



April 14, 2019

Representative Caddy McKeown
Senator Lee Beyer
Co-Chairs, Joint Committee on Transportation
Oregon State Legislature
900 Court St. NE
H-476
Salem, Oregon 97301

Subject: HB 2402 – An act related to aviation fuel; prescribing an effective date; providing for revenue raising that requires approval by a three-fifths majority.

Dear Co-Chairs Beyer and McKeown,

I am Warren Hendrickson, NW Mountain Regional Manager for the Aircraft Owners and Pilots Association (AOPA), the world's largest general aviation organization. I serve as the direct representative for 5,096 AOPA members in Oregon.

AOPA and its Oregon members strongly support HB 2402 and, in particular, the amended version HB 2402-2. AOPA strongly supports this amendment that would increase state aeronautics revenue and grant funding by an additional \$3.5 million per year. Please also note that each dollar of increased funding potentially leverages an additional nine dollars of federal Airport Improvement Program (AIP) funding – money that will not otherwise be available to Oregon airports.

The bill before you eliminates the sunset provisions of 2015's HB 2075. HB 2075 funding has been absolutely critical to the funding of Oregon's airports, especially since Connect Oregon grants to state airports have been non-existent of late. This funding must therefore continue unabated. The vibrant health of Oregon's economy depends upon it. Aviation in Oregon provides a direct economic impact in excess of \$22 billion dollars, along with over 76,000 jobs.

Additionally, when responding to natural disasters such as earthquakes and tsunamis triggered by a Cascadia Subduction Zone event, the resiliency of Oregon's airports will be even more critical. Roads and bridges will be impassable; aviation and the state's airports will be the keys to survival. 2015's \$5 billion surface transportation measure provided zero dollars to aviation. Therefore, HB 2402-2 is the key – the only available key – to funding Oregon airports.

There will be strong opposition in some quarters to any increase in taxes, particularly from the scheduled airlines and commercial service airports; however, the impact of this legislation on those entities will be quite small, only marginally affecting the cost of the ticket per passenger enplanement. Please also note that this increased fuel tax is not one imposed on the general population but only on the users of Oregon's aviation system. As the future direct beneficiaries of the revenues generated by this maintained and increased fuel tax, AOPA and its members fully embrace this bill. Oregon's airports require continuing support and we are willing to personally fund it via our fuel purchases. We will pay at the pump.

Given the current and acknowledged funding shortfalls of Connect Oregon grants to airports, the bill before you is even more essential to continue funding Oregon's airports and aviation infrastructure.

For these reasons, AOPA supports HB 2402 and the HB 2402-2 amendments. Thank you.

Sincerely,



Warren Hendrickson
NW Mountain Regional Manager