



June 9th, 2015

Testimony of Doug Hammon, Ohio Aviation Association

House Bill 64—State Operating Budget
Senate Finance Committee

Chairman Oelslager, Vice Chairman Coley, Ranking Member Skindell, and members of the Senate Finance Committee, thank you for the opportunity to testify today on House Bill 64, the State Operating Budget. My name is Doug Hammon and I am the Director of the Don Scott Airport at The Ohio State University I am here today on behalf of the Ohio Aviation Association and want to elaborate on some of the comments made by my colleague, Terry Slaybaugh.

House Bill 64 would provide a much needed boost in funding for Ohio's aerospace and aviation industry. Over the last decade state funding for airports has declined by more than 250%. HB 64 also broadens the eligible uses of state funding to include local match support for federal grants and investments in new technologies such as NextGen Radar and Unmanned Aerial System. Cuts to local government funding and state support for aviation have forced many airports to delay much needed maintenance and capital improvements. HB 64 will break this log jam and allow critical infrastructure projects to be completed, creating thousands of jobs and growing our aviation and aerospace industry in the process.

I want to focus my comments specifically on the use of state funding for local match support to draw down federal grants. The Federal Aviation Administration (FAA) provides grants to eligible airports through the Airport Improvement Program (AIP). This program provides 90% of the funding for airport construction projects with local airports required to provide a 10% match. Funding is provided through two different funding streams—

- Entitlement Funds: General Aviation airports are eligible to receive up to \$150,000 per year for maintenance and improvements. Airports can defer this funding for up to four years, and accrue up to \$600,000. This would mean that an airport seeking to use its entitlement funds would need to provide matching funds in the amount of \$60,000.
- Discretionary Funds: AIP also provides funding on an as needed basis for capital improvements at commercial and general aviation airports. These funds require a 10% local match, similar to the entitlement program.

As I mentioned before, funds from ODOT's Airport Grant Program cannot be used to meet local match requirements for AIP grants. Every state that borders Ohio allows state funding to be used to draw down FAA grants. We feel that broadening the use of state funds to provide local match support for AIP grants will provide ODOT with a valuable new tool to create jobs and improve airport infrastructure across the state. HB 64 is an important step to preserving Ohio's infrastructure and restoring our state's status as a leader in aerospace and aviation. Thank you for your time and consideration, and I would be happy to answer any questions that you may have.