



OKLAHOMA
Aerospace &
Aeronautics

Oklahoma Department of Aerospace & Aeronautics

FY 2026 Budget Hearing Presentation

Submitted by: Grayson Ardies, Executive Director

Grayson Ardies

Executive Director



The **Oklahoma Department of Aerospace and Aeronautics** serves as the lead government agency to support, promote, and advocate for the state's second largest industry, aviation and aerospace. This includes providing funding, planning, programming and engineering expertise for Oklahoma's airports and aviation infrastructure as well as ensuring the viability of the aerospace industry. The agency is responsible for the administration and/or coordination of a statewide system of airports, cooperating with and assisting local, state, and federal authorities in the development of aviation infrastructure and facilities, acting as the central resource point in state government for the up-and-coming Unmanned and Advanced Air Mobility sector, and fostering the success of the state's overall aerospace industry. The Department administers a robust aerospace and aviation education grant program to help the aviation and aerospace industry with their workforce challenges by introducing Oklahoman students to the available STEM careers that the industry has to offer. The Department also partners with Oklahoma's Department of Commerce in the delivery of the ACES program which seeks to grow and develop the aviation and aerospace industry.

Founded originally in 1946 as the Aviation Commission, reorganized as the Aeronautics Commission in 1963, and renamed the Oklahoma Department of Aerospace and Aeronautics in 2023, this agency now encompasses the following divisions: **Administration/Operations, Airport Development, Aerospace & Aviation Education, UAS/AAM.**

Agency Vision, Mission and Core Values

Vision: To be an efficient, innovative, customer-driven organization working collaboratively to provide safe, modernized, integrated and sustainable transportation options throughout Oklahoma.

Mission: The mission of the ODAA is to promote aviation and aerospace, which includes ensuring that the needs of commerce and communities across the state are met by the state's 108 public airports that comprise the Oklahoma Airport System, to foster the growth of the aerospace industry, and to help ensure the workforce needs of the aerospace industry are addressed by educating and making Oklahomans aware of the job opportunities that are available.

Core Values: We value our people for individual and team contributions, empowering them to make decisions through productive partnerships. We are accountable for meeting the transportation needs of citizens, business and industry in the safest, most proficient manner possible.



Accomplishments

Top accomplishments for FY 2025 – FY 2026

- 1) Advocated and successfully passed legislation that expands the Oklahoma Aircraft Engine Testing Development Grant Program to include the testing of rocket engines and extends the aerospace engineer tax credit.
- 2) Retained the state's #1 ranking as far as the number of schools teaching the AOPA high school curriculum with 149.
- 3) Awarded \$820,460 of aerospace and aviation education grants to 102 different entities in FY26 to encourage, foster and grow a health workforce for the aerospace industry, the largest number of grants awarded in the history of the program.
- 4) Completed several notable construction projects: terminals at Mid-America, Miami, McAlester, Elk City, and Woodward; Blackwell-Tonkawa runway widening and rehabilitation; Bartlesville Municipal and Duncan Halliburton Field taxiway development areas; hangars at OKC Will Rogers, Okemah, OU Max Westheimer, Ardmore Municipal, Woodward, Claremore, Weatherford, and others; new AWOS at Ada, Alva, Claremore, Fairview, Grove, South Grand Lake, and Sallisaw; Fuel systems at Alva, Broken Bow, Claremore, CE Page, Hooker, and Goldsby.
- 5) Broke ground and started on the following projects: OU Max Westheimer air traffic control tower; Stroud Municipal runway widening and extension; Pauls Valley runway reconstruction; Sallisaw runway rehabilitation; South Grand Lake Regional terminal building, hangar and parallel taxiway; Terminals at Ardmore Downtown and El Reno; Hangars at Guymon, Boise City, Clinton, Fairview, Tahlequah, and Thomas.



