78th OREGON LEGISLATIVE ASSEMBLY – 2015 Regular Session MEASURE: SB 269

CARRIER:

PRELIMINARY STAFF MEASURE SUMMARY

Senate Committee on Business and Transportation

REVENUE: FISCAL:

SUBSEQUENT REFERRAL TO: Finance and Revenue

Action: Vote:

Yeas: Nays: Exc.:

Prepared By: James LaBar, Administrator

Meeting Dates: 2/25

WHAT THE MEASURE DOES: Increase pilot registration fees from twelve to twenty-four dollars for initial registration and from twenty-four to forty-eight dollars for renewal registration. Raise aircraft registration fees for all classifications. Increase airport registration and renewal fees for all classifications.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Oregon Department of Aviation (ODA) is solely supported by Other and Federal Funds (Federal Aviation Administration), with revenue from the jet fuel and aviation fuel (AVGAS) tax representing over 50% of the Other Fund revenue. Funding for the agency has steadily declined and compressed over the years due to inflation and a lack of revenue increases. ODA reviewed the existing fee structures and identified those which need the more immediate attention in order to maintain the same level of service in the 2015-2017 biennium. Fees for pilot and aircraft registration were last raised in 2007. Fees for public airport registration have been at a flat \$30 rate since 1997.

A fee increase in each of the areas listed below is required to provide additional revenue to ODA. With the additional revenue, ODA will be able to offset inflation, increase funding to Oregon Emergency Management, provide funding for maintenance and operations of the department.

- Pilot Registration ODA does not generate sufficient revenue to allocate funds to Oregon Emergency
 Management (OEM) as required by ORS 837.035 to provide services to the aviation community in the outcome
 areas of safety, reimbursements, insurance, and operation costs.
- Aircraft Registration The current fee structure no longer meets the demand for services provided from this account for FAA grant matching, airport operations costs, and Unmanned Aerial Vehicle registrations.
- Public Airports Registration The \$30 fee currently in place does not cover the cost incurred to ODA for the services provided to public airports. These services include land use coordination with counties, development expertise, and legal and administrative costs.

Throughout summer and fall, ODA connected with interested and affected parties of the concept including: Oregon Pilots Association, Aircraft Owners & Pilots Association, and Oregon Airport Managers Association.