

HB 2075

Relating to aircraft fuel

HB 2075 increases aircraft fuel taxes by two cents per gallon for aviation gasoline, jet fuel, and motor fuel used for aviation starting January 1st, 2016. This tax increase is estimated to raise \$5.25 million in the 2015-17 biennium, and \$7.61 million when it is fully implemented in the 2017-19 biennium. The measure allows the Department of Aviation to retain 5% of the revenue for administration, and establishes different dedications and allowable uses for the remainder of the new revenue. The measure establishes a process, mechanism and criteria for distributing the new revenue, and sets reporting requirements for the Department of Aviation. The increase sunsets on January 1st, 2022.

The amendment requires the State Aviation Board to establish a review committee to review the revenue distributions identified in the bill, and remove the requirement that the Oregon Transportation Commission establish a review committee to review these revenue distributions; and add \$5.25 million Other Funds expenditure limitation to the Department of Aviation for administration and grant-making purposes outlined in the bill.

The Transportation and Economic Development Subcommittee recommends HB 2075 be amended by the -A8 amendment and be reported out do pass, as amended.