Proponent Testimony on HB 96

Before the Senate Agriculture & Natural Resources Committee By Tony Fiore, Executive Director, Ohio Aviation Association Wednesday, May 14, 2025



Chair Schaffer, Vice Chair Koehler, Ranking Member Hicks-Hudson, and members of the Senate Agriculture and Natural Resources Committee, thank you for the opportunity to provide proponent testimony on <u>HB 96</u>.

My name is Tony Fiore, and I serve as the Executive Director for the Ohio Aviation Association. OAA advances aviation and airports across Ohio. It represents the 104 public-owned, public-use airports in the State of Ohio and numerous businesses that use and rely on airports.

Airports Economic Impact in Ohio

Ohio's diverse and robust system of airports:

- Has an economic impact of between \$15-30 billion
- Employs more than 119,000 employees
- Has a development (construction) estimate of \$1.18 billion (2025-2029)

It connects citizens, businesses, and communities to destinations around the world while providing significant economic impacts and growth opportunities to the Ohio economy.

Airport Infrastructure Need

Ohio airports need your help to access funding under the Federal Aviation Administration (FAA). The annual request from general aviation airports is between \$20-\$25 million. The FAA Airport Improvement Program (AIP) provides funding for public-owned, public use airport pavement maintenance, lighting, marking and terminal development. But, depending on the size of the airport, the local match required is 5-25% of the project. Therefore, state funds can enable Ohio's

airports to remain competitive in maintaining and enhancing these critical aviation infrastructure assets. As you can see in the chart other states are making significant investments in their airports. We hope the Ohio General Assembly will do the same.

For example, \$20 million invested in airport infrastructure projects can yeild approximately \$400 million in FAA funding into Ohio.

How Does Ohio Funding Compare to Other State Budgets Supporting Airports?

Ohio: \$10 million Kentucky: \$23 million Florida: \$328 million Georgia: \$80 million North Carolina: \$232 million South Carolina: \$57 million Tennessee: \$57.3 million Virginia: \$56.9 million 104 Public Use Airports 59 Public Use Airports 125 Public Use Airports 105 Public Use Airports 72 Public Use Airports 58 Public Use Airports 77 Public Use Airports 65 Public Use Airports

Existing Funding in General Operating Budget (HB 96)

I've summarized the line items below.

ALI	ALI Description	<u>Fund</u>	FY26 (Governor)	FY26 (House) (as of 4/9/25)	FY 26 (Senate)	FY27 (Governor)	FY27 (House) (as of 4/9/25)	FY 26 (Senate)
777471	Airport Improvements	GRF	\$10,000,000	\$17,000,000		\$10,000,000	\$15,000,000	70
777628	Ohio Airport Improvement Program	5CN1	No provision	\$4,650,000		No provision	\$4,650,000	
772456	Unmanned Aerial Systems Center	GRF	\$500,000	\$4,500,000		\$500,000	\$500,000	

Under federal law, state or local taxes on aviation fuel (except taxes in effect on December 30, 1987) are airport revenue and subject to the revenue-use requirement. Airport revenues can only be expended for the capital or operating costs of the airport; the local airport system; or other local facilities owned or operated by the airport owner or operator and directly and substantially related to the air transportation of passengers or property. State taxes on aviation fuel can also be used to support state aviation programs.

OAA is proposing to keep the general revenue appropriations at the levels in the As Passed by the House version. It is equally important to keep the House budget language in Sections 4519.401, 4955.50 and 5736.02 and 5736.13. It directs <u>all</u> aviation fuel tax revenue collected at the local and state level go toward airport improvement projects as federal law proscribes. The language could be more specific to local and state sales tax on aviation fuel to be clear. Other states have set up similar trust funds and Ohio should do the same. Under this scenario the Ohio Department of Taxation is directed to transfer over to ODOT - Office of Aviation the full amount of aviation fuel tax receipts into the airport improvement program. Project needs around the state include:

- Funds to replace underground fuel storage tanks on airports (proposed \$4 million in Ohio Department of Commerce – Bureau of Underground Storage Tanks)
- Funds for enhancing security, baggage claim and customer experience at commercial service airports (proposed \$10 million in Ohio Department of Commerce)
- Fund building hangers at general aviation airports (proposed \$10 million in Ohio Department of Commerce)

The Ohio Aviation Association urges your support for <u>HB 96</u>. If Ohio does not provide additional funds for Ohio's 104 public-owned, public use airports to access up to 95% of federal funds for infrastructure projects those funds will go to airports in other states.

