution of each NPIAS airport in Kansas was measured in terms of employment, payroll, and output. A comprehensive survey process was used to calculate the direct economic benefits related to on-airport businesses and government agencies, including the indirect benefits associated with visitor-related expenditures. Secondary, or induced, impacts from these airport activities were calculated using economic models specific to Kansas. For example, when an airport employee purchases goods and services, those dollars circulate through the local economy which results in additional economic activity in the region. The total economic impact is the sum of all direct, indirect, and multiplier impacts.

Statewide Impacts

Based on information gathered during the study, approximately 91,000 jobs are attributed to the aviation industry, including 42,000 from Aerospace Manufacturing. These employees receive more than $4.4 billion in total payroll, and generate more than $20.5 billion in total economic activity. In addition, the 80 NPIAS airports in Kansas provide a number of health, welfare, and safety benefits, including aerial agricultural spraying, medical transport and evacuation, emergency response, search and rescue, flight training, law enforcement, wildlife management, military training, search and rescue operations, and education.

Kansas’ Total Annual Economic Benefits from Aviation

| Total Jobs   | 91,279 |
| Total Payroll| $4.4 Billion |
| Total Output | $20.6 Billion |

Impact Measures

Employment measures the number of full-time equivalent (FTE) jobs related to airport activity including on-airport construction. A part-time employee counts as half a full-time employee.

Payroll measures the total annual wages and benefits paid to all workers whose salaries are directly attributable to airport activity.

Economic Activity (Output) measures the value of goods and services related to airports in Kansas. The output from on-airport business activity is assumed to be the sum of annual gross sales and average annual capital expenditures.
Hill City Municipal Airport (HLC) is located two miles northeast of the central business district of Hill City in north-central Kansas. The airport is included in the FAA’s National Plan of Integrated Airport Systems (NPIAS), making it eligible to receive federal funds. It is owned and operated by Hill City, which is the county seat and most populous city in Graham County. The airport’s role within the Kansas Aviation System Plan is identified as a Business airport, which is intended to accommodate local business activities and general aviation users.

The airport has a single runway that is 5,000 feet long and 75 feet wide, with non-precision instrument approaches to both ends. The airport provides fuel services, aircraft parking, hangar storage, and public telephone access to its users. While the primary activity at the airport is aerial agricultural spraying, the airport occasionally supports flights for medical transportation, land acquisition, and oil operations.

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**HILL CITY MUNICIPAL**

**First Round Impacts**

- **Direct Output**: $1,413,600
- **Indirect Output**: $31,600

**Second Round Impacts**

- **Induced Output**: $1,064,200

**Total Impacts**

- **Total Jobs**: 17
- **Total Payroll**: $426,600
- **Total Output**: $2,509,400

**Impact Types**

**First Round Impacts** include both direct and indirect impacts. Direct impacts are those benefits associated with on-airport businesses and government tenants. Indirect impacts generally take place off-airport and are usually attributable to visitor spending.

**Second Round Impacts** consist of induced impacts, which are those benefits that result from the recirculation and re-spending of direct and indirect impacts within the economy. This re-circulation is commonly referred to as the “multiplier effect.”

**Total Impacts** are the combination of all first-round and second-round impacts.