

SJR

7

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: SJR007-OOG-LGO-5-01-07
 Bill Version: SJR 7
 () Publish Date: _____

Revision Date/Time (Note if correction): _____
 Title: Opposing the enactment of the provisions in the Next
Generation Air Trans. System Financing Reform Act of 2007
 Sponsor Senator Olson
 Requester Senate Transportation Committee

Dept. Affected: OOG
 RDU Office of the Lt. Governor
 Component Office of the Lt. Governor
 Component No. 11

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
|------------------------|------------|------------|------------|------------|------------|------------|
| Personal Services | | | | | | |
| Travel | | | | | | |
| Contractual | | | | | | |
| Supplies | | | | | | |
| Equipment | | | | | | |
| Land & Structures | | | | | | |
| Grants & Claims | | | | | | |
| Miscellaneous | | | | | | |
| TOTAL OPERATING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| CAPITAL EXPENDITURES | | | | | | |
|-----------------------------|--|--|--|--|--|--|

| | | | | | | |
|-------------------------------|--|--|--|--|--|--|
| CHANGE IN REVENUES () | | | | | | |
|-------------------------------|--|--|--|--|--|--|

FUND SOURCE (Thousands of Dollars)

| | | | | | | |
|---|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | | | | | | |
| 1003 GF Match | | | | | | |
| 1004 GF | | | | | | |
| 1005 GF/Program Receipts | | | | | | |
| 1037 GF/Mental Health | | | | | | |
| Other (Specify Type--Do not abbreviate) | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

| | | | | | | |
|-----------|--|--|--|--|--|--|
| Full-time | | | | | | |
| Part-time | | | | | | |
| Temporary | | | | | | |

ANALYSIS: (Attach a separate page if necessary)
 This resolution will have no fiscal impact on the Office of the Lt. Governor.

Prepared by: Gail Fenumiai, Asst. Administrative Director
 Division Division of Administrative Services
 Approved by: Jim Merriner, Chief of Staff
 Agency Office of the Lt. Governor

Phone 465-3885
 Date/Time 5/1/2007, 9:05am
 Date 5/1/2007

SENATE-HOUSE HISTORY (continued)

20

Version Received from the House: _____

Concur in House Amendment
 Y ___ N ___ E ___ A ___

[] EFD same or Y ___ N ___ E ___ A ___

Failed concur in House amd., ask House recede
 Y ___ N ___ E ___ A ___

House failed to recede from amendment
 Y ___ N ___ E ___ A ___

CC appointed by Senate _____ Chair

CC appointed by House _____ Chair

(S) Granted Limited Powers of Free Conference

(H) Granted Limited Powers of Free Conference

20

(S) Adopted CC Rpt _____
 Y ___ N ___ E ___ A ___

[] EFD same or Y ___ N ___ E ___ A ___

(H) Adopted CC Rpt _____
 Y ___ N ___ E ___ A ___

[] EFD same or Y ___ N ___ E ___ A ___

Sent to enrolling
 Received from Enrolling _____ Manifest Error

Sent to Governor
 By Governor _____

Legislative Resolve Number _____

Filed with Lieutenant Governor _____

50 HISTORY IN THE SENATE

50 HISTORY IN THE HOUSE

25-LS0887E

Kane

4/30/07

**CS FOR SENATE JOINT RESOLUTION NO. 7()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - FIRST SESSION**

BY

Offered:

Referred:

Sponsor(s): SENATOR OLSON

A RESOLUTION

1 **Opposing the enactment of the provisions in the Next Generation Air Transportation**
2 **System Financing Reform Act of 2007 that impose air traffic control user fees, increase**
3 **aviation fuel and aviation gas taxes on the operators of propeller-driven or rotor-**
4 **equipped aircraft used for transportation between points within the State of Alaska,**
5 **reduce airport funding, and reduce Congressional oversight of the Federal Aviation**
6 **Administration.**

7 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8 **WHEREAS**, because of Alaska's geography and its many isolated communities
9 without road access, the state has historically relied heavily on general aviation as a major
10 component of its transportation system; and

11 **WHEREAS** the people of Alaska continue to depend on general aviation to move and
12 distribute mail, supplies, goods, and people around the state; and

13 **WHEREAS**, as of May 1999, Alaska had 10,605 licensed pilots and 8,053 registered
14 aircraft, approximately one pilot and one aircraft for every 61 Alaskans; and

1 **WHEREAS** it is estimated Alaska has about six times as many pilots per capita and
2 16 times as many aircraft per capita as the rest of the United States; and

3 **WHEREAS** Alaska ranks sixth in the total number of airports with 583, including
4 heliports and seaplane bases, a number that equals approximately 3.5 percent of the total
5 number of airports in the United States; and

6 **WHEREAS** Alaska is among the top states in the number of seaplane bases with 102,
7 approximately 25 percent of the United States total; and

8 **WHEREAS** Alaska has two of the world's largest seaplane bases in the world with
9 Lake Hood in Anchorage, which accommodates more than 800 takeoffs and landings on a
10 peak summer day, and Ketchikan, where approximately 16,000 takeoffs and landings by
11 seaplanes and general aviation planes occur in each month in the summer; and

