



# Rhode Island Airport Corporation

March 26, 2024

Representative Joseph J. Solomon, Jr.  
Chair, House Committee on Corporations  
Rhode Island State House  
Providence, RI 02903

Dear Chairman Solomon:

Re: H7069

We write to you and your members today regarding House Bill 7069 – an act that would add a mayoral appointee from the City of Warwick to the Rhode Island Airport Corporation’s board of directors. Ultimately, the manner in which the corporation is governed is a decision for members of the General Assembly and the governor to decide. From our standpoint, we want you to know the Corporation is well governed and well managed and producing great results for the citizens of Rhode Island.

RIAC has an economic impact of \$2.7B with 19,000 jobs. Rising tides at the airport lift all of Rhode Island economically so it was very important that the board functions well. Please know the following when considering any changes to the makeup of the board.

Air service at the airport has doubled since the board hired Iftikhar Ahmad in 2016. The airport has grown from seven airlines and 17 direct flights to nine airlines and 34 direct flights - and we have every reason to believe we will be announcing additional direct flights in the future.

Additionally, the financial condition of RIAC is quite possibly stronger than it has ever been. We currently have a surplus of over \$100 million and have received multiple credit agency upgrades. Beyond building a surplus we have also been able to lower our debt. In a recent S&P credit analysis they noted the following about RIAC’s management of financials:

*“Very strong management and governance, with a good track record of operating the major lines of business and managing risk, as evidenced by high liquidity, conservative budgeting, and meeting financial targets.”*

This sound financial management has allowed us to continue to invest in our facilities and the terminal to ensure Rhode Island has one of the best airports in the country. RIAC currently has \$950 million in infrastructure improvements in its master plan and is implementing \$350 million of it over next two years.

A well-run airport only bolsters the surcharges that Warwick receives in the form of beverage taxes, hotel taxes and parking fees that allow the Mayor and the City Council to help control property tax rates. We estimate that Warwick is the beneficiary of \$5 million annually in financial support based on the operations of the airport. The operations of the airport directly and indirectly create employment opportunities for Warwick residents as well.

Iftikhar Ahmad  
*President and CEO*

## Board of Directors

Jonathan N. Savage  
*Chairman*

Michael Traficante  
*Vice Chairman*

Deborah M. Thomas  
*Treasurer*

Christopher H. Little  
*Secretary*

Gregory Pizzuti

Jeffrey E. Bogosian

Jonathan Roberts

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We have seen legislative attempts in recent years to change the composition of our board to include appointees from pilot associations and we have opposed these bills as the mission of these organizations is not always aligned with the mission of the airport. Please know we have great respect for the pilot community and have worked hard to improve relations over the years, but as a board we must find a balance between the wants and needs of the pilot community and the communities who host regional airports.

We see analogies with this legislation as the Mayor of Warwick's first obligation is to the City of Warwick and he or she may find themselves in a state of continual conflict as the RIAC board has a mission to serve all of the residents of Rhode Island.

Please know we work very hard to maintain a good working relationship with the City of Warwick and have great respect for the residents and elected officials in our host community. We'd ask you to consider the impact if this legislation were to pass if representatives of each of Rhode Island's five general aviation airports also demanded to have seats on the board. One could argue if this scenario were to come to fruition that the overall success of RIAC's goals for the benefit of all Rhode Islanders would significantly be impacted or limited.

Please know that a Warwick resident currently serves on the RIAC board (Jon Justo). In summation, the governance structure now in place is working and working well. There has never been a time in recent history where the airport has had greater successes. As you contemplate this bill, please ask yourselves if there should be a policymaking change of this significance when things are working so well.

Sincerely,



John J. Goodman  
Assistant Vice President  
Media and Public Relations

Iftikhar Ahmad  
*President and CEO*

**Board of Directors**

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*Chairman*

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