



## **Testimony of Terry Slaybaugh**

House Bill 49—State Operating Budget

Senate Finance General Government and Agency Review Subcommittee

*May 23<sup>rd</sup>, 2017*

Chairman Jordan, Vice Chair O'Brien, and members of the Senate Finance General Government and Agency Review Subcommittee, thank you for the opportunity to provide testimony today on House Bill 49. My name is Terry Slaybaugh and I am the Director of Aviation for the City of Dayton. In this role, I manage both the Dayton International Airport and Dayton-Wright Brothers Airport, a general aviation airport in southern Montgomery County.

I am here today on behalf of the commercial and general aviation members of the Ohio Aviation Association. As the leading voice for aviation in Ohio, our organization is committed to advancing this industry and strengthening Ohio's airport infrastructure. As you know, Ohio is a leader in aerospace and aviation, with more than \$13 billion in economic activity generated by this critical industry each year. More than 123,000 Ohioans are employed within the aerospace and aviation sector. Our state is home to more than 100 public use airports and several major aerospace and aviation employers

In the previous State Operating Budget (House Bill 64, 131<sup>st</sup>), funding for airports was increased from \$750,000 per year to \$6 million per year. Funding for the Ohio Airport Grant Program, which is managed by ODOT's Office of Aviation, comes from line item 777471 and is funded by GRF. House Bill 49, *as introduced*, held funding at current levels.

Prior to passing HB 49, the House slightly lowered the appropriation for each fiscal year from \$6 million to \$5.9 million. While we would like to see funding restored or increased, we understand the difficulty that the state is facing related to tax revenues. I would urge the Senate to avoid any further reductions to this important line item.

The Ohio Aviation Association is seeking an amendment to remove some uncodified statute related to line item 777471 that restricts the ability of ODOT to issue grants to certain airports. Specifically, language in HB 49 restricts ODOT from issuing grants to any airport that receives air carrier enplanement funds or air cargo entitlements from the FAA. This prohibition impacts six airports in Ohio, including Dayton International.

Historically, we understand that fund uses were limited because funding was limited. However, now that funding levels for airports are at historic highs, we believe this cap should be lifted. Further, commercial and cargo airports generate significant amounts of sales tax revenue from the sale of general aviation fuel and we believe these same airports should be able to compete.

The amendment we have prepared would delete this language, but would clarify that no more than 25% of grants awarded by ODOT could go to airports that receive air carrier enplanement funds or air cargo entitlements. Therefore, if ODOT issues \$6 million in grants, then no more than \$1.5 million could flow to commercial and cargo airports.

As I mentioned, there are only six airports in Ohio currently prohibited from receiving grant funding from ODOT. Typically, these are larger airports with significant capital planning processes. However, these are also airports with general aviation operations that should be able to apply for state support.

In the event that there are no grant requests from commercial airports, then all grant funds would flow to general aviation airports. Further, even if funding is requested, ODOT would still control the grant process and would set priorities for funding. Nothing in this amendment guarantees commercial airports receives funding, but it does at least give them the option to apply. We believe this is a fair amendment that would open the door for potential funding at commercial airports while protecting the revenue flowing to general aviation airports.

Thank you for your time and consideration, and I would be happy to answer any questions that you might have.