



3040 -25th Street, SE Salem, OR 97302-1125 Phone: (503) 378-4880 Toll Free: (800) 874-0102 FAX: (503) 373-1688

Senate Bill 269

Background:

The Oregon Department of Aviation (ODA) is solely supported by Other and Federal Funds (Federal Aviation Administration), with revenue from the jet fuel and aviation fuel (AVGAS) tax representing over 50% of the Other Fund revenue. Funding for the agency has steadily declined and compressed over the years due to inflation and a lack of revenue increases. We have reviewed our existing fee structures and identified those which need the more immediate attention in order to maintain the same level of service in the 2015-2017 biennium. Fees for pilot and aircraft registration were last raised in 2007. Fees for public airport registration have been at a flat \$30 rate since 1997.

Problem proposed to be solved:

- *Pilot Registration* The agency does not generate sufficient revenue to allocate funds to Oregon Emergency Management (OEM) as required by ORS 837.035 to provide services to the aviation community in the outcome areas of safety, reimbursments, insurance, and operation costs.
- *Aircraft Registration* The current fee structure no longer meets the demand for services provided from this account for FAA grant matching, airport operations costs, and Unmanned Aerial Vehicle registrations.
- *Public Airports Registration* The \$30 fee currently in place does not cover the cost incurred to ODA for the services provided to public airports. These services include land use coordination with counties, development expertise, and legal and administrative costs. Proposed solution:

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A fee increase in each of the areas listed above is required to provide additional revenue to ODA. With the additional revenue, we will be able to offset inflation, increase funding to OEM, provide funding for maintenance and operations of the department.

Stakeholder outreach:

Throughout summer and fall, the agency has connected with interested and affected parties of the concept including: Oregon Pilots Association, Aircraft Owners & Pilots Association, and Oregon Airport Managers Association.

For more information contact: Joy Howard, Business Manager, 503-378-2894 or Mitch Swecker, Director, 503-378-2340