Analysis of Agency Challenges

	Challenge	Current Actions (Briefly describe how the agency is currently addressing the challenge.)	Planned Actions (Briefly describe how the agency plans to address the challenge going forward.)
1	General knowledge of the aerospace and defense industry.	Host major events throughout the year highlighting the aviation and aerospace industry. Support airports with fly-ins and other activities that allow the community to interact with local aviators.	Continue to host and support events that highlight the industry and increase the number of community participants in the various airport activities that occur throughout the state.
2	Sustainable long-term funding for airport and UAS/AAM infrastructure.	Use the appropriations that the agency has received the past three years on airport growth projects and initial investments in UAS infrastructure.	Continue to advocate for additional appropriated funding to put towards airport and UAS/AAM infrastructure.
3	Workforce development and aero education recruitment efforts	STEM Aerospace Education programming is continuing to increase all across the state, however we must turn our attention to ensuring students are aware of those new programs so they can enroll in them as well as maintaining the success of the programs that are already ongoing.	Continue to visit with school leaders, community members, and aerospace industry partners to find new and innovative ways to tie these three groups of people together.
4			

Savings & Efficiencies (Current or Planned)

Savings or Efficiency Name	Brief description of how savings were achieved	Savings in Unit of Measurement	FY 2025 (Actual \$ Savings)	FY 2026 (Projected \$ Savings)	FY 2027 (Projected \$ Savings)
In-house project design	Engineering staff are undertaking design of two runway rehabilitation projects (crack seal and seal coat)	Reduced engineering fees and reduced local matches for these two communities	NA	\$50,000	\$50,000
In-house UAS surveying activities	UAS Program Manager will fly drone-grade surveys for runway safety areas and approaches thereby identifying the need for which airports need an engineering survey.	Having a UAS grade survey will dictate which airport's need engineering level surveys thereby reducing overall survey costs	NA	\$25,000	\$50,000

Note: When reporting savings and efficiencies, agencies should include savings associated with statewide initiatives related to fleet reduction, use of Artificial Intelligence (AI), and cell phones. Examples of units of measurement include square footage, headcount (employees or contractors), overtime hours reduced, processing time in hours, days, etc. For example, "42 minutes per transaction," "20,000 square feet in office space," or "580 overtime hours reduced in the first year."

Agency Goals and Key Performance Metrics

Goal		Metric	FY 25 Target*	FY 25 Actuals	FY 26 Target
1	Development of a statewide airport system.	During each fiscal year, grant at least 85% of the programmed funds for airport construction identified in the current state and federal fiscal years.	85%	85%	85%
2	Increase the overall workforce for the aviation and aerospace industry.	Become a top 5 state insofar as aviation curriculum being taught in classrooms across Oklahoma. Increase the number of participants applying for the Aerospace & Aviation Education Grant Program.	65	71	100
3	Ensure each airport is operating in a safe, efficient, and business friendly manner while meeting FAA and Commission standards.	Conduct airport safety and standards inspection on a three-year cycle on the State's 135 public-use airports.	45	45	45
4	Sustain existing airport pavement infrastructure while strategically investing in new pavement and increasing the overall pavement condition on a systemwide basis.	Conduct airport pavement inspections on a three-year cycle for the 95 airports in the pavement inspection program and ensure a pavement condition index of at least 70 for primary runways.	32/72	32/72	32/74
5	Identify and invest in new airport infrastructure to support additional aviation business potential and based aircraft activity within the state's airport system.	Number of hangar or other vertical infrastructure projects granted through the Commission's 5-year Airport Construction Program	8	10	12
6	Increase awareness with the general public of the benefits and opportunities afforded to the state's economic health due to the aviation and aerospace industry	Hosting major events throughout the year highlighting the aviation and aerospace industry. Supporting airports with fly-ins and other activities that allow the community to interact with local aviators.	4/6	9/10	4/8
7	Assist local communities/businesses with adopting and utilizing UAS/AAM technology while investing in necessary radar and detection infrastructure to assist with integration responsibilities.	Number of entities State Manager for Advanced Air Mobility meets with each year.	50	65	40

Projects for FY 2026

- 1) Complete the agency's new aerospace industry economic impact study and conduct a statewide publicity campaign to share the results and highlight the success and importance of the industry.
- 2) Implement additional UAS infrastructure funding statewide.
- 3) Continue work on PREP-funded mega projects at Ardmore Municipal, Woodward, Tulsa International, and OKC Will Rogers International Airport.
- 4) Ongoing/upcoming airport construction projects not associated with PREP funds: Atoka airport relocation (environmental and site prep), Shawnee disaster reconstruction (hangars & terminal) and taxiway development area projects, Duncan runway strengthening, Muskogee runway rehabilitation, Enid apron reconstruction/expansion, Miami parallel taxiway realignment, Guthrie/Edmond terminal building construction, Ponca City terminal building construction, Alva hangars, Chickasha hangars.



