

SUBCOMMITTEE RECOMMENDATION

Item 43: Department of Aviation Operations and Pavement Maintenance

To: Ways and Means Full Committee
From: The Transportation and Economic Development Subcommittee
Carrier: Representative Gomberg

The Transportation and Economic Development Subcommittee recommends that the Joint Interim Committee on Ways and Means recommend including an increase of \$1,145,989 in the Other Funds expenditure limitation and authorizing the establishment of three permanent full-time positions for the Oregon Department of Aviation in a budget reconciliation bill during the 2022 legislative session to restore services in Operations and Pavement Maintenance.

The Oregon Department of Aviation is funded entirely by Other Funds and Federal Funds, with more than half of the Other Funds coming from a per gallon tax on jet fuel and aviation gas. Over the course of the COVID-19 pandemic aviation fuels tax revenue decreased dramatically forcing the agency to make significant budget reductions in its 2021-23 budget.

The latest aviation fuels tax revenue projections released on October 2021 shows a 24 percent increase compared to the same time last year. In addition, the new forecast anticipates a steady increase in air travel and revenue growth over the entire forecast period ending June 2025. The improved forecast and increased revenue collections will allow for restoration of positions and services lost during the budget development process for 2021-23.

The Subcommittee recommends approval.