



# Oregon

Tina Kotek, Governor

Oregon Department of Aviation

3040 25<sup>th</sup> Street SE  
Salem, OR 97302-1125  
Office: 503-378-4880  
Fax: 503-373-1688

November 3, 2025



The Honorable Senator Kate Lieber, Co-Chair  
The Honorable Representative Tawna Sanchez, Co-Chair  
Interim Joint Committee on Ways and Means  
900 Court Street NE, H-178  
Salem, OR 97301

Dear Senator Lieber and Representative Sanchez:

The Oregon Department of Aviation (ODAV) is funded by federal and other funds and does not receive general funds. ODAV's mission is to enable and advocate for a safe and efficient aviation system that connects communities and drives economic growth.

#### **Reduction Options-**

ODAV's total other funds in the 2025-27 Legislatively Adopted Budget total just over \$29 million. A 5% reduction would be about \$1.45 million. After a thorough review, ODAV determined that the least harmful place to make this reduction is within the Pavement Maintenance Program (PMP). The PMP budget for this biennium is \$2.4 million in other funds; a \$1.45 million reduction would cut that program by roughly 60%. This approach avoids staff cuts and preserves the core functions of the agency.

This proposal represents the best option if a reduction becomes necessary. It protects the department's ability to maintain essential operations and minimizes the long-term impact on Oregon's aviation system. Reductions elsewhere would be far more damaging.

The Operations Program, which accounts for about 90% of ODAV staff, could not absorb cuts without serious consequences. ODAV maintains 28 state-owned airports with only four airport operations staff—an extremely low number compared to most states. Many states have several times that number for similar or smaller systems. Any reduction in these positions would compromise airport safety, maintenance, and compliance with federal standards.

The agency also ruled out reductions to General Aviation Entitlement and Capital Construction programs because those funds serve as the state's match for Federal Aviation Administration (FAA) grants. Federal funding covers 90% of project costs, so reducing \$1.45 million in state match would result in losing more than \$14 million in federal investment for Oregon airports.

Given those realities, the Pavement Maintenance Program reduction is the only option that preserves staffing and federal eligibility. While not ideal, it's the least harmful path forward if reductions are required.

**Pavement Maintenance Program**

The PMP is a state-funded program that helps extend the life of airport pavement through preventative maintenance. The program evaluates roughly one-quarter of the state's paved public-use airports each year and schedules projects the following year based on need. About 14 airports are scheduled annually.

For 2026 pavement maintenance projects are scheduled for the Southwest region of the state. The following airports are scheduled to have pavement maintenance work done:

- Albany Municipal Airport
- Ashland Municipal Airport
- Corvallis Municipal Airport
- Creswell - Hobby Field Airport
- Josephine County - Grants Pass Airport
- Myrtle Creek Municipal Airport
- Roseburg Regional Airport
- Cottage Grove State Airport
- Lebanon State Airport
- Oakridge State Airport
- Pinehurst State Airport
- Prospect State Airport

During 2026 design will begin for the Central Oregon region with construction following the next year. Then in 2027 design will begin for Eastern Oregon airports with construction in 2028. In 2028 design will take place for the Northwest region of the state with construction in 2029. If the program costs are reduced by 60% ODAV would push all projects back one year. This would result in deferred maintenance at several airports throughout the state. For airports that are federally funded the FAA requires the airport to maintain and upgrade infrastructure to a level of standard set forth by the FAA design guidelines and standards and further set into agreement by federal grant assurances. Failing to maintain pavements may result in loss of federal funds, increased future costs and a reduction in safety at airports throughout the state.

The other fund source for PMP is aviation jet fuel tax and avgas tax. These funds are obligated to the program by statute. Federal policy requires that aviation fuel tax revenues are used for airport purposes.

**New and Expanded Programs-**

ODAV has no new or expanded programs since 2021.

Sincerely,



Kenji Sugahara

Director

Oregon Department of Aviation

Oregon Department of Aviation (ODAV)																
2025-27 Biennium																
					2025-27 LAB	-	-	-	-	-	-	-				
Detail of Reductions to 2025-27 Legislatively Adopted Budget																
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Priority (ranked most to least preferred)		Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Gov. Reduction Target Yes / No	One-Time Yes / No	Describe the reduction and associated impact on services and outcomes. Please identify the source of Other Funds reductions.
Dept	Prgm/ Div															
1. Pavement Maintenance Program (PMP) 1st 2.5% Reduction	PMP/Planning	ODAV	PMP	Pavement Maintenance Program	0	0	725,874	0	0	0	\$ 725,874	0	0.00		Yes	PMP is a state-funded aid program to assist all paved public use airports in the state with pavement preventative maintenance, the most cost-effective means to help preserve the system's airport pavement and pavement infrastructure as addressed in the Oregon Aviation Plan. During the pavement evaluation phase, the program evaluates 1/4 of the state per year. The year following the evaluation the airports with the highest need get scheduled. About 14 airports are scheduled each year. The first 2.5% reduction would reduce the program by about 30% in the 25-27 biennium resulting in deferred maintenance at several airports throughout the state. For airports that are federally funded the FAA requires the airport to maintain and upgrade infrastructure to a level of standard set forth by the FAA design guidelines and standards and further set into agreement by federal grant assurances. Failing to maintain pavements may result in loss of federal funds, increased future costs and a reduction in safety at airports throughout the state. The Other Fund source is 100% aviation fuel tax. These funds are obligated to the program by statute. Federal Policy requires that aviation fuel tax revenues are used for airport purposes.
1. Pavement Maintenance Program (PMP) 2nd 2.5% Reduction	PMP/Planning	ODAV	PMP	Pavement Maintenance Program	0	0	725,874	0	0	0	\$ 725,874	0	0.00		Yes	The second 2.5% reduction would be another 30% cut to the program for an overall 60% program reduction. ODAV would only perform one reduced scope project in the 25-27 biennium as opposed to two projects. So instead of serving approximately 28 public use airports for the biennium only about 11 airports would be served. All projects would be pushed back one year. This would result in ongoing deferred maintenance for several airports throughout the state.
											\$ -					
											\$ -					
											\$ -					
											\$ -					
											\$ -					
											\$ -					
											\$ -					
											\$ -					
											\$ -					
											\$ -					
											\$ -					
											\$ -					
											\$ -					
											\$ -					

