2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 170 **STATUS:** B Engrossed
SUBJECT: Expands the number of rural airports eligible to participate in pilot program
GOVERNMENT UNIT AFFECTED: Department of Aviation; Department of Land Conservation and Development; Economic and Community Development Department; Counties
PREPARED BY: John Terpening
REVIEWED BY: Monica Brown
DATE: May 21, 2009

EXPENDITURES:
See Comments

REVENUES:
See Comments

EFFECTIVE DATE: January 1, 2010

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: This measure expands the eligibility to participate in the Department of Aviation's pilot program for rural airports from three to six, defines the term "airport boundary", and broadens the definition of "rural airports" to include any airport that does not have a permanent air traffic control tower and increases the population requirements from fewer than 75,000 to fewer than 500,000. The measure does not define which pilot sites will be selected for this program.

The measure has a minimal fiscal impact. The Oregon Administrative Rules for the Department of Aviation's "through the fence" program outline a selection process, including application review, and program evaluation process, including annual written evaluation and presentation, as well as assisting airport sponsor's with aviation planning advice and coordination with appropriate local, state, and federal agencies.

According to the Department of Aviation, there are an estimated 89 rural airports, as defined by the measure, which have available land within the airport boundary for conducting "through the fence" operations by a commercial or industrial user and are eligible for the pilot program. The land use designation of property within an airport boundary may change, at which point additional rural airports may become eligible for the pilot program.

Once a new pilot project is identified the Department of Land Conservation and Development (DLCD), Oregon Economic and Community Development Department (OECDD), and appropriate county will incur minimal costs as a result of this measure. Rule-making will be required by DLCD for authorization of industrial development at participant airport property. OECDD is required to assist pilot projects with identifying, qualify, and apply for funding possibilities, and the county's agreement is required for participation of a rural airport in the pilot program.