

HB 2402-3
(LC 1045)
5/13/19 (ASD/ps)

Requested by JOINT COMMITTEE ON TRANSPORTATION (at the request of Oregon Department of Aviation)

**PROPOSED AMENDMENTS TO
HOUSE BILL 2402**

1 On page 1 of the printed bill, line 2, after “amending” delete the rest of
2 the line and delete lines 3 through 5 and insert “section 7, chapter 700,
3 Oregon Laws 2015; and prescribing an effective date.”.

4 Delete lines 7 through 30 and delete page 2 and insert:

5 **“SECTION 1.** Section 7, chapter 700, Oregon Laws 2015, as amended by
6 section 80a, chapter 750, Oregon Laws 2017, is amended to read:

7 **“Sec. 7.** (1) The following amounts shall be distributed in the manner
8 prescribed in this section:

9 “(a) Any amount of tax on aircraft fuel usable in aircraft operated by
10 turbine engines that is computed on a basis in excess of one cent per gallon
11 and any amount of tax on all other aircraft fuel that is computed on a basis
12 in excess of nine cents per gallon, under ORS 319.020 (2); and

13 “(b) Any amount of tax on aircraft fuel usable in aircraft operated by
14 turbine engines in excess of one cent per gallon and any amount of tax on
15 all other aircraft fuel in excess of nine cents per gallon, that is deducted
16 before the refunding of tax under ORS 319.330 (1).

17 **“(2)(a)** Applications for distributions under this section may not be ap-
18 proved unless the applicant demonstrates a commitment to contribute at
19 least five percent of the costs of the project to which the application relates.
20 The Oregon Department of Aviation shall adopt rules for purposes of this
21 [*subsection*] **paragraph.**

1 **“(b) The department may adopt rules that:**

2 **“(A) Set higher minimum contribution commitment requirements;**

3 **or**

4 **“(B) Establish maximum grant amounts.**

5 “(3)(a) The State Aviation Board shall establish a review committee
6 composed of one member from each of the area commissions on transporta-
7 tion chartered by the Oregon Transportation Commission.

8 “(b) The review committee shall meet as necessary to review applications
9 for distributions of amounts pursuant to this section. [*The criteria specified*
10 *in ORS 367.084 (6) apply to the review process of the review committee.*] **In**
11 **reviewing applications, the review committee shall consider:**

12 **“(A) Whether a proposed project:**

13 **“(i) Reduces transportation costs for Oregon businesses or improves**
14 **access to jobs and sources of labor in this state;**

15 **“(ii) Results in an economic benefit to this state;**

16 **“(iii) Connects elements of Oregon’s aviation system in a way that**
17 **will measurably improve utilization and efficiency of the system;**

18 **“(iv) Is ready for construction or implementation; and**

19 **“(v) Has a useful life expectancy that offers maximum benefit to**
20 **this state; and**

21 **“(B) How much of the cost of the proposed project can be borne by**
22 **the distribution applicant from sources other than Oregon Department**
23 **of Aviation funds or the Connect Oregon Fund.**

24 “(c) The review committee shall recommend applications to the State
25 Aviation Board, which shall **make the final selections.** [*select applications*
26 *with the following priority:*]

27 “[(A) *First, to applications filed pursuant to subsection (5)(a)(A) of this*
28 *section;*]

29 “[(B) *Second, to applications filed with respect to safety and infrastructure*
30 *development; and*]

1 “[(C) *Third, to applications filed with respect to aviation-related economic*
2 *benefits related to airports.*]

3 “(4)(a) Five percent of the amounts described in subsection (1) of this
4 section are appropriated to the Oregon Department of Aviation for the costs
5 of the department and the State Aviation Board in administering this sec-
6 tion.

7 “(b) The remaining 95 percent of the amounts described in subsection (1)
8 of this section shall be distributed pursuant to subsections (5) to (7) of this
9 section.

10 “(5)[(a)] Fifty percent of the amounts described in subsection (4)(b) of this
11 section shall be **prioritized in the following order and** distributed for the
12 following purposes:

13 “[(A)] **(a) First**, to assist airports in Oregon with match requirements for
14 Federal Aviation Administration Airport Improvement Program grants.

15 “[(B)] **(b) Second**, to make grants for emergency preparedness and
16 infrastructure projects, in accordance with the Oregon Resilience Plan[, *in-*
17 *cluding grants for emergency management plan development, seismic studies*
18 *and emergency generators and similar equipment*] **or the Oregon Aviation**
19 **Plan.**

20 “[(C)] **(c) Third**, to make grants for:

21 “[(i)] **(A)** Services critical or essential to aviation, including, but not
22 limited to, fuel, sewer, water and weather equipment[.];

23 “[(ii)] **(B)** Aviation-related business development, including, but not lim-
24 ited to, hangars, parking for business aircraft and related facilities[.]; **or**

25 “[(iii)] **(C)** Airport development for local economic benefit, including, but
26 not limited to, signs and marketing.

27 “[(b) *Priority in distributing grants shall be given to projects for which*
28 *applicants demonstrate a commitment to contribute the greatest amounts to-*
29 *ward the costs of the projects to which the applications relate.*]

30 “(6) Twenty-five percent of the amounts described in subsection (4)(b) of

1 this section shall be distributed for the purpose of assisting commercial air
2 service to rural Oregon.

3 “(7) Twenty-five percent of the amounts described in subsection (4)(b) of
4 this section shall be distributed to state-owned airports for the purposes of:

5 “(a) Safety improvements recommended by the State Aviation Board and
6 local community airports.

7 “(b) Infrastructure projects at public use airports.

8 “(8)(a) The State Aviation Board shall submit reports, in the manner
9 provided in ORS 192.245 and paragraph (b) of this subsection, that describe
10 in detail the projects for which applications have been submitted and ap-
11 proved, the airports affected, the names of the applicants and the persons
12 who will perform the work proposed in the applications, the progress of
13 projects for which applications have been approved and any other informa-
14 tion the board considers necessary for a comprehensive analysis of the im-
15 plementation of this section.

16 “(b) The reports described in paragraph (a) of this subsection shall be
17 submitted:

18 “(A) Not later than February 10 of each year to the committees of the
19 Legislative Assembly related to air transportation; and

20 “(B) Not later than September 30 of each year to the interim committees
21 of the Legislative Assembly related to air transportation.

22 **“SECTION 2. The amendments to section 7, chapter 700, Oregon**
23 **Laws 2015, by section 1 of this 2019 Act apply to applications for dis-**
24 **tributions approved on or after the effective date of this 2019 Act.**

25 **“SECTION 3. This 2019 Act takes effect on the 91st day after the**
26 **date on which the 2019 regular session of the Eightieth Legislative**
27 **Assembly adjourns sine die.”.**

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