



Support HB 2402

Rural airports have few resources and often have difficulties producing matching funds to leverage state and federal grants. In 2015, the Legislature recognized these challenges and passed HB 2075. This bill increased the tax on Aviation Gas and Jet Fuel by \$0.02 per gallon to support Oregon's rural airports and spur economic development. The increase is estimated to generate \$7.7 million in the 2019-2021 biennium. \$3.7 million will be dedicated to funding the COAR program, which has the potential to leverage \$33.2 million in federal AIP dollars. The program sunsets in January 2022.

HB 2075 funds three important aviation programs:

- 1. Critical Oregon Airport Relief Program (COAR) – 50%**
 - Match requirements for federal dollars (FAA grants)
 - Emergency preparedness and infrastructure, including seismic studies, emergency generators, etc.
 - Critical infrastructure, services, and local economic development
- 2. State Owned Airports Reserve Program (SOAR) – 25%**
 - Safety improvements recommended by the Oregon State Aviation Board and local community airports
 - Infrastructure projects at public use airports
- 3. Rural Oregon Aviation Relief Program (ROAR) – 25%**
 - Commercial air service to rural Oregon

Preservation and improvement of the state's aviation system will require additional investment if airports are to continue to drive over **\$24 billion** in economic activity and support over **76,000 direct and indirect jobs** in Oregon. Airports need a funding source that is stable and certain to support economic development and leverage 10x in federal funding.

HB 2402

- Removes the January 1, 2022 sunset on the Aviation fuel and Jet fuel tax that was authorized by HB 2075
- Removes the sunset on the allocations of the new tax revenue
- Initiates a legislative conversation about the need for additional resources to fund rural airports and the Department of Aviation

HB 2402 provides certainty, growth, and sustainability for Oregon's network of local airports.