Projects for FY 2027

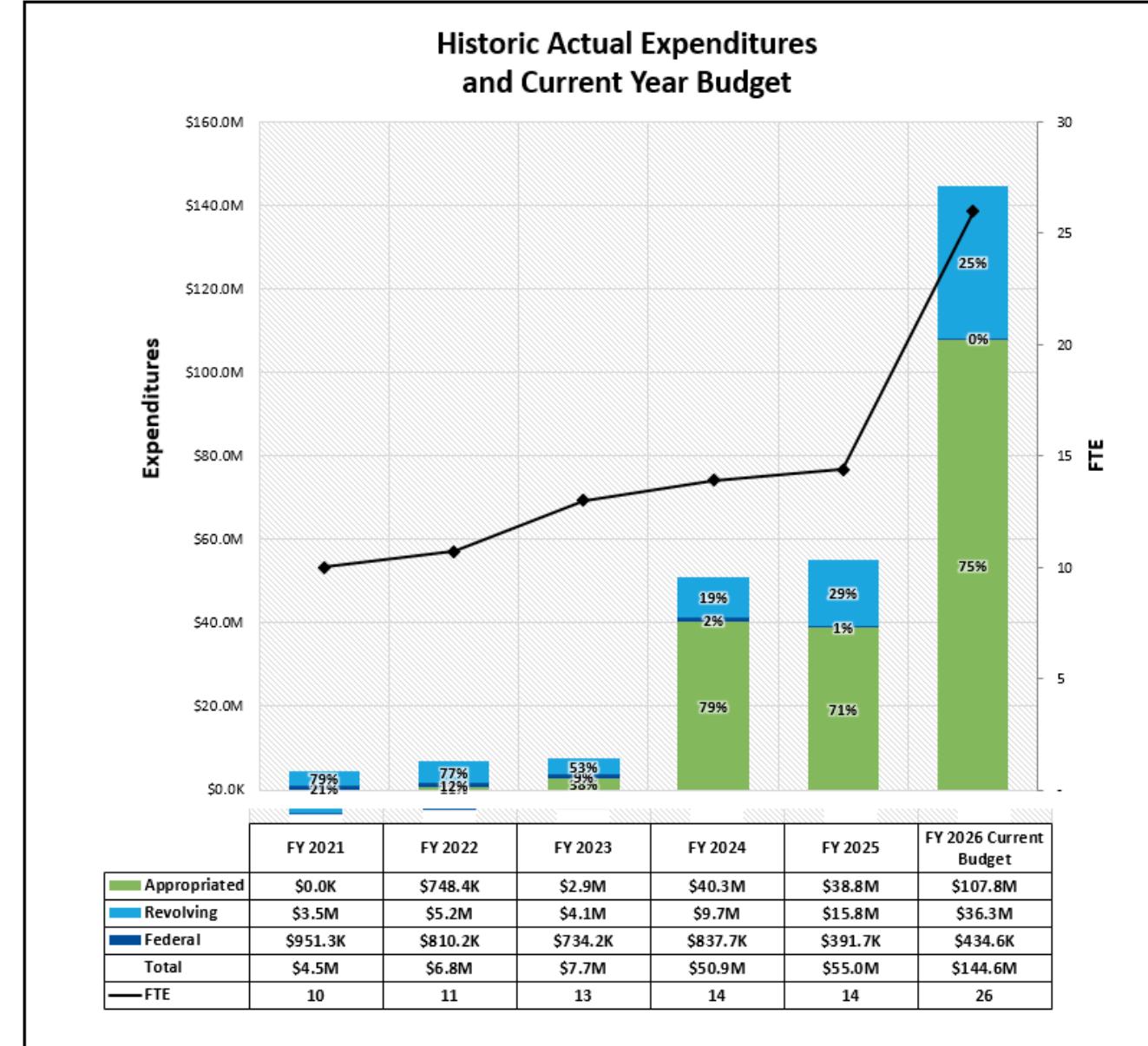
- 1) Continue to implement the pro-growth infrastructure recommendations from the 2022 Oklahoma Airport System Plan. This includes identifying special projects that need funding consideration from the Legislature as well as projects that would compete for regular pro-growth funding such as terminals, hangars, taxilane development areas, utilities, and other projects that enable growth activities.
- 2) Strategic plan development for the aerospace and defense industry. It has been since the 2010 time period where the State of Oklahoma has completed a holistic and comprehensive look at what we should be doing to enhance our state's second largest industry.
- 3) Develop key UAS/AAM test sites throughout Oklahoma in coordination with government and industry partners.



