



A MEMBERSHIP ORGANIZATION
REPRESENTING THE INTEREST OF ALL
PUBLIC USE AIRPORTS IN IOWA

IPAA State Legislative Priorities 2018

Airport Infrastructure Reinvestment for Iowa (AIR-Iowa)

The Iowa Public Airports Association asks that the State of Iowa make a commitment to STRENGTHEN Iowa's airports, investing in development and infrastructure by making a ten-year commitment of RIIF funds in the amount of \$16.5 million per year, for a total of \$165 million over ten years. The reinvestment in Iowa airports would be split as follows:

1. *Commercial Service Airports:*

Increase funding for the highly successful Commercial Service Vertical Infrastructure program to \$13.5 million (current appropriation is \$900k) for facility improvement projects at public-owned, commercial service airports in Iowa.

2. *General Aviation Airports:*

Increase funding for the highly successful General Aviation Vertical Infrastructure program to \$3.0 million (current appropriation is \$500k) for facility improvement projects at public-owned, public-use General Aviation airports in Iowa.

Aviation Program Funding

The revenue from two of three aviation specific taxes and fees are currently directed to the State Aviation Fund. The third, the taxes on the sales of aircraft, does not. The IPAA strongly supports the completion of the move of aviation specific tax and fee revenues to the State Aviation Fund by directing the use tax on aircraft sales to the Fund.

Staying Competitive with Surrounding States

Minnesota, Illinois, Wisconsin, Nebraska, and Missouri have eliminated the state sales tax on aircraft maintenance and parts, while Iowa's tax remains. In total, twenty-eight states have similar sales tax exemptions placing Iowa employers at a competitive disadvantage, an especially important consideration when planes are, by definition, very portable.

Indian Hills Community College is a leader in aircraft maintenance degrees. Such an exemption would help grow Iowa jobs and keep more of our young people, educated in Iowa, living in Iowa.

IPAA encourages the repeal of aircraft repair and maintenance as a sales taxable service. It also encourages the exemption of all aircraft parts from sales tax in Iowa.

State Aviation System Plan

The Association encourages the State of Iowa update the Aviation System plan every 10-years, beginning in 2018. The system plan is a twenty-year planning document that is a vital tool assisting communities, airports, and the Department of Transportation invest limited resources in a strategic way. The last update was conducted in 2009.

Aircraft Manufacturer or Dealer Registration Fees

The Association supports House File 2248 dealing with “special certificates.” Currently, an aircraft manufacturer or dealer may operate an aircraft for the purposes of transporting, testing, demonstrating, or selling the aircraft without registering the aircraft by obtaining a “special certificate from the Department of Transportation (DOT). This Bill will limit the period of operating the aircraft under a special certificate to three years. The Bill also increases the annual fee for a special certificate from \$100 to \$400.

IPAA Items of Interest Statements

UASs and Drones

The Association supports the safe and responsible integration of Unmanned Aerial Systems into the aviation system. The IPAA, the Iowa DOT Office of Aviation and other aviation groups are closely monitoring the FAA and on this issue as the FAA has oversight of this airspace.