



SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**4**

Meeting Date: **OCTOBER 4, 2012**

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**Subject:**

**October 2012 Legislative Report**

**Recommendation:**

Adopt Resolution No. 2012-0105, approving the October 2012 Legislative Report.

**Background/Justification:**

The Legislative Advocacy Program Policy adopted by the Board on November 10, 2003, requires Authority staff to present the Board with monthly reports concerning the status of legislation with potential impact to the Authority. The October 2012 Legislative Report updates Board members on legislative activities that have taken place during the month of September. The Authority Board can give direction to staff on legislative issues contained in the attached Legislative Report (Attachment A).

**State Legislative Action**

The Authority's legislative team does not recommend the Board adopt a position on any new state legislation.

On September 17, 2012 the Governor signed into law AB 838 (Hill), legislation providing charter-party carriers the option of keeping waybills or trip reports in electronic or hard copy format beginning January 1, 2014.

The last day for the Governor to sign or veto bills passed by the Legislature was September 30, 2012. The Legislature is scheduled to convene for the 2013-14 session on December 3, 2012.

**Federal Legislative Action**

The Authority's legislative team recommends the Board adopt a Support position on S. 3542 (Klobuchar/Blunt), the No-Hassle Flying Act of 2012. This bill would streamline security screening of checked baggage on commercial flights that originate from a foreign airport that has already been precleared by the United States.

On September 14, 2012, the Office of Management and Budget released a report that details the impacts of sequestration. The report outlines the path for the \$1.2 trillion in budget cuts required by the Budget passed in 2011.

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The Airport Improvement Program is exempt from sequestration. However, other Federal Aviation Administration Programs that are safety related-including inspectors and air traffic control will be reduced. Additionally, the Transportation Security Administration's budget would also be reduced.

**Authority Strategies:**

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

- A. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Equal Opportunity Program:**

Not applicable.

**Prepared by:**

MICHAEL KULIS  
DIRECTOR, INTER-GOVERNMENTAL RELATIONS

RESOLUTION NO. 2012-0105

A RESOLUTION OF THE BOARD OF THE SAN  
DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
APPROVING THE OCTOBER 2012 LEGISLATIVE  
REPORT

WHEREAS, the San Diego County Regional Airport Authority (Authority) operates San Diego International Airport as well as plans for necessary improvements to the regional air transportation system in San Diego County, including serving as the responsible agency for airport land use planning within the County; and

WHEREAS, the Authority has a responsibility to promote public policies consistent with the Authority's mandates and objectives; and

WHEREAS, Authority staff works locally and coordinates with legislative advocates in Sacramento and Washington, D.C. to identify and pursue legislative opportunities in defense and support of initiatives and programs of interest to the Authority; and

WHEREAS, under the Authority's Legislative Advocacy Program Policy, the Authority Board gives direction to Authority staff on pending legislation; and

WHEREAS, the Authority Board in directing staff may adopt positions on legislation that has been determined to have a potential impact on the Authority's operations and functions.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the October 2012 Legislative Report (Attachment A); and

BE IT FURTHER RESOLVED that the Board finds that this Board action is not a "project" as defined by the California Environmental Quality Act (CEQA), Pub. Res. Code §21065; and is not a "development" as defined by the California Coastal Act, Pub. Res. Code §30106.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of October, 2012, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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TONY RUSSELL  
DIRECTOR CORPORATE SERVICES/  
AUTHORITY CLERK

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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October 2012 Legislative Report

State Legislation

**Legislation/Topic**

**SCR 90 (Anderson) – Tuskegee Airmen Highway**

**Background/Summary**

This resolution would officially designate a portion of State Highway Route 15 in the County of San Diego as the Tuskegee Airmen Highway. The section of highway that would be named is located between Miramar Road and Mercy Road. The Airport Authority has previously recognized the record of success and contributions of the Tuskegee Airmen by naming an Airport Authority conference room as the Tuskegee Conference Room. The Airport Authority Board also dedicated this conference room to Congressional Gold Medal recipient and former Airport Authority Board Member Robert Maxwell.

**Anticipated Impact/Discussion**

If passed, this legislation would designate a section of State Highway Route 15 as the Tuskegee Airmen Highway and commence the process of identifying nonstate revenue to fund the necessary highway signage.