Total Historic Actual Expenditures (FY 2021-25) and Current Year Budget (FY 2026)

Explanation of Changes and Trends

The increase of appropriations from FY 2023 to FY 2026 is primarily due to PREP and one-time funds for designated airport projects. The increased FTE in FY 2026 is due to the OSIDA employees becoming ODAA employees per SB912.



**Appropriation amounts include PREP funds.*



Estimated Impact of Federal Funding Changes

Program Name	Federal Agency	Description of expected change(s) (i.e. change in state match, admin costs, program requirements or client eligibility, etc.)	Actual FY 25 Total Federal Funding Received (\$)	Projected FY 26 Total Federal Funding To Be Received (\$)	Estimated FY 27 Total Federal Funding To Be Received (\$)
None			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$

* Only list programs with federal funding that are expected to change. Refer to the agency's Federal Funds Schedule in the Budget Request document.



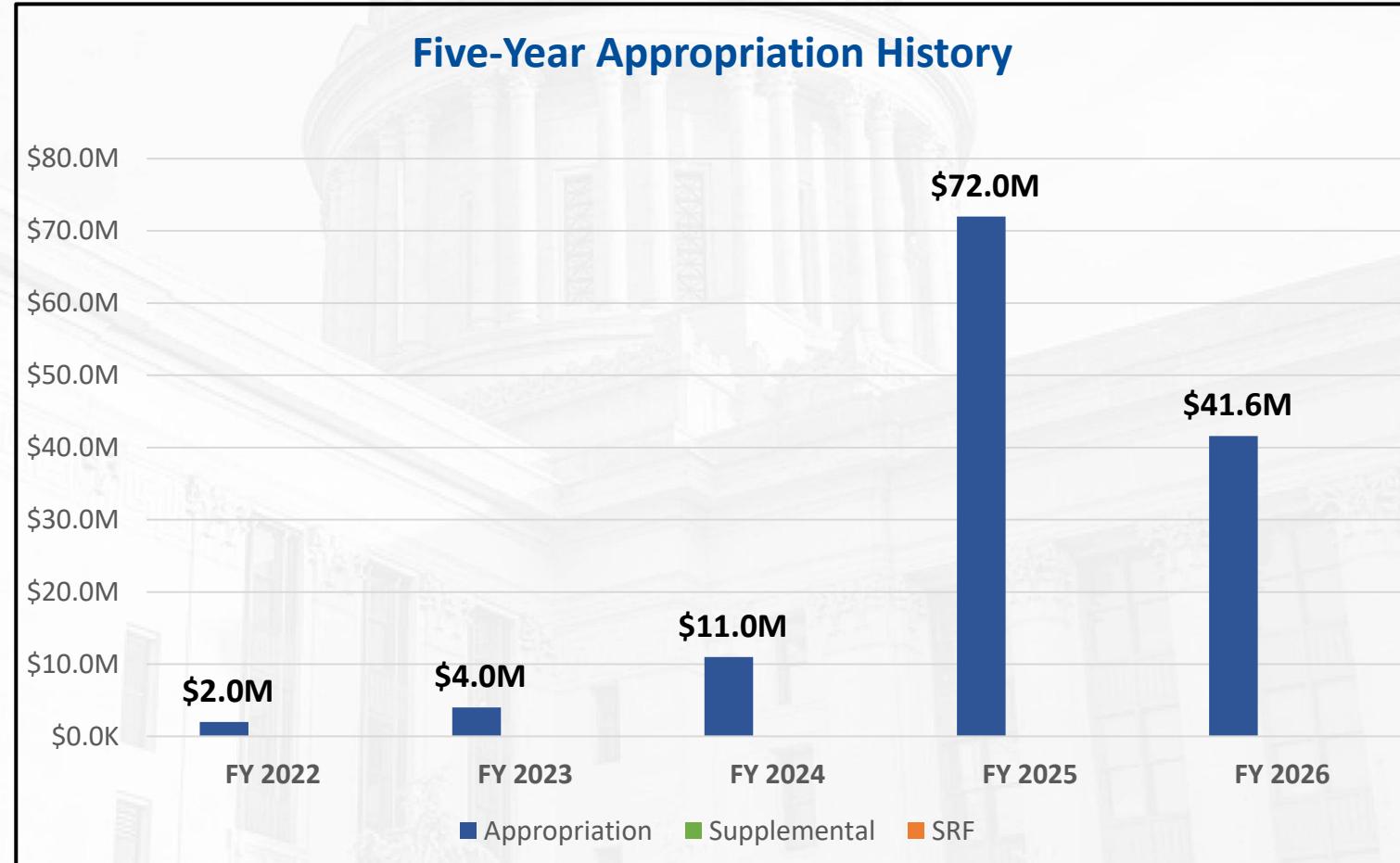
FY 2026 Budgeted Full Time Equivalents (FTE)



