



APPENDIX 4:

Initial Solutions

New Funding Sources

- 1.A Alternatives taxation methods – i.e. similar Wyoming example of taxing minerals
- 1.B “Infrastructure Exchange” financing
- 1.C Additional funds from general fund
- 1.D Additional funds from the transportation budget
- 1.E Partnering with the private sector
 - P3
 - Corporate Sponsorships
- 1.F State PFC fee
- 1.G Tax credits to airports
- 1. H Require through the fence access fees. Facilitate through the fence operational standards and FAA acceptable practices
- 1. I Taxing and funding from new categories: Motor vehicle tax / fuel / emergency service/access provided by airports- all with a pro-rata share of benefits derived at airports, coming back to the aviation trust fund
- 1.J Tax on airport car rentals / concessions / baggage fees
- 1.K Taxing proportional value of transp. Of person or property in WA (partial repeal of Fed Interstate Commerce
- 1.L make the case for rental car tax, bed tax and other ancillary taxes that can be associated with airport activity to go into the airport trust fund
- 1.M Look at a shared model for state landing fee revenues
- 1.N Registration and renewal fees for pilots
- 1.O Look at leveraging FAA funding to take on more local match. Leverage other funds, private and loan funds to cover local match.
- 1.P Institute State revolving loan fund to cover local match and to cover capital costs for revenue producing facilities at airports

Aviation Program Refinements

- 2.A Realignment of funding allocations-aviation tax stays with aviation- aviation benefit stays in aviation proportionally to tax derived- aviation related general fund revenue should go back into the aviation trust fund
- 2.B Loan program for ineligible projects
- 2.C State pooled bonding/loan programs
- 2.D Tiered airport aid funding- draw distinction between self supporting and non-self supporting airports consider ability to pay in funding decisions
- 2.E Set self sustaining fee requirements for airports receiving grant funding (best practices)
 - Market rate
 - Rate of return
 - Return on investment
- 2.F Work with state legislature to ensure that state airports are being taxed fairly and consistently for their land, open spaces and tenant uses and leasehold taxes-(vary based on tax collector philosophy) taxing should be consistent, and should go directly to aviation trust fund
- 2.G Reduce sales tax exemption for hanger const tax burden on airport development
- 2. H Washington to petition to become an FAA block grant state
- 2. I modify project screening and evaluation process to allow for more project eligibility

Revisions to Current Funding Sources

3.A Increase existing taxation rates

3.B Leasehold taxes currently to general fund

3.C Revise Fuel Tax Exemptions

- Lower fuel tax rate if spread over more stakeholders (net result more revenue / lower per user cost)
- Establish cap (i.e. \$1 million per user)
- Specify certain percentage to be returned directly to airport where the tax is generated.
- Commercial aircraft operator exemption- roll back to \$1 dollar

3.D Eliminate Aircraft Registration Exemptions

3.E Increase Aircraft Registration Fee

3.F Change percentage of aircraft excise tax deposited to general fund to aeronautics account

3.G Excise tax based on % of value to be directed to Av. fund (example is watercraft excise tax ½%)

- Or increased fixed fee
- Or capped fee based on value (% of value up to max amount)
- Or straight sales tax

Other Solutions

- 4.A Promote establishment of commissions/ airport authorities at small airports
- 4.B leverage USDOT paving contracts at airports
- 4.C De Federalize for construction contracts but maintain safety and security-saving on bonding requirements and federal construction add-ons.
- 4.D improve educational programs, public outreach and aviation awareness and marketing for both commercial service and general aviation airports- leverage the airport investment study
- 4.E Right size airport infrastructure, Nipias airports optimal # - modify Nipias standards
- 4.F Develop MBP toolkit for state airports- include revenue generation techniques-OPEX savings techniques- property development techniques and tools- WSDOT to facilitate in individual airport assessments- focus on; economic/ industrial development; revenue production; cost savings; administrative and managerial improvements, technology, trends, job creation techniques
- 4.G Facilitate through the fence operational standards and FAA acceptable practices
- 4. H Investigate FAA funding best practices by region- ensure funding for airport business plans/revenue producing facilities, different types of sponsors, ports/munis/ etc., .
- 4. I Through system plan findings, begin an education program that will explain the need to keep all airports open, and how vital they are to safety, security and emergency operations
- 4.J Using system plan outcomes to make the case for combining certain airports into multi-airport authorities that will allow larger airports to help develop and maintain smaller ones