12 **WHEREAS** H.R. 1356 and S. 1076, companion bills proposing the Next Generation
13 Air Transportation System Financing Reform Act of 2007, that are pending before the United
14 States Congress would increase the tax on aviation gas from 19.4 cents a gallon to 70 cents a
15 gallon and the tax on aviation fuel from 21.9 cents a gallon to 70 cents a gallon and would
16 implement fees associated with the use of the National Airspace System; and

17 **WHEREAS** the Next Generation Air Transportation System Financing Reform Act of
18 2007 proposes to remove Congressional oversight of the Federal Aviation Administration;
19 and

20 **WHEREAS** because of Alaska's unique geography and dependence on general
21 aviation, such an increase in taxes, implementation of user fees, and reduction of airport
22 funding would be detrimental to the economy of this state and would have a particularly harsh
23 impact on many isolated rural communities;

24 **BE IT RESOLVED** that the Alaska State Legislature respectfully opposes the
25 enactment of the provisions in the Next Generation Air Transportation System Financing
26 Reform Act of 2007 that impose user fees, increase aviation fuel and aviation gas taxes on the
27 operators of propeller-driven or rotor-equipped aircraft used for transportation between points
28 within the State of Alaska, reduce airport funding and reduce Congressional oversight of the
29 Federal Aviation Administration.

30 **COPIES** of this resolution shall be sent to the Honorable Bart Gordon, Chair of the
31 U.S. House of Representatives Committee on Science and Technology; the Honorable Ralph

1 Hall, Ranking Member of the U.S. House of Representatives Committee on Science and
2 Technology; the Honorable Mark Udall, Chair of the Subcommittee on Science and
3 Aeronautics of the U.S. House of Representatives Committee on Science and Technology; the
4 Honorable Ken Calvert, Ranking Member of the Subcommittee on Science and Aeronautics
5 of the U.S. House of Representatives Committee on Science and Technology; the Honorable
6 James Oberstar, Chair of the U.S. House of Representatives Committee on Transportation and
7 Infrastructure; the Honorable John L. Mica, Ranking Member of the U.S. House of
8 Representatives Committee on Transportation and Infrastructure; the Honorable Jerry F.
9 Costello, Chair of the Subcommittee on Aviation of the U.S. House of Representatives
10 Committee on Transportation and Infrastructure; the Honorable Thomas E. Petri, Ranking
11 Member of the Subcommittee on Aviation of the U.S. House of Representatives Committee
12 on Transportation and Infrastructure; the Honorable Charles B. Rangel, Chair of the U.S.
13 House of Representatives Committee on Ways and Means; the Honorable Jim McCrery,
14 Ranking Member of the U.S. House of Representatives Committee on Ways and Means; the
15 Honorable Daniel Inouye, Chair of the U.S. Senate Committee on Commerce, Science, and
16 Transportation; the Honorable John D. Rockefeller IV, Chair of the Subcommittee on
17 Aviation Operations, Safety, and Security of the U.S. Senate Committee on Commerce,
18 Science, and Transportation; the Honorable Trent Lott, Ranking Member of the
19 Subcommittee on Aviation Operations, Safety, and Security of the U.S. Senate Committee on
20 Commerce, Science, and Transportation; the Honorable John Katz, Director of State and
21 Federal Relations and Special Counsel to the Governor of Alaska; and the Honorable Ted
22 Stevens and the Honorable Lisa Murkowski, U.S. Senators, and the Honorable Don Young,
23 U.S. Representative, members of the Alaska delegation in Congress.

SENATE JOINT RESOLUTION NO. 7
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY SENATOR OLSON

Introduced: 4/25/07

Referred: Transportation

A RESOLUTION

1 **Opposing the enactment of the provisions in the Next Generation Air Transportation**
 2 **System Financing Reform Act of 2007 that impose air traffic control user fees, increase**
 3 **aviation fuel and aviation gas taxes, reduce airport funding, and reduce Congressional**
 4 **oversight of the Federal Aviation Administration.**

5 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 **WHEREAS**, because of Alaska's geography and its many isolated communities
 7 without road access, the state has historically relied heavily on general aviation as a major
 8 component of its transportation system; and

9 **WHEREAS** the people of Alaska continue to depend on general aviation to move and
 10 distribute mail, supplies, goods, and people around the state; and

11 **WHEREAS**, as of May 1999, Alaska had 10,605 licensed pilots and 8,053 registered
 12 aircraft, approximately one pilot and one aircraft for every 61 Alaskans; and

13 **WHEREAS** it is estimated Alaska has about six times as many pilots per capita and
 14 16 times as many aircraft per capita as the rest of the United States; and

15 **WHEREAS** Alaska ranks sixth in the total number of airports with 583, including

1 heliports and seaplane bases, a number that equals approximately 3.5 percent of the total
2 number of airports in the United States; and

3 **WHEREAS** Alaska is among the top states in the number of seaplane bases with 102,
4 approximately 25 percent of the United States total; and

