

BUDGET REPORT AND MEASURE SUMMARY

Joint Committee On Ways and Means

Action:

Action Date:

Vote:

Prepared By: Tamara Brickman, Department of Administrative Services

Reviewed By: Julie Neburka, Legislative Fiscal Office

Agency: Department of Aviation

Biennium: 2015-17

Budget Summary

	2013-15 Legislatively Approved Budget	2015-17 Current Service Level	2015-17 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
				<u>\$ Change</u>	<u>% Change</u>
Other Funds Limited	\$ -	\$ -	\$ 5,250,671	\$ 5,250,671	100.0%
Total	\$ -	\$ -	\$ 5,250,671	\$ 5,250,671	100.0%

Position Summary

Authorized Positions	0	0	2	2	
Full-time Equivalent (FTE) positions	0.00	0.00	2.00	2.00	

Revenue Summary

The Oregon Department of Aviation is supported entirely by Other Funds and Federal Funds. House Bill 2075 increases the fuel tax on jet fuel, aviation gasoline (avgas), and motor fuel used for aviation by two cents per gallon. This increase is anticipated to raise \$5.25 million for the department in the 2015-17 biennium.

Summary of Transportation and Economic Development Subcommittee Action

House Bill 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. It allows the Department of Aviation to retain 5.0 percent 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 1, 2022.

House Bill 2075 provides the department with 5.0 percent of the new revenues to support new positions for administrative purposes. The remaining revenue will be split as follows: 50.0 percent for Federal Aviation Administration (FAA) grant match, economic development, and emergency preparedness; 25.0 percent for commercial air service to rural Oregon; and 25.0 percent for safety and infrastructure improvements at federally and non-federally funded state owned airports.

Operations

The Subcommittee approved an increase of \$231,766 Other Funds Limited for two new permanent positions (2.00 FTE) to support the agency's administrative functions.

General Aviation Entitlement

The Subcommittee approved an increase of \$5,018,905 Other Funds to provide additional funds for: FAA grant match, economic development, emergency preparedness, commercial air service in rural Oregon, and safety and infrastructure improvements a federally and non-federally funded state owned airports.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 2075-B

Oregon Department of Aviation
 Tamara Brickman -- (503) 378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE RECOMMENDATION</u>									
SCR 010 - Operations									
Personal Services	\$ -	\$ -	\$ 231,766	\$ -	\$ -	\$ -	\$ 231,766	2	2.00
SCR 003 - General Aviation Entitlement Program									
Services and Supplies	\$ -	\$ -	\$ 422,490	\$ -	\$ -	\$ -	\$ 422,490		
Special Payments	\$ -	\$ -	\$ 4,596,415	\$ -	\$ -	\$ -	\$ 4,596,415		
TOTAL SUBCOMMITTEE RECOMMENDATION	\$ -	\$ -	\$ 5,250,671	\$ -	\$ -	\$ -	\$ 5,250,671	2	2.00