

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2075 - A

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office

***Only Impacts on Original or Engrossed
Versions are Considered Official***

Prepared by: Tim Walker
Reviewed by: Linda Gilbert, Julie Neburka
Date: 06/12/2015

Measure Description:

Increases aircraft fuel taxes.

Government Unit(s) Affected:

Oregon Military Department, Department of Aviation, Oregon Department of Transportation (ODOT)

Summary of Expenditure Impact:

See Analysis.

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis: This bill will raise aircraft fuel tax for both aviation gasoline and aviation turbine fuel by two cents per gallon for both types of fuel. The Legislative Revenue Office estimates the fee increase will result in additional revenues of \$5.32 million OF in 2015-17 and \$7.61 million OF in 2017-19. The bill allows the Department to withhold 5% of the revenue for administrative expenses. 50% of the remaining revenue will be used for FAA grant match, economic development, and emergency preparedness. 25% will be used for commercial air service to rural Oregon and 25% for safety and infrastructure improvements at federally and non-federally funded state owned airports. The Department anticipates two new positions to manage and administer the program.