



Oregon Aviation Industries



June 7, 2021

Chair Rep. Nancy Nathanson
Vice Chairs and Members of the Committee
Oregon House Committee on Revenue

This letter is in support of HB 2434 which maintains Oregon general aviation infrastructure funding at 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. We supported HB2075 in 2015 which increased the aviation fuel tax by 2 cents per gallon, but the bill has a sunset of 12/31/2021. HB 2434 will eliminate the sunset and maintain the existing aviation fuel tax at 11 cents/gallon for avgas and 3 cents/gallon for jet/turbine fuel. Oregon's aviation fuel taxes are 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.

HB 2434 will provide critically needed funds for:

- 1-10/90% FAA grant match 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 and infrastructure improvements at 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 HB 2434 and encourages its passage in the 2021 Legislative Session. We are ready and willing to provide additional information as needed. Thank you for your support.

Sincerely,

Gale 'Jake' Jacobs
Executive Director
Oregon Aviation Industries