



**OAMA Supports House Bill 4036**  
(As amended by -5 and -9 amendments)

Oregon's 97 public-use airports have few resources and often have difficulties producing matching funds to leverage state and federal grants. In 2015, the Legislature recognized these challenges and passed HB 2075. This bill increased aviation fuel taxes by \$0.02 per gallon to support Oregon's public and rural airports and spur economic development. The increase generates about \$8 million per biennium. The program sunsets in January 2022 unless the legislature removes the sunset.

HB 2075 (2015) funded three important aviation programs:

- 1. Critical Oregon Airport Relief Program (COAR) – 50%**
  - Match requirements for federal dollars (FAA grants) – leverages \$9 of federal money for every \$1 of state money.
  - Emergency preparedness and infrastructure, including seismic studies, emergency generators, etc.
  - Critical infrastructure, services, and local economic development
- 2. State Owned Airports Reserve Program (SOAR) – 25%**
  - Safety improvements recommended by the Oregon State Aviation Board and local community airports
  - Infrastructure projects at public use airports
- 3. Rural Oregon Aviation Relief Program (ROAR) – 25%**
  - Commercial air service to rural Oregon

Preservation and improvement of the state's aviation system will require additional investment if airports are to continue to drive over **\$24 billion** in economic activity and support over **76,000 direct and indirect jobs** in Oregon. Airports need a funding source that is stable and certain to support economic development and leverage 10x in federal funding.

## **HB 4036 (2020)**

- Removes the January 1, 2022 sunset on the aviation fuel tax increase that was authorized in 2015.
- Adds another 2-cent per gallon aviation fuel tax for additional leveraging of federal dollars and airport infrastructure improvements.\*\*
- Eliminates the ROAR program, allocates the existing \$2 million per biennium revenue stream to the COAR program which can be used to potentially leverage up to \$18 million in additional federal grant money.
- Allows rural air service to be eligible for COAR grants.

OAMA supports HB 4036 (as amended\*\*) for two key reasons:

1. Failure to remove the sunset on the 2015 aviation fuel tax increase will result in a major accumulation of safety and deferred maintenance issues.
2. By folding the ROAR program into the COAR program, our airports stand to leverage millions more in additional FAA grants to improve the safety and operations of Oregon's airports.

HB 4036 greatly enhances the safety, emergency preparedness and economic opportunities in Oregon's 97 public-use airports.

*\*\*OAMA, along with our partner organizations have agreed to support an amended version of HB 4036 that does not include the additional 2-cent per gallon tax increase. The Oregon Aviation Board convened stakeholders to reach this consensus. Accordingly, OAMA SUPPORTS:*

1. *The -5 amendment which removes the additional 2-cent per gallon tax.*
2. *The -9 amendment which removes the priorities for the COAR program grant funding to allow for equal consideration of rural air service funding.*