	FY 2026 Budgeted FTE
Total FTE	24
Supervisor FTE	5
Supervisors to Total FTE Ratio (%)	20%
Current Budgeted but Unfilled FTE	3

Appropriation History

Fiscal Year	Legislated Appropriation (\$) <i>(Includes supplements and SRF/ARPA.)</i>
FY 2022	\$2,000,000
FY 2023	\$4,000,000
FY 2024	\$11,000,000
FY 2025	\$72,000,000
FY 2026	\$41,600,000



**Includes Supplemental and Statewide Recovery Fund (ARPA) appropriations.*



Financial Resource Analysis

Carryover	FY 2022	FY 2023	FY 2024	FY 2025
Total appropriated carryover amount expended (\$)	\$	\$1,038,709	\$2,530,771	\$9,714,760
Historical Cash Balances	FY 2022	FY 2023	FY 2024	FY 2025
Year End Revolving Fund Cash Balances (All Revolving Funds)	\$6,718,347	\$11,781,542	\$15,891,897	\$43,077,417
Revolving Class Fund # (Unrestricted only)	Revolving Class Fund Name (Unrestricted only)	Current cash balance (\$)	Projected FY 2026 year-end cash balance (\$)	
20000	Department of Aerospace & Aeronautics Revolving Fund	\$17,226,670.45	\$11,000,000	
21500	Long-Term Aerospace & Aeronautics Infrastructure Sustainability	\$3,842,702.45	\$1,000,000	
22000	Engine Test Cell Development Program	\$16,000,000	\$16,000,000	
	Total Unrestricted Revolving Fund Cash balance:	\$37,069,372.90	\$28,000,000	



Unrestricted funds are those that are not limited by state or federal law, rule, regulation, other legally binding method, or donor restriction.

FY 2024 – 2025 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount FY 2024</i>	<i>Amount FY 2025</i>	<i>Total amount received FY 2024 - 25</i>	<i>Total amount expended by 11/1/2025</i>	<i>Included in FY 2026 approp? (Yes/No)</i>	<i>If not expended fully, please explain.</i>
Airport growth infrastructure projects, UAS infrastructure	\$7,000,000		\$7,000,000	\$7,000,000	Yes	
Airport growth infrastructure projects and AeroSpace Education		\$4,000,000	\$4,000,000	\$4,000,000	Yes	
Airport Economic Development Projects		\$41,000,000	\$41,000,000	\$2,625,604	No	Airport infrastructure projects typically take 24-36 months to be designed and completed. Many of these projects have significant lead times and are partnered with FAA funds which have been delayed due to Congressional challenges.
Aircraft Engine Test Cell Program		\$16,000,000	\$16,000,000	\$0	No	Entity the funds are intended for is still in the site evaluation/design phase of the project.
Totals	\$7,000,000	\$61,000,000	\$68,000,000	\$13,625,604		



**Do not include SRF / ARPA appropriation increases.*

Incremental & Supplemental Request Summary

Request Name		FY 2027 Incremental Appropriation Request Amount (\$) <i>{or FY 2026 for Supplements}</i>	Type of Request: Recurring, One-time, or Supplemental
1	None	\$	
2		\$	
3		\$	
4		\$	
5		\$	