**Status:** 8/9/12 – Signed by the Governor and chaptered by the Secretary of State

**Position:** Support (6/5/12)

**Legislation/Topic**

**AB 41 (Hill) – High-Speed Rail Authority-Conflicts of Interest and Ex Parte Communications**

**Background/Summary**

This bill would add members of the California High-Speed Rail Authority (CHSRA) as officers under the Political Reform Act of 1974. They will be required to publicly identify any financial interest giving rise to a conflict of interest or potential conflict of interest, and recuse themselves accordingly.

**Anticipated Impact/Discussion**

This legislation would have no direct impact the Authority.

**Status:** 9/13/12 – Enrolled and presented to the Governor

**Position:** Support (4/12/12)

**Legislation/Topic**

**AB 492 (Galgiani) – High-Speed Rail Authority, Small Business Advisory Committee**

**Background/Summary**

This bill would require the California High-Speed Rail Authority (CHSRA) to consider the creation of jobs and participation by small business enterprises in California when awarding major contracts or purchasing high-speed trains. The bill would also require the CHSRA to appoint a small business enterprise advisory committee.

**Anticipated Impact/Discussion**

This legislation could increase local participation by small businesses in San Diego County.

**Status:** 9/19/12 – Signed by the Governor

**Position:** Support (4/12/12)

**Legislation/Topic**

**AB 838 (Hill) – Charter Party Carriers of Passengers**

**Background/Summary**

Currently waybills or trip reports are kept and provided by charter-party carriers (“carriers”) in hard copy format. This bill, beginning January 1, 2014, would allow a waybill or trip report to be kept in electronic or hardcopy format and carriers can provide either format when requested by any commission or airport enforcement officer or any official of a city, county, or city and county authorized to inspect a waybill or trip report.

**Anticipated Impact/Discussion**

When the Authority requests, a carrier will still have to produce a hard copy of any waybill or trip reports.

**Status:** 9/17/12- Signed by the Governor and chaptered by the Secretary of State

**Position:** Watch

## Federal Legislation

### Legislation/Topic

**S. 3542 (Klobuchar/ Blunt), H.R. 6028 (Walsh) – The No-Hassle Flying Act of 2012**

### Background/Summary

This bill would streamline security screening of checked baggage on commercial flights originating from preclearance airports outside of the United States. This would apply to airports with agreements that delineate and implement security standards and protocols that are comparable to the United States.

### Anticipated Impact/Discussion

Currently, TSA has the discretion to determine on a location-by-location basis if re-screening checked baggage is necessary. This bill would free up TSA resources for other priorities and reduce the number of missed connections.

**Status:** S. 3542: 9/13/12 – Introduced and referred to the Senate Committee on Commerce, Science, and Transportation  
H.R. 6028: 9/11/2012- Approved by the House in a voice vote, and referred to Senate Committee on Commerce, Science, and Transportation

**Position:** Support

### Legislation/Topic

**H.R. 6328 (Hochul) – Clothe a Homeless Hero Act**

### Background/Summary

This bill would require the Transportation Security Administration (TSA) to distribute unclaimed clothing to needy or homeless veterans.

### Anticipated Impact/Discussion

Currently, the TSA turns over unclaimed clothing to SDIA's lost and found. If left unclaimed, the clothing is donated to the K9 unit of the Harbor Police Department for training.

**Status:** 8/2/12 – Introduced and referred to the House Committee on Homeland Security

**Position:** Support (9/6/12)

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**Legislation/Topic**

**S. 3216/H.R. 5855 - Fiscal Year 2013 Department of Homeland Security Appropriations**

**Background/Summary**

This bill would fund Department of Homeland Security (DHS) operations and programs for Fiscal Year 2013. Highlights of the Senate version of the bill include:

- Overall funding level of \$45.2 billion
- \$11.9 billion for Customs and Border Patrol (CBP) (21,186 officers)
- Requires CBP to be more transparent with airport authorities in its staffing decisions
- Additional \$4.5 million to expand Global Entry Program to 5 additional airports
- \$7.6 billion for Transportation Security Administration (48,000 TSA screeners)
- A \$2.50 increase in airline passenger security fees

Highlights of the House version of the bill include:

- \$10.2 billion for Customs and Border Patrol (21,186 officers)
- Continues the current limit of 46,000 TSA screeners
- Does not include Administration-backed language allowing CBP to enter into reimbursable fee agreements for CBP services
- Does not include an increase in the passenger security fee
- Includes an additional \$15 million for the Screening Partnership Program

**Anticipated Impact/Discussion**

Passage of a Fiscal Year 2013 DHS Appropriations bill will ensure annual funding levels for TSA and CBP operations for the year and will assist the Authority to ensure adequate operation and staffing levels at SDIA.

