



April 13, 2015

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Hon. Phil Barnhart
900 Court St. NE, H-279
Salem, OR 97301

RE: Airlines for America Opposes House Bill 2075

Dear Representative Barnhart:

Airlines for America (A4A) is the principal trade and service organization of the United States scheduled airline industry. In 2014, member airlines flew over 90% of domestic travelers to and from Oregon. Commercial aviation is vital to the health of Oregon's economy, supporting over 109,000 jobs and driving \$11.9 billion in economic activity annually. On behalf of our members, A4A is strongly opposed to House Bill 2075 (HB 2075), which raises costs and threatens air service to the very airports the bill purports to support.

HB 2075 would increase the jet fuel tax by 500%. For every \$1 increase in the cost of a barrel of oil costs the industry \$430 million, and every 1 cent increase in a gallon of commercial jet fuel costs the industry \$190 million. While the goal of HB 2075, to fund rural airports, is laudable, the bill could actually have devastating impact to these very airports. As airline costs – like taxes – increase, the number of departing seats can decrease. Air service reductions typically occur at rural airports leading to reduced travel and trade – and ultimately fewer Oregon jobs.

A4A values our economic partnership with Oregon and we look forward to working with your office to address these important concerns. If you have any questions about this correspondence, I can be reached at 202-626-4007 or via email at swilliams@airlines.org.

Thank you for your consideration of our concerns.

Sincerely,

Sean Williams
Vice President, State and Local Government Affairs