

House Bill 3257

Sponsored by Representative HELFRICH

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes Task Force on Electric Aircraft.

Sunsets task force on December 31, 2024.

Expands uses of grants awarded by Oregon Department of Aviation to include electric aircraft charging infrastructure.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to aircraft; creating new provisions; amending ORS 319.023; and prescribing an effective
3 date.

4 Whereas transition from aircraft powered by burning carbon-based fossil fuel to aircraft powered
5 by electrical propulsion promises a variety of economic, social and environmental benefits; and

6 Whereas use of electric aircraft over traditionally fueled aircraft reduces greenhouse gas emis-
7 sions; and

8 Whereas expanded use of electric aircraft creates the possibility of increased access to afforda-
9 ble statewide and regional air service, due to much lower operating costs; and

10 Whereas greater use of electric aircraft may reduce vehicle traffic on highways as a result of
11 increased numbers of short-haul flights; and

12 Whereas electric aircraft are especially useful for intrastate commuter flights in Oregon, which
13 will support the state's rural economic development goals; and

14 Whereas bolstering the infrastructure needed to support electric aircraft also supports im-
15 provements to the electrical grid for use of electric vehicles; and

16 Whereas airports are ideal locations for solar generation of electricity on existing hangars and
17 buildings; and

18 Whereas by planning for and installing infrastructure for electric aircraft, Oregon will join other
19 states, including Washington and California, plus British Columbia in promoting a future of aviation
20 that will have positive impacts on the environment; and

21 Whereas it is vital that Oregon play a leading role in the aerospace industry by encouraging the
22 development and adoption of electric aircraft; now, therefore,

23 **Be It Enacted by the People of the State of Oregon:**

24 **SECTION 1. (1) The Task Force on Electric Aircraft is established. The task force shall**
25 **consist of not more than 17 members. The Director of the Oregon Department of Aviation**
26 **shall appoint the following:**

27 **(a) A representative of the electric aircraft industry;**

28 **(b) A representative of the aircraft manufacturing industry;**

29 **(c) A representative of electric utilities, as defined in ORS 757.600;**

30 **(d) A representative of the Oregon Department of Aviation;**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 (e) A representative of Business Oregon;

2 (f) A representative of a nonprofit organization representing airports;

3 (g) A representative of Oregon Aviation Industries; and

4 (h) Up to 10 representatives of different Oregon airports that have an interest in pursu-
5 ing infrastructure to serve electric aircraft.

6 (2) The task force shall:

7 (a) Identify issues related to the facilitation of electric aircraft use in this state;

8 (b) Explore strategies to promote the development of infrastructure to support the use
9 of electric aircraft in this state, including for commercial intrastate air travel;

10 (c) Recommend six airports, as part of a pilot program, that could be equipped with
11 charging stations and other necessary infrastructure to facilitate the use of electric aircraft;
12 and

13 (d) Recommend statutory and regulatory changes as appropriate to integrate electric
14 aircraft and related infrastructure into Oregon's transportation system.

15 (3) A majority of the members of the task force constitutes a quorum for the transaction
16 of business.

17 (4) Official action by the task force requires the approval of a majority of the members
18 of the task force.

19 (5) The task force shall elect one of its members to serve as chairperson.

20 (6) If there is a vacancy for any cause, the appointing authority shall make an appoint-
21 ment to become immediately effective.

22 (7) The task force shall meet at times and places specified by the call of the chairperson
23 or of a majority of the members of the task force.

24 (8) The task force may adopt rules necessary for the operation of the task force.

25 (9) The task force shall submit a report in the manner provided in ORS 192.245, and may
26 include recommendations for legislation, to an interim committee of the Legislative Assem-
27 bly related to transportation no later than September 15, 2024.

28 (10) The Oregon Department of Aviation shall provide staff support to the task force. The
29 department may contract for consultant services as necessary to support the task force.

30 (11) Members of the task force are not entitled to compensation or reimbursement for
31 expenses and serve as volunteers on the task force.

32 (12) All agencies of state government, as defined in ORS 174.111, are directed to assist
33 the task force in the performance of the duties of the task force and, to the extent permitted
34 by laws relating to confidentiality, to furnish information and advice the members of the task
35 force consider necessary to perform their duties.

36 **SECTION 2.** Section 1 of this 2023 Act is repealed on December 31, 2024.

