

DEPARTMENT OF AVIATION

The Department of Aviation (DOA) manages and coordinates the state’s general aviation system, including recreational, business, and emergency response flying. The Department advocates for economic growth, infrastructure improvement, and safe operation of aviation in Oregon. The state manages a large scale pavement preservation program for the state’s 66 paved public use airports. In addition to statewide aviation transportation plan management and land use coordination, the Department owns, manages, and operates 28 public use airports.

DEPARTMENT OF AVIATION	2009-11 Actuals	2011-13 Leg. Approved	2013-15 Current Service Level	2013-15 Governor's Budget	2013-15 Co-Chairs' Budget (1.0)	% Change 2011-13 LAB to 2013-15 CSL
Other Funds	7,320,330	5,724,565	5,927,998	6,098,002	0	3.6%
Federal Funds	3,711,681	4,086,055	2,939,298	4,769,741	0	-28.1%
TOTAL FUNDS	\$11,032,011	\$9,810,620	\$8,867,296	\$10,867,743	\$0	-9.6%
Positions	17	12	12	13	0	0.0%
FTE	16.38	11.50	11.50	12.50	0.00	0.0%

Major Revenues	Budget Environment	Comparison by Fund Type															
<ul style="list-style-type: none"> Other Funds: <ul style="list-style-type: none"> Jet fuel tax (1¢ /gallon) and AVGAS (9¢/gallon) make up 50% of the agency’s operating revenue. These rates were last changed in 1999. Half of the jet fuel tax is legislatively directed to pavement maintenance. Aircraft and pilot registration annual fees and aircraft dealer fees. Tie-down and other lease revenue from the state’s airports. Federal Aviation Administration (FAA) grants: <ul style="list-style-type: none"> Airport runway, tower, apron, and other capital improvements. Aviation and airport planning. 	<ul style="list-style-type: none"> Economic conditions affect level of aviation activity, in turn affecting fuel tax collections. For example, fewer flights carry increased passenger loads, reducing fuel used. The FAA recently doubled state match requirement for grants from 5% to 10%. In a recession fewer recreational and small business pilots renew registration. Their revenue is the sole source for search and rescue activities. Many airports are not self-supporting. 	<p>DEPARTMENT OF AVIATION</p> <p>Millions of Dollars</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Other Funds</th> <th>Federal Funds</th> </tr> </thead> <tbody> <tr> <td>2009-11</td> <td>\$7.3</td> <td>\$3.7</td> </tr> <tr> <td>2011-13</td> <td>\$5.7</td> <td>\$4.1</td> </tr> <tr> <td>2013-15 CSL</td> <td>\$5.9</td> <td>\$2.9</td> </tr> <tr> <td>2013-15 GB</td> <td>\$6.1</td> <td>\$4.8</td> </tr> </tbody> </table> <p>Legend: ■ General Fund/Lottery ■ Other Funds ■ Federal Funds</p>	Year	Other Funds	Federal Funds	2009-11	\$7.3	\$3.7	2011-13	\$5.7	\$4.1	2013-15 CSL	\$5.9	\$2.9	2013-15 GB	\$6.1	\$4.8
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MAJOR CHALLENGES AND DECISION POINTS

1. Legislative concept to increase jet fuel and AVGAS 2¢ per gallon each was not approved in the Governor's budget. It would have funded
 - rural airport FAA-grant match,
 - re-starting Financial Aid to Municipalities (FAM) grant program,
 - supplemental search and rescue resources, and
 - deferred maintenance on the state's airports.
2. Legislative concept to allow Department to keep civil penalties.
3. Several airports are remote and not often used. Most are not self-supporting. The Department is analyzing how its airport inventory can be maintained, if there are any additional or new funding sources available, and the possibilities of divesting assets or closing airports
4. The Governor's 2013-15 budget is \$10.9 million total funds, an increase of \$1.1 million (11%) over the 2011-13 legislatively approved budget (LAB). Adjustments to base and current service level packages reduced LAB by 10%.

Policy packages continue a limited duration position at no cost by shifting services and supplies limitation to personal services. The position is a Statewide Capital Improvements Program Coordinator, who works with other Northwest states to maximize federal funding for regional projects.

Another package provides state match for federal funds to reconstruct the runway at the Cottage Grove state airport.

5. Finally, there is funding for the 2013-15 projects in the Department's five year plan, selected by the Board and approved by the FAA. Projects include planning, runway rehabilitation, lights, fencing, beacon/tower work, etc., at 11 airports.