



Testimony of Greg Heaton

Ohio Aerospace and Aviation Technology Committee OAA Aviation Fuel Tax / Airport Funding Proposal

Chairman Perales and members of the Ohio Aerospace and Aviation Technology Committee, thank you for the opportunity to testify during Ohio Aerospace Day; this is an important topic for our state. My name is Greg Heaton and I am joined today by Paul Strack and Doug Hammon—we are here today on behalf of the members of the Ohio Aviation Association to discuss an exciting proposal related to aviation fuel and airport funding. First, I want to provide you with some background on current aviation funding.

I'm happy to report that in the recently enacted state operating budget, House Bill 64, airport funding was increased to \$6 million per fiscal year. I want to extend my thanks to Chairman Perales for leading the charge on this. Prior to HB 64, the Ohio Airport Grant Program was funding at \$1 million per fiscal year; over the last decade, state funding for airports had declined by 250%.

We have also seen a drop in FAA grants coming to Ohio airports. Between 2001 and 2014, Ohio's share of FAA Airport Improvement Program grants fell from a high of \$108 million to \$48 million. In the most recent round of FAA funding, Ohio did see a sharp increase in grant awards, totaling \$83.5 million.

Aviation is a huge industry in Ohio; aerospace and aviation support more than 123,000 jobs and generate more than \$13 billion in annual economic activity. We know that access to an airport is a key factor for site selectors and businesses looking to move or expand in Ohio. And given the exciting things happening with unmanned aerial systems (UAS) and other aviation and aerospace growth, we feel airports are an important part of Ohio's economic future.

Despite these positive trends, Ohio is still struggling to maintain its competitiveness and remain a leader in aerospace and aviation. The Ohio Aviation Association has prepared an ambitious proposal to transform aviation fuel taxation and generate new revenue for airport improvements. Our goal is to restore Ohio's status as the leader in aviation and to help our colleagues in the aerospace community grow. I'd like to invite Paul and Doug to explain this new proposal to you.