



December 17, 2018

State Representative Jonathan Steinberg
Legislative Office Building, Room 3004
300 Capitol Avenue
Hartford, CT 06106

Dear Representative Steinberg,

I am writing to express concern with some early discussions that have occurred and may continue in the future regarding the Pension Sustainability Commission. I understand that there has been some very preliminary conversation about potentially contributing either physical airport assets themselves or their revenues to the state pension systems. As the quasi-public agency that oversees six airports in the State, the Connecticut Airport Authority feels it is important to go on the record expressing concern with either approach.

Generally speaking, per Federal Aviation Administration regulations, any revenues generated on airport property must be utilized for the benefit of aviation in the state. These revenue diversion rules expressly prohibit the use of revenues for non-airport purposes, including for the benefit of the state's pension systems. The only way this could be achieved, or the only way the physical airport assets themselves could be contributed, would require a lengthy process through the federal airport privatization program. Such a step would put any applicable airport in a disadvantaged position for federal grants, and the program would require other major hurdles that are very unlikely to be overcome.

I must express concern with the ongoing dialogue for the same reason that I have raised issues with previous legislative discussions about closing Hartford-Brainard Airport. Such discussions, even if they are preliminary in nature, can have a chilling effect on future business development efforts. If third parties cannot feel comfortable that the airports will continue to operate in a predictable manner, they will be much less likely to invest in new developments or expand their existing operations. In the case of Bradley International Airport, I also fear that such discussions could even impact the bond rating that we have worked so hard to achieve. I realize that the commission has not had significant discussions about the airports as specific assets at this point, but I feel it is important to raise these concerns now before any potential damage is done.

Thank you for your consideration on this matter. If you are interested in discussing this further, I would be happy to meet with you at a time of your convenience. I can also be reached in the office at 860-292-2054.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin A. Dillon', is written over a horizontal line.

Kevin A. Dillon, A.A.E.
Executive Director
Connecticut Airport Authority

Bradley International Airport
Terminal A, 3rd Floor, Administrative Offices
Windsor Locks, CT 06096