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February 3, 2017

To: Chair Lee Beyer and

Senate Committee on Business and Transportation

Subject: Written testimony on SB 27 Abolishment of Pilot Registration

**What the measure does**: SB27 will amend sections of ORS 835 and 837 to abolish Pilot Registration in Oregon, the Pilot Registration Fee.

**Background:** The Oregon Department of Aviation currently registers all pilots in the state as required under ORS 837.020. The initial annual fee is \$24, with renewal fees of \$48 paid biennially.

The state Pilot Registration program provides no additional safety beyond federal requirements,

Pilot registration has low customer satisfaction, and is costly to administer. The state requirements do not provide additional safety beyond the federal requirements.

Oregon is among only three states in the United States that require pilot registration. The other state is Montana. Although only ½ of an FTE is allocated to administration of this program, there are 3 staff members in the agency that spend time collecting this revenue. Abolishment of pilot registration will free up time for Aviation Department staff to better serve the needs of the aviation community.

ORS 837.035 states that the revenue received from Pilot Registrations shall be used for payment of expenses incurred by the Office of Emergency Management, (OEM) in conducting activities authorized under ORS 404.105 to search for lost planes and lost persons, the rescue of lost persons, pilot survival education and training and all other expenses directly attributable to the search and rescue program and for the payment of expenses of the Oregon Department of Aviation relating to the registration of pilot licenses.

The Oregon Department of Aviation is committed to providing funds for search and rescue purposes and therefore will continue this funding with Aircraft Registration revenue (as authorized under ORS 835.060) and will have an interagency agreement with Oregon Emergency Management to continue to fund the search and rescue position and other obligations of ORS 837.035 as listed above.

**Solution:** This bill will amend sections of ORS 837 to abolish Pilot Registration in Oregon. Pilots will no longer be required to register in Oregon or pay a fee associated with the registration. There will be no decrease in safety to the community because Federal regulations will remain in place. The expenditures incurred by the Office of Emergency Management in conducting activities authorized under ORS 404.105 and all other expenses directly attributable to the search and rescue program will be paid from Aircraft Registration revenue. ORS 835.060 allows Aircraft Registration revenue to be used for the payment of expenses for air search and rescue. There is sufficient revenue available in Aircraft Registration for these changes. In the 2015 Legislative Session, Aircraft Registration fees were increased

which will lead to a forecasted \$202,257 increase in revenue each biennium. This will be more than the forecast decrease in revenue of \$161,375 for abolishing Pilot Registration. This concept is eliminating a program that does not add value in order to better serve the pilot community in the state of Oregon. The ½ FTE time will be used to provide better customer service to Aviation Department customers. This includes increasing staff time for public use Unmanned Aircraft Registrations (UAS), an increasing time commitment that does not have any FTE dedicated to it. UAS is a growth area where the agency expects to see an increase in the number of registered unmanned aircraft.

**Stakeholder Outreach:** There are no known opponents to this bill. The staff has performed stakeholder outreach and the pilot community has been highly engaged and supportive of SB 27. The bill has generated good will among aviation stakeholders.

Recommendation: I respectfully ask for a work session "Do Pass' recommendation.

Respectfully,

Mitch Swecker, Director,

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