

AIRPORTS IN THE MUNICIPAL BOND MARKET: A REGIONAL ANALYSIS

This appendix summarizes the participation of airports in the municipal bond market by FAA region over the 1978-82 period (see table E-1) and charts regional differences in interest rates paid on airport bonds relative to other municipal bonds (table E-2).

The FAA breaks down regions as follows:

- **New England Region:** Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont.
- **Eastern Region:** Delaware, District of Columbia, Maryland, New Jersey, New York, Pennsylvania, Virginia, West Virginia.

Table E.1.—Bond Issues for Airports by Region, 1978-82

Region	Number of issues	In millions of 1982 dollars		Percent of total	
		Average size of issue	Value of issues	Number of issues	Value of issues
New England:					
General obligation	3	0.4	1.1	1.3	^a
Revenue	1	100.2	100.2	0.4	2.0
Subtotal	4	25.3	101.2	1.7	2.0
Eastern:					
General obligation	7	8.2	57.3	2.9	1.1
Revenue	21	14.9	312.4	8.8	6.2
Subtotal	28	13.2	369.7	11.8	7.3
Southern:					
General obligation	9	9.2	82.4	3.8	1.6
Revenue	34	44.0	1,496.8	14.3	29.7
Subtotal	43	36.7	1,579.2	18.1	31.3
Great Lakes:					
General obligation	43	4.3	185.1	18.1	3.7
Revenue	17	10.3	174.6	7.1	3.5
Subtotal	60	6.0	359.6	25.2	7.1
Central:					
General obligation	13	1.9	25.2	5.5	0.5
Revenue	8	12.9	103.4	3.4	2.0
Subtotal	21	6.1	128.6	8.8	2.5
Northwest Mountain:					
General obligation	4	2.3	9.2	1.7	0.2
Revenue	15	21.1	315.8	6.3	6.3
Subtotal	19	17.1	325.0	8.0	6.4
Western Pacific:					
General obligation	5	5.5	27.3	2.1	0.5
Revenue	20	52.7	1,053.6	8.4	20.9
Subtotal	25	43.2	1,080.9	10.5	21.4
Southwest:					
General obligation	7	3.2	22.5	2.9	0.4
Revenue	30	35.9	1,077.1	12.6	21.3
Subtotal	37	29.7	1,099.6	15.5	21.8
Alaska^b:					
General obligation	1	3.0	3.0	0.4	0.1
All regions:					
General obligation	92	4.5	413.0	38.7	8.2
Revenue	146	31.7	4,633.8	61.3	91.8
Total	238	21.2	5,046.8	100.0	100.0

^aLess than 0.05 percent.

^bNo revenue bonds issues for this region.

SOURCE: Congressional Budget Office.

Table E-2.—Differences in Interest Rates Paid on Airport Bonds Relative to Other Municipal Bonds by Region, 1978-82 (in basis points)

Region	1978	1979	1980	1981	1982	1978-82
New England:						
General obligation	-58	a	- 122	a	a	-79
Revenue	NIA	a	a	a	22	22
Eastern:						
General obligation	a	- 4	a	-57	-18	-26
Revenue	N/A	a	-47	-469	-36	-137
Southern:						
General obligation	-71	-51	-95	a	a	-70
Revenue	NIA	-101	-156	-77	8	-63
Great Lakes:						
General obligation	-75	-36	-43	-75	-54	-59
Revenue	NIA	a	-223	-74	-142	-154
Central:						
General obligation	-88	-32	a	-153	-81	-94
Revenue	N/A	a	a	22	a	22
Northwest Mountain:						
General obligation	-102	-69	a	a	-237	-119
Revenue	NIA	N/A	-102	a	-37	-53
Western Pacific:						
General obligation	93	a	-109	-115	-138	-35
Revenue	NIA	64	17	-8	-15	5
Southwest:						
General obligation	a	-70	-46	a	-8	-49
Alaska:						
General obligation	a	a	a	a	-42	-42
Revenue	NIA	a	a	a	a	b
Total:						
General obligation	-63	-46	-73	-89	-66	-65
Revenue	NIA	-29	-103	-123	-32	-70

NOTES: Data reflect difference in interest rates between airport bonds and other general obligation and revenue bond issues, in basis points. General obligation issues are compared with the average value of the Bond Buyer's Index of 20 municipal bonds during the month of issue. Revenue bonds are compared with the Bond Buyer's Revenue Bond Index during the month of June. Revenue bond figures for 1979 based on September-December only. N/A = data not available

aNo issues with this security in this Year.

bNo issues with this security in this region.

SOURCE: Congressional Budget Office.

- **Southern Region:** Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, Virgin Islands
- **Great Lakes Region:** Illinois, Indiana, Michigan, Minnesota, North Dakota, Ohio, South Dakota, Wisconsin.
- **Central Region:** Iowa, Kansas, Missouri, Nebraska.
- **Northwest Mountain Region:** Colorado, Idaho, Montana, Oregon, Utah, Washington, Wyoming.
- **Western Pacific Region:** Arizona, California, Guam, Hawaii, Nevada.
- **Southwest Region:** Arkansas, Louisiana, New Mexico, Oklahoma, Texas.
- **Alaskan Region:** Alaska.