



Oregon Aviation Industries



March 27, 2019

Dear Rep. Caddy McKeown
District 09 Coos Bay
Co-Chair Oregon Joint Committee on Transportation

This letter is in support of HB2402-2 which increases Oregon general aviation infrastructure funding by 2 cents over the current levels.

Oregon Aviation Industries (ORAVI) is a cluster group of 100 Oregon aviation companies promoting good paying jobs and economic development in Oregon's large and diverse aviation industry. ORAVI's member companies are national and international leaders in many facets of aviation, including aircraft and equipment manufacturing, UAS development, aircraft services, pilot training and aviation education. We are also actively engaged in trying to develop new rural air service for Oregon's 97 public use airports. ORAVI is a member of the Oregon Business Council's industry cluster group.

The aviation transportation system and the Department of Aviation in Oregon are underfunded. Connect Oregon funds are no longer available and no funding comes from the general fund for aviation. In 2015 HB2075 increased the aviation fuel tax by 2 cents per gallon and the bill has a sunset of 1/1/2022. HB2402-2 will eliminate the sunset and add an additional 2 cents per gallon. This would bring avgas to 13 cents/gal and jet fuel to 5 cents/gal. With this increase, our aviation fuel taxes would still be lower than other states in the region. And, far lower than automobile fuel tax. We view aviation fuel tax as a user fee, as it is paid for by those who fly. It is not a general tax.

HB2042 will provide critically needed funds of approximately \$7 Million per year for:

- 1-10/90% grant match funds to leverage federal dollars for rural airport infrastructure improvements,
- 2-Creation of affordable air transportation services among some of our 97 public use airports,
- 3-Maintenance of airports for safety and operations,
- 4-Emergency airport preparedness for natural disaster relief,
- 5-Economic development assistance for the aviation industry in Oregon.

Oregon Aviation Industries (ORAVI) supports HB2402-2 with proposed amendments and encourages its passage in the 2019 Legislative Session. We look forward to testifying at your committee hearings on and are ready and willing to provide additional information as needed. Thank you for your support.

Sincerely,

Gale 'Jake' Jacobs
Executive Director
Oregon Aviation Industries