

**Joint Committee on  
Ways and Means**

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**Subcommittee on  
Transportation and  
Economic Development**

Sen. Betsy Johnson, Co-Chair  
Rep. Bob Jenson, Co-Chair  
Sen. Bill Hansell  
Sen. Chip Shields  
Rep. Caddy McKeown  
Rep. Tobias Read

**MEMO**

To: Members of the Transportation and Economic Development  
Subcommittee

From: Linda Gilbert, Legislative Fiscal Office

Re: SB 5505 – Oregon Department of Aviation

The Department of Aviation manages and coordinates the state's general aviation system, including recreational, business, and emergency response flying.

**Budget Notes**  
**HB 5004 (2011)**

The approved budget attempts to provide the level of stability needed to sustain the department without merging the agency into the Department of Transportation. Instead, the Department of Transportation will be directed through separate legislation to provide the business operating services and contract management support for the Department of Aviation that will insure a level of institutional knowledge, mature administrative processes and systems to enable the Department to carry out its mission more effectively. The Department is instructed to report quarterly to the Interim Joint Committee on Ways and Means and/or Emergency Board on its progress in implementing appropriate measures to improve the agency's business practices. In its report, the department must outline what specific measures have been taken to address the following: (1) how the organization will achieve its mission within a smaller organization; (2) how the organization will resolve issues raised in the audit reports; (3) how the organization will address the issue of registering pilots and aircraft; (4) what other actions will the organization take to improve leadership and the consistent application of policies and practices; and (5) what the financial condition is of each of the major programs of the organization.

The Department has complied with the reporting requirements.

## Emergency Boards

December 2012 – Increase capital construction expenditure limitation  
\$48,000 for a 2009 project at Chiloquin Airport

September 2012 – Quarterly report in response to budget note above

September 2012 – Establish \$614,000 Federal capital construction limitation  
for Aurora State Airport

## One Audit – contract management:

[http://www.sos.state.or.us/audits/pages/state\\_audits/full/2011/2011-15.pdf](http://www.sos.state.or.us/audits/pages/state_audits/full/2011/2011-15.pdf)

## Subcommittee Materials

Agenda

LFO Memo

LFO Agency Overview

Agency Ways and Means Presentation

Agency Governor's 2013-15 Budget

DAS Budget Presentation