5 **WHEREAS** Alaska has two of the world's largest seaplane bases in the world with
6 Lake Hood in Anchorage, which accommodates more than 800 takeoffs and landings on a
7 peak summer day, and Ketchikan, where approximately 16,000 takeoffs and landings by
8 seaplanes and general aviation planes occur in each month in the summer; and

9 **WHEREAS** H.R. 1356 and S. 1076, companion bills proposing the Next Generation
10 Air Transportation System Financing Reform Act of 2007, that are pending before the United
11 States Congress would increase the tax on aviation gas from 19.4 cent a gallon to 70 cents a
12 gallon and the tax on aviation fuel from 21.9 cents a gallon to 70 cents a gallon and would
13 implement fees associated with the use of the National Airspace System; and

14 **WHEREAS** the Next Generation Air Transportation System Financing Reform Act of
15 2007 proposes to remove Congressional oversight of the Federal Aviation Administration;
16 and

17 **WHEREAS** because of Alaska's unique geography and dependence on general
18 aviation, such an increase in taxes, implementation of user fees, and reduction of airport
19 funding would be detrimental to the economy of this state and would have a particularly harsh
20 impact on many isolated rural communities;

21 **BE IT RESOLVED** that the Alaska State Legislature respectfully opposes the
22 enactment of the provisions in the Next Generation Air Transportation System Financing
23 Reform Act of 2007 that impose user fees, increase aviation fuel and aviation gas taxes,
24 reduce airport funding, and reduce Congressional oversight of the Federal Aviation
25 Administration.

26 **COPIES** of this resolution shall be sent to the Honorable Bart Gordon, Chair of the
27 U.S. House of Representatives Committee on Science and Technology; the Honorable Ralph
28 Hall, Ranking Member of the U.S. House of Representatives Committee on Science and
29 Technology; the Honorable Mark Udall, Chair of the Subcommittee on Science and
30 Aeronautics of the U.S. House of Representatives Committee on Science and Technology; the
31 Honorable Ken Calvert, Ranking Member of the Subcommittee on Science and Aeronautics

1 of the U.S. House of Representatives Committee on Science and Technology; the Honorable
2 James Oberstar, Chair of the U.S. House of Representatives Committee on Transportation and
3 Infrastructure; the Honorable John L. Mica, Ranking Member of the U.S. House of
4 Representatives Committee on Transportation and Infrastructure; the Honorable Jerry F.
5 Costello, Chair of the Subcommittee on Aviation of the U.S. House of Representatives
6 Committee on Transportation and Infrastructure; the Honorable Thomas E. Petri, Ranking
7 Member of the Subcommittee on Aviation of the U.S. House of Representatives Committee
8 on Transportation and Infrastructure; the Honorable Charles B. Rangel, Chair of the U.S.
9 House of Representatives Committee on Ways and Means; the Honorable Jim McCrery,
10 Ranking Member of the U.S. House of Representatives Committee on Ways and Means; the
11 Honorable Daniel Inouye, Chair of the U.S. Senate Committee on Commerce, Science, and
12 Transportation; the Honorable John D. Rockefeller IV, Chair of the Subcommittee on
13 Aviation Operations, Safety, and Security of the U.S. Senate Committee on Commerce,
14 Science, and Transportation; the Honorable Trent Lott, Ranking Member of the
15 Subcommittee on Aviation Operations, Safety, and Security of the U.S. Senate Committee on
16 Commerce, Science, and Transportation; the Honorable John Katz, Director of State and
17 Federal Relations and Special Counsel to the Governor of Alaska; and the Honorable Ted
18 Stevens and the Honorable Lisa Murkowski, U.S. Senators, and the Honorable Don Young,
19 U.S. Representative, members of the Alaska delegation in Congress.

ALASKA STATE LEGISLATURE

SENATOR DONALD C. OLSON



ALASKA
STATE CAPITOL
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JUNEAU, ALASKA 99801-1182

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Sponsor Statement Senate Joint Resolution 7

Oppose Changes in Federal Aviation Laws

Companion bills HB 1356 and SB 1076 are currently pending before Congress. These pieces of legislation comprise the "Next Generation Transportation System Financing Reform Act of 2007. This legislation imposes an unusually large increase in taxes on aviation fuel and aviation gas. Currently the tax on aviation gas is 19.4 cents per gallon, and the tax on aviation fuel is 21.9 cents per gallon. Both taxes will increase to 70 cents per gallon. Percentage increases of 360% and 319% respectively.

Both urban and rural pilots will be adversely affected by these planned tax increases. There are 10,650 licensed pilots and 8,053 registered aircraft in Alaska. The already high cost of air travel within the state of Alaska will be out of reach for many residents who live in or have family members in rural areas. Flying is often the only mode of transportation in and out of communities, and the only way that supplies and other goods are shipped to rural residents.

SJR 7 will support Alaska's Congressional delegation and key members of Congress in their opposition to these two pieces of legislation.

(SJR 7 Sponsor statement prepared 04 27 07)