37 **SECTION 3.** ORS 319.023 is amended to read:

38 319.023. (1) The following amounts shall be distributed in the manner prescribed in this section:

39 (a) Any amount of tax on aircraft fuel usable in aircraft operated by turbine engines that is
40 computed on a basis in excess of one cent per gallon and any amount of tax on all other aircraft fuel
41 that is computed on a basis in excess of nine cents per gallon, under ORS 319.020 (2); and

42 (b) Any amount of tax on aircraft fuel usable in aircraft operated by turbine engines in excess
43 of one cent per gallon and any amount of tax on all other aircraft fuel in excess of nine cents per
44 gallon, that is deducted before the refunding of tax under ORS 319.330 (1).

45 (2)(a) Applications for distributions under subsection (5) of this section may not be approved

1 unless the applicant demonstrates a commitment to contribute at least five percent of the costs of
2 the project to which the application relates. The Oregon Department of Aviation shall adopt rules
3 for purposes of this paragraph.

4 (b) The department may adopt rules that:

5 (A) Set higher minimum contribution commitment requirements; or

6 (B) Establish maximum grant amounts.

7 (3)(a) The State Aviation Board shall establish a review committee composed of one member
8 from each of the area commissions on transportation chartered by the Oregon Transportation Com-
9 mission.

10 (b) The review committee shall meet as necessary to review applications for distributions of
11 amounts pursuant to this section. In reviewing applications, the review committee shall consider:

12 (A) Whether a proposed project:

13 (i) Reduces transportation costs for Oregon businesses or improves access to jobs and sources
14 of labor in this state;

15 (ii) Results in an economic benefit to this state;

16 (iii) Connects elements of Oregon's aviation system in a way that will measurably improve
17 utilization and efficiency of the system;

18 (iv) Is ready for construction or implementation; and

19 (v) Has a useful life expectancy that offers maximum benefit to this state; and

20 (B) How much of the cost of the proposed project can be borne by the applicant from sources
21 other than Oregon Department of Aviation funds or the Connect Oregon Fund.

22 (c) The review committee shall recommend applications to the State Aviation Board for ap-
23 proval.

24 (4)(a) Five percent of the amounts described in subsection (1) of this section are appropriated
25 to the Oregon Department of Aviation for the costs of the department and the State Aviation Board
26 in administering this section.

27 (b) The remaining 95 percent of the amounts described in subsection (1) of this section shall be
28 distributed pursuant to subsections (5) and (6) of this section.

29 (5)(a) Seventy-five percent of the amounts described in subsection (4)(b) of this section shall be
30 distributed for the following purposes:

31 (A) To assist airports in Oregon with match requirements for Federal Aviation Administration
32 Airport Improvement Program grants.

33 (B) To make grants for emergency preparedness and infrastructure projects, in accordance with
34 the Oregon Resilience Plan or the Oregon Aviation Plan.

35 (C) To make grants for:

36 (i) Services critical or essential to aviation, including, but not limited to, *[fuel]* **fossil fuels,**
37 **hydrogen fuel, electric aircraft charging infrastructure,** sewer, water and weather equipment;

38 (ii) Aviation-related business development, including, but not limited to, hangars, parking for
39 business aircraft and related facilities; or

40 (iii) Airport development for local economic benefit, including, but not limited to, signs and
41 marketing.

42 (D)(i) To assist commercial air service to rural Oregon.

43 (ii) The Oregon Department of Aviation may adopt a definition of "rural Oregon" for purposes
44 of this subparagraph.

45 (b) The State Aviation Board may establish by rule priorities for the distributions made pursuant

1 to this subsection.

2 (6) Twenty-five percent of the amounts described in subsection (4)(b) of this section shall be
3 distributed to state-owned airports for the purposes of:

4 (a) Safety improvements recommended by the State Aviation Board and local community air-
5 ports.

6 (b) Infrastructure projects at public use airports.

7 (7)(a) Not later than September 15 of each year, the State Aviation Board shall submit the re-
8 ports described in paragraph (b) of this subsection, in the manner provided in ORS 192.245, to the
9 interim committees, as applicable, of the Legislative Assembly related to air transportation.

10 (b) The reports required under this subsection shall describe in detail the projects for which
11 applications have been submitted and approved, the airports affected, the names of the applicants
12 and the persons who will perform the work proposed in the applications, the progress of projects for
13 which applications have been approved and any other information the board considers necessary for
14 a comprehensive analysis of the implementation of this section.

15 **SECTION 4. This 2023 Act takes effect on the 91st day after the date on which the 2023**
16 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

17