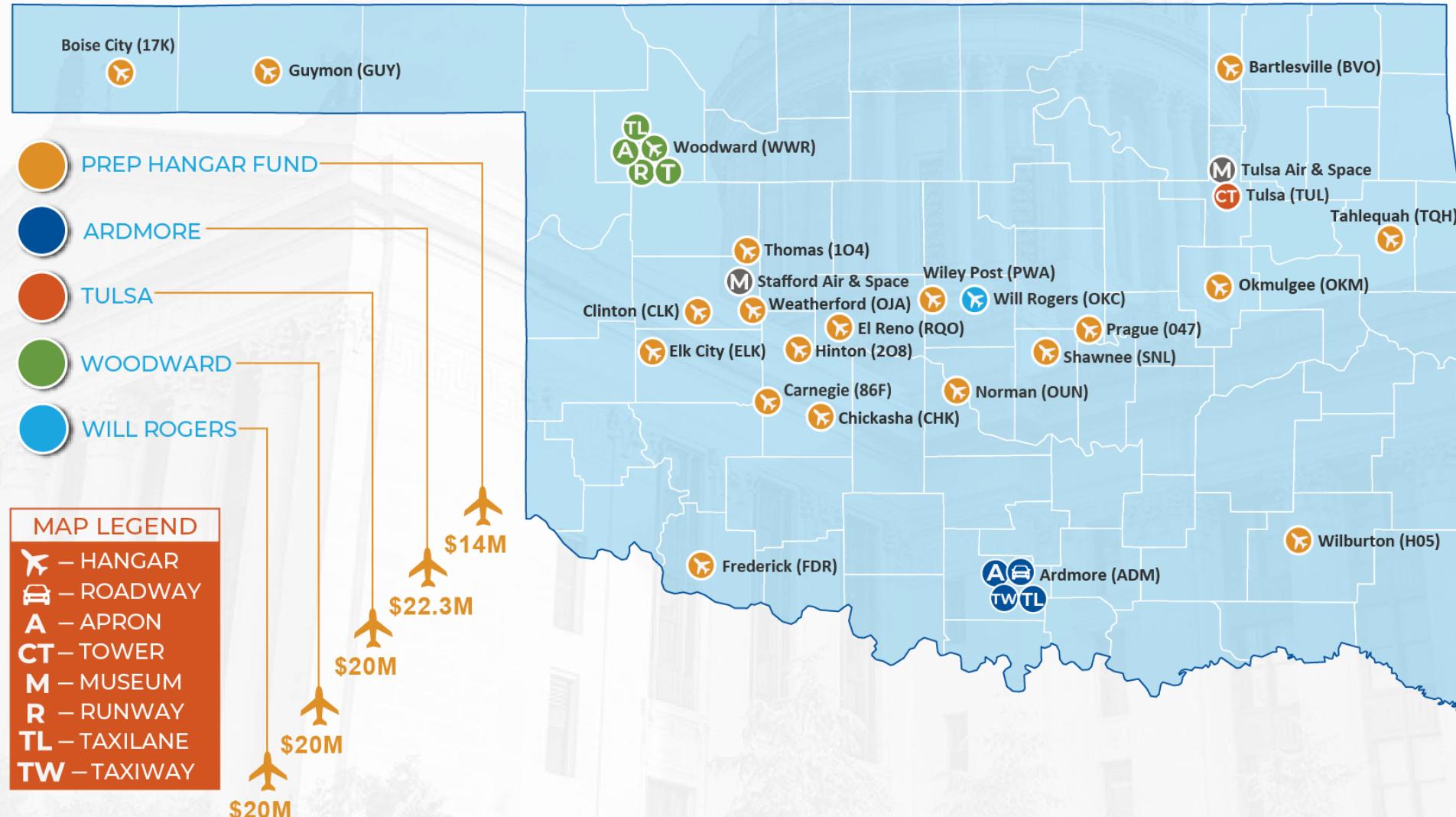




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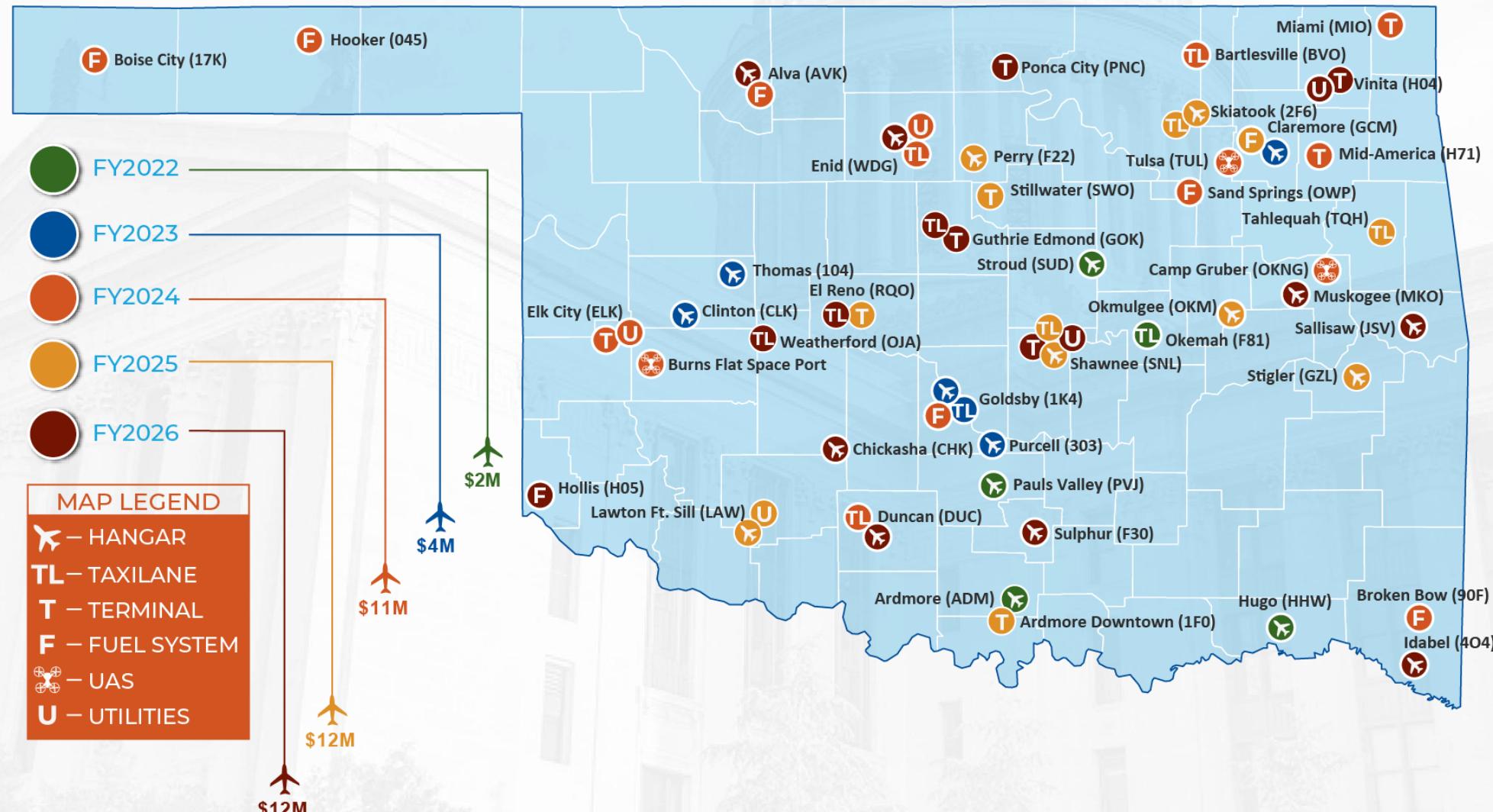
Appendix

ARPA/PREP INFRASTRUCTURE FUNDING



PRO-GROWTH INFRASTRUCTURE

PROJECTS ENABLED BY APPROPRIATIONS SINCE FY2022:



FY2025 INFRASTRUCTURE FUNDING

	SHAWNEE		\$6.5M
	ATOKA		\$6M
	OKEMAH		\$3.5M
	WATONGA		\$3.5M
	WILL ROGERS		\$4M
	PAWHUSKA		\$4M
	SOUTH GRAND LAKE		\$5.5M
	STROUD		\$3M
	DUNCAN		\$5M