**Status:** 5/22/12 – S. 3216 - Senate Appropriations Committee approved  
6/7/12 – H.R. 5855 - Approved by the House on a vote of 234 to 182

**Position:** Support (6/7/12)

**Legislation/Topic**

**H.R. 4166 (Doggett) – Coal Tar Sealants Reduction Act of 2012**

**Background/Summary**

This bill would prohibit the manufacturing of coal tar sealant one-year after the bill is enacted into law, the processing or sale of coal tar sealant one and one-half years after the bill is enacted into law and would prohibit the use of coal tar sealant two and one-half years after the bill is enacted into law.



**Anticipated Impact/Discussion**

The Authority applied coal tar on SDIA's runway in 2006 and doesn't anticipate needing to re-apply until 2014. The current alternative material to coal tar would require applications at least every five years, and has more limited availability, which could increase costs to the Authority.

**Status:** 3/9/12 – Referred to the House Committee on Energy and Commerce

**Position:** Watch (5/3/12)

**Legislation/Topic**

**H.R. 2179 (Miller) – Transportation Security Administration (TSA) Transfer of Unclaimed Funds Act**

**Background/Summary**

This bill would direct the Assistant Secretary of Homeland Security to annually transfer unclaimed money recovered at airport security checkpoints to the local United Service Organizations (USO). These funds would be used for activities supporting the local USO airport centers. The funds are currently used by the TSA for civil aviation security.

**Anticipated Impact/Discussion**

This legislation would provide a direct financial benefit to SDIA's own USO facility instead of funding a large federal program.

**Status:** 5/8/12 – Approved by the House Committee on Homeland Security

**Position:** Support (4/12/12)

**Legislation/Topic**

**S. 1813 (Boxer) – Highway Transportation Bill**

**Background/Summary**

This two-year, \$109 billion authorization bill focuses resources on preserving and improving the condition of highways and bridges around the country by renewing highway taxes at their current levels. The bill also provides funding for intermodal connections. Because current surface transportation authorizations expire on June 30th, it is anticipated that Congress will consider a temporary extension prior to passage of a multi-year authorization bill.

**Anticipated Impact/Discussion**

S. 1813 includes a provision which would exempt private activity bonds (PABs) from the alternative minimum tax (AMT) for bonds issued after the date of enactment and before January 1, 2013, which could benefit the Authority in any bond issuances occurring in 2012.

**Status:** 3/14/12 – Approved by the Senate by a vote of 74 to 22

**Position:** Support (4/12/12)

**Legislation/Topic**

**H.R. 2469 (Cohen) - End Discriminatory State Taxes for Automobile Renters Act of 2011**

**Background/Summary**

This bill would prohibit most state and local governments from imposing taxes on the rental of motor vehicles.

**Anticipated Impact/Discussion**

Because the bill exempts federally assisted airports from the proposed tax prohibition if a concession fee is involved, there would be no direct impact to SDIA or the Authority.

**Status:** 7/8/11 – Introduced and referred to the House Committee on the Judiciary

**Position:** Watch (8/4/11)

**Legislation/Topic**

**H.R. 1691 (Richardson) - Prevention of Unreasonable Fees Act**

**Background/Summary**

This bill would prohibit the operator of a “transportation terminal” (e.g. airport) from charging fees to providers of limousine and other prearranged ground transportation, unless the fee is pre-approved by the U.S. Secretary of Transportation. Under this bill, transportation terminal operators would be limited to the collection of fees charged to the general public for access to, or use of, the terminal, and for the availability of ancillary facilities. Transportation terminal operators would still be allowed to require vehicles for hire to use, and pay for, segregated parking facilities if the fee is the same as that charged to the public. The bill would also allow the state or its political subdivisions to require a license or fee (other than a prohibited transportation terminal fee) for a motor vehicle providing certain other prearranged ground transportation.

**Anticipated Impact/Discussion**

According to the author's staff, this bill was introduced to prevent excessive fees such as those collected for repeated circling and registration for limited use of

airport facilities. San Francisco International Airport was specifically identified as an example by the author. This bill is opposed by Airports Council International-North America (ACI-NA), and the American Association of Airport Executives (AAAE). Limousine and taxi drivers contribute to the wear and tear on airport roads, including SDIA, and can legally be charged for their usage.

