**Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session**          MEASURE:     HB 2075
**PRELIMINARY STAFF MEASURE SUMMARY**
**House Committee On Revenue**

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|---|---|
| **Fiscal:** | May have fiscal impact, but no statement yet issued |
| **Revenue:** | May have revenue impact, but no statement yet issued |

**Action Date:**
**Action:**
**Meeting Dates:**  04/14
**Prepared By:**  Mazen Malik, Senior Economist

**WHAT THE MEASURE DOES:**
Increases aircraft fuel taxes by 4 cents for both Aviation gasoline, jet fuel and Mo-gas. Allows the department of Aviation to retain 5% of the revenue for administration. Establishes different allowable uses (seven different activities funded) for the new revenue.

**ISSUES DISCUSSED:**

- Investment needs for aviation around the state.
- Safety and reliability of services.
- Economic development for rural airports and communities.

**EFFECT OF COMMITTEE AMENDMENT:**
The "-5 amendment replaces the bill. It increases Jet fuel, Avgas, and Mo-gas by 2 cents a gallon from Jan1, 2016 till the end of 2021.  Establishes process and criteria for distribution and dedication of the new revenue. Requires reports from the department of aviation to the legislative assembly.

**BACKGROUND:**
House Bill 2075 will raise aircraft fuel tax by four cents for both aviation gasoline (avgas) and aviation turbine fuel (jet fuel). Avgas and Mo-Gas will increase from nine cents to thirteen cents per gallon and jet fuel will increase from one cent to five cents per gallon and will be effective January 1st 2016. The Oregon Department of Aviation (ODA) will keep 5% for administration and  distribute the remaining revenue from the increase in aircraft fuel tax as

1. 20% to for creating and maintaining commercial air service linking rural communities with commercial hubs.
2. 20% into 3 sub categories a) insurance for search and rescue, b) outfit airports as emergency resources, c) municipalities grants
3. 20% Aviation Economic Development.
4. 20% Used by local airports as a federal match.
5. 20% Maintenance and safety for local airports which don't receive federal funding.