

**A-Engrossed**  
**Senate Bill 680**

Ordered by the Senate May 6  
Including Senate Amendments dated May 6

Sponsored by Senator JOHNSON

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Directs Oregon Department of Aviation to establish pilot program to foster economic development adjacent to rural airports by encouraging through the fence operations.

**A BILL FOR AN ACT**

1  
2 Relating to through the fence operations at rural airports.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Sections 2 and 3 of this 2005 Act are added to and made a part of ORS**  
5 **chapter 836.**

6 **SECTION 2. As used in this section and section 3 of this 2005 Act:**

7 (1) "Customary and usual aviation-related activity" includes activities described in ORS  
8 836.616 (2) and includes activities that a local government may authorize pursuant to ORS  
9 836.616 (3).

10 (2) "Pilot site" means a rural airport identified to participate in the pilot program pur-  
11 suant to section 3 of this 2005 Act.

12 (3) "Rural airport" means an airport described in ORS 836.610 (1) that principally serves  
13 a city or standard metropolitan statistical area with a population of 75,000 or fewer.

14 (4) "Through the fence operation" means a customary and usual aviation-related activity  
15 that:

16 (a) Is conducted by a commercial or industrial user of property within an airport  
17 boundary; and

18 (b) Relies, for business purposes, on the ability to taxi aircraft directly from the property  
19 employed for the commercial or industrial use to an airport runway.

20 **SECTION 3. (1) The Oregon Department of Aviation shall establish a pilot program at**  
21 **up to three rural airports to encourage development of through the fence operations de-**  
22 **signed to promote economic development by creating family wage jobs, by increasing local**  
23 **tax bases and by increasing financial support for rural airports. To the extent practicable,**  
24 **the airport sponsor of a pilot site shall use public-private partnerships that incorporate:**

25 (a) Innovative and creative technologies for increasing airport usability and safety;

26 (b) Innovative and creative performance of aviation services to make the services more  
27 competitive and useful for the public;

28 (c) Development of the pilot site as a setting for customary and usual aviation-related

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.  
New sections are in **boldfaced** type.

1 activities to develop and thrive, in concert with the goals of the Economic and Community  
2 Development Department; and

3 (d) Shared responsibility for:

4 (A) Establishing and meeting the fiscal needs of the pilot site;

5 (B) Maintaining safety of operations; and

6 (C) Maintaining positive community relations and compatibility with existing uses.

7 (2) The pilot program shall operate at:

8 (a) The Aurora State Airport; and

9 (b) Not more than two additional rural airports that volunteer to participate and are  
10 selected by the Oregon Department of Aviation with the concurrence of the county in which  
11 each rural airport is located.

12 (3) The Oregon Department of Aviation, by rule, shall provide standards and guidelines  
13 for through the fence operations that:

14 (a) Ensure that the operations provide financial support to the pilot sites in compliance  
15 with Federal Aviation Administration regulations;

16 (b) Require submission, review, approval and, as appropriate, revision of a facility site  
17 plan for each through the fence operation so that the real property covered by the site plan  
18 can be incorporated into the airport boundary and coordinated with the other aspects of the  
19 airport master plan;

20 (c) Ensure that the operations are conducted according to a written contract between  
21 the commercial or industrial user of property within the airport boundary and the airport  
22 sponsor;

23 (d) Ensure that pilot sites continue to operate in a safe manner and to fulfill their roles  
24 in Oregon's emergency response system;

25 (e) Preserve investments in pilot sites and the level of service provided by pilot sites;

26 (f) Facilitate orderly management of pilot sites;

27 (g) Provide equitable and uniform treatment of airport tenants and users at pilot sites;

28 (h) Advance economic development through qualified customary and usual aviation-  
29 related activities within the airport boundaries of pilot sites;

30 (i) Encourage well-ordered economic development within the airport boundaries of the  
31 pilot sites;

32 (j) Facilitate and foster good relations with the communities surrounding the pilot sites;

33 (k) Enable conformity with approved airport master plans;

34 (L) Make pilot sites available for public use on reasonable terms; and

35 (m) Assist pilot sites in developing financial self-sufficiency through the use of innovative  
36 funding and economic development programs.

37 (4) The Department of Land Conservation and Development, the county and a city, if any,  
38 within whose jurisdiction a pilot site is located shall coordinate with the Oregon Department  
39 of Aviation to ensure that the applicable comprehensive plans and land use regulations, in-  
40 cluding airport zoning classifications pursuant to ORS 836.600 to 836.630, facilitate through  
41 the fence operations and support the development or expansion of the pilot site consistent  
42 with applicable statewide land use planning requirements.

43 (5) The Economic and Community Development Department shall assist the pilot sites  
44 to:

45 (a) Identify, qualify for and apply for funding from appropriate grant and loan programs;

1 **and**

2 **(b) Develop innovative short-term and long-term funding opportunities.**

3 **(6) To the extent practicable, the airport sponsors shall utilize innovative airport**  
4 **infrastructure and operations funding to support the pilot sites including, but not limited to:**

5 **(a) Airport districts as provided in ORS chapter 838;**

6 **(b) Economic development programs administered by the Economic and Community De-**  
7 **velopment Department;**

8 **(c) Tax increment financing to provide funding for airport-related infrastructure;**

9 **(d) United States Department of Agriculture Rural Development grants or low-interest**  
10 **loans; and**

11 **(e) Programs, including funding for short line railroads under ORS 367.067, designed to**  
12 **facilitate development of intermodal transportation projects.**

13 **SECTION 4. (1) The Oregon Department of Aviation shall adopt rules to establish the**  
14 **pilot program required by section 3 of this 2005 Act within six months after the effective date**  
15 **of this 2005 Act.**

16 **(2) The Department of Land Conservation and Development, the county and a city, if any,**  
17 **within whose jurisdiction a pilot site is located shall coordinate with the Oregon Department**  
18 **of Aviation to implement the pilot program and to assist in the development of comprehen-**  
19 **sive plans and land use regulations in accordance with ORS 836.610 (1) that ensure that land**  
20 **use planning requirements facilitate implementation of the pilot program required by section**  
21 **3 of this 2005 Act.**

22 **(3) Notwithstanding ORS 836.610 (2)(a), a county, in cooperation with a city within whose**  
23 **jurisdiction a pilot site is located, shall, if a pilot site is located within the county, amend its**  
24 **comprehensive plan and land use regulations as required in ORS 836.610 and sections 2 and**  
25 **3 of this 2005 Act within one year after the Oregon Department of Aviation adopts the rules**  
26 **required by subsection (1) of this section.**

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