



February 11, 2020

Co-Chair Senator Beyer, Co-Chair Representative McKeown
Members of the Joint Committee on Transportation
900 Court Street NE
Salem, OR 97301

Re: **HB 4036 – Port of Portland supports lifting the sunset on current jet fuel tax; opposes increase**

Co-Chairs and Members of the Joint Committee on Transportation:

The Port of Portland owns and operates Portland International Airport (PDX), as well as two general aviation airports at Hillsboro (HIO) and Troutdale (TTD), and opposes any increase to the current jet fuel tax levels.

In 2019, PDX served 19.9 million passengers and had 238,384 flight operations. Combined, HIO and TTD had 251,357 flight operations. PDX, HIO, and TTD are the top three airports in Oregon measured by operations.

Passenger traffic has had record growth over the past few years. In order to accommodate current and future growth of passengers at PDX, airport facilities are undergoing major changes in the next few years. Known as PDXNext, the Port is currently undertaking a suite of capital-intensive projects at PDX at a cost of over \$2 billion. These projects are necessary to provide facilities that will continue to enable passenger growth at PDX well into the future. The majority of these PDXNext costs translate into significantly higher airline expenses to operate at PDX. As such, we are sensitive to further cost increases that may create barriers to entry for new air carriers, new routes by existing airlines, and additional flights to existing routes – both for cargo and passenger carriers. Increased costs to operate at PDX can limit competition and growth on new and existing routes, driving up fares and negatively impacting our ability to bring new markets to PDX.

The Port of Portland supports lifting the current statutory sunset and retaining current jet fuel tax levels.

Thank you for your consideration.

Sincerely,

Dan Pippenger
Chief Operating Officer