There are several other policy issues that OAA would support that enhance Ohio's airports and aviation industry that I'm happy to provide to the committee. These include but are not limited to 1) maintaining the existing tax expenditures in place, 2) adding one that would open the door to aircraft being purchased in state, and 3) protecting our airspace for pilots and passengers.

I would be happy to answer any questions.





What We Do

The Ohio Aviation Association (OAA) advances aviation and airports across Ohio. As the voice for Ohio airports, the OAA works to develop policies and affect legislation through education and advocacy in the executive and legislative branches on behalf of our members.



What We Practice

OAA helps to position Ohio's 104 public-owned, public use airports for growth opportunities. To do this, we prioritize the following:

Support Infrastructure Investment: Ensure a sustainable funding stream to provide needed infrastructure improvements at Ohio's network of airports.

Protect Aviation Assets: Ensure legislation and policy is in place to protect Ohio's airports and airspace to provide for future needs of Ohioans.

Support Air Service Initiatives: Support state efforts to ensure an attractive level of air service for current and future businesses and universities, as well as residents of Ohio.

Support Workforce Initiatives: Support state + local efforts to increase the workforce pipeline in all sectors of aviation.



Why Ohio Lawmakers Should Prioritize Aviation + Airports

The aviation sector is designated as critical infrastructure. Ohio's diverse and robust system of airports collectively have an economic impact of more than \$15 billion + employs more than 119,000 employees. It connects citizens, businesses, and communities to destinations around the world while providing significant economic impacts and growth opportunities to the Ohio economy.

In addition to the economic impacts, airports further strengthen Ohio through:













Executive Director + Kegler Brown Attorney



Total Development Estimate for Airports in Ohio 2025-2029 \$1,189,039,002

RGP Northwest Airports

2025-26 Development Est.: \$101,888,746

Team NEO Airports

2025-26 Development Est.: \$367,900,363

Lake to River Airports

2025-26 Development Est.: \$35,088,250

DDC Airports

2025-26 Development Est.: \$162,794,111

One Columbus Airports

2025-26 Development Est.: \$413.683.830

Ohio Southeast Airports

2025-26 Development Est.: \$59,298,269

REDI Cincinnati Airports

2025-26 Development Est.: \$48,385,433

All Airports

Annual Economic Impact: \$15-30B Jobs Created: 119,088

All General Aviation Airports

Annual Economic Impact: \$1.85-3B Jobs Created: 17.497



ODOT: Office of Aviation

\$10M Airport Improvement Program + \$5M Bipartisan Infrastructure Law

Ohio Department of Commerce: Bureau of Underground Storage Tanks

\$4M for underground storage tanks at airports

Ohio Department of Development

\$10M Airport Customer Service Enhancements Fund + \$10M Hangar Construction Development Fund

FY 25-26 Budget Requests for All Airports

The annual requests from general aviation airports is between \$20 and \$25 million. Commercial airports do not have any dedicated state funding. The Federal Aviation Administration Airport Improvement Program provides grants to public-owned, public use airports. But, depending on the size of the airport, the local match required is 5-25% of the project. Therefore, state funds can enable Ohio's airports to remain competitive in maintaining and enhancing these critical aviation infrastructure assets.

How Does Ohio Funding Compare to Other State Budgets Supporting Airports?

Ohio: \$10 million 104 Public Use Airports Kentucky: \$23 million **59 Public Use Airports** Florida: \$328 million **125 Public Use Airports** Georgia: \$80 million **105 Public Use Airports** North Carolina: \$232 million **72 Public Use Airports** South Carolina: \$57 million **58 Public Use Airports** Tennessee: \$57.3 million **77 Public Use Airports** Virginia: \$56.9 million **65 Public Use Airports**