



Oregon Aviation Industries



June 18, 2021

Chair Senator Ginny Burdick
Vice Chair Senator Brian Boquist
Members of the Committee
Oregon Senate Committee on Finance and Revenue

This letter is in support of HB 2434A which maintains Oregon general aviation infrastructure funding at the current levels and provides an opportunity for all rural airports to participate in infrastructure and air mobility funding. This bill passed the House Revenue committee unanimously and the House floor vote by 53 to 6.

Oregon Aviation Industries (ORAVI) is a cluster group of 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 in Oregon has been 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 sunsets in 2021.

HB 2434A 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 2434A 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 2434A and encourages its passage in the 2021 Legislative Session. Thank you for your support.

Gale 'Jake' Jacobs
Executive Director
Oregon Aviation Industries