**Status:** 5/3/11 – Introduced and referred to the House Committee on Transportation and Infrastructure

**Position:** Oppose (7/7/11)

**Legislation/Topic**

**H.R. 1474/S. 785 (Duncan/Thune) - Freedom from Government Competition Act of 2011**

**Background/Summary**

This bill requires that any government entity receiving federal funds contract out all federally-funded work – except in cases of national defense/homeland security and where there is no private source - to the private sector. This bill would require airports to contract with a private fixed base operator (FBO) to provide services at their airport.

This legislation was initiated on behalf of the National Air Transport Association in an effort to prevent airports from serving as FBO's. It is opposed by Airports Council International-North America (ACI-NA), and the American Association of Airport Executives (AAAE).

**Anticipated Impact/Discussion**

Although the Authority currently uses a private company for SDIA's FBO, this bill would mandate that the airport contract with a private FBO in the future, eliminating our option to provide our own FBO services, should the Authority choose to do so.

**Status:** 4/12/11- H.R. 1474 - Introduced and referred to the House Committee on Oversight and Government Reform  
4/12/11 – S. 785 - Introduced and referred to the Senate Committee on Homeland Security and Governmental Affairs

**Position:** Oppose (6/2/11)

**Legislation/Topic**

**H.R. 1586 (King) - Expanding Airport Security Screening Opt-Out Programs**

**Background/Summary**

The bill would authorize the Secretary of Homeland Security to approve applications submitted by airports for private screening programs if such applications have not been acted on by the TSA within 120 days of receipt. The Secretary must approve the application unless it can demonstrate that doing so would hurt the effectiveness of screening or otherwise harm aviation security.

**Anticipated Impact/Discussion**

This legislation would result in an expedited review of a Screening Partnership Program application should the Authority decide to use this program in the future.

**Status:** 4/15/11 – Referred to the House Committee on Homeland Security

**Position:** Watch (5/5/11)

**Legislation/Topic**

**H.R. 386 (Lungren) - Securing Cockpits Against Lasers Act of 2011**

**Background/Summary**

This Act amends the federal criminal code to prohibit the aiming of the beam of a laser pointer at an aircraft or in its flight path, and imposes a fine and/or prison term of up to five years for such action.

The following would be exempt from the prohibition:

- Individuals conducting research and development or flight test operations for an aircraft manufacturer or the Federal Aviation Administration
- Department of Defense or Department of Homeland Security personnel conducting research, development, operations, testing or training
- Individuals using a laser emergency signaling device to send a distress signal

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact to the Authority or SDIA, it could enhance aviation safety by protecting pilots from laser interferences.

**Status:** 2/28/11 – Approved by the House on a voice vote and referred to the Senate Judiciary Committee

**Position:** Support (4/7/11)

**Legislation/Topic**

**H.R. 235 (Brady) - Cut Unsustainable and Top-Heavy Spending Act of 2011**

**Background/Summary**

This bill would eliminate several federal programs including grants to large and medium hub airports under the Airport Improvement Program (AIP). This bill would also rescind any unobligated funds made available for such grants.

**Anticipated Impact/Discussion**

Because SDIA relies on AIP funding for its capital improvements program, the elimination of this funding could limit the Authority from moving forward on some airport projects.

**Status:** 1/7/11 – Introduced and referred to thirteen House Committees

**Position:** Oppose (4/7/11)

**Legislation/Topic**

**H.R. 3011 (Rogers) - Transportation Security Administration Reauthorization**

**Background/Summary**

This bill would reauthorize for two years the Transportation Security Administration (TSA) and TSA programs. If approved, this would be the first TSA reauthorization since the creation of the agency in 2001. Specifically, this bill would fund the TSA at \$7.8 billion in FY 2012 and at \$7.5 billion in FY 2013. It would also establish a “trusted traveler” program at airports to expedite passengers meeting certain security criteria through security checkpoints.

**Anticipated Impact/Discussion**

If passed, this legislation would help to ensure that SDIA remains adequately staffed by TSA personnel and could assist in reducing security checkpoint wait times for some passengers.

**Status:** 9/22/11 - Introduced and referred to the House Committee on Homeland Security and the House Committee on the Judiciary

**Position:** Support (10/6/11)

**Legislation/Topic**

**S. 1660 (Reid)/ H.R. 12 (Larson) - The American Jobs Act of 2011**

**Background/Summary**

This legislation proposes spending \$447 billion for the purpose of creating jobs. Specifically, the bill would alter the Internal Revenue Code by reducing

employment and unemployment tax rates, providing new tax credits and through other actions. The Senate has proposed funding the proposal with by imposing a surtax on individuals with annual incomes of \$1 million or more.

The bill includes \$50 billion for investment in transportation infrastructure. Of that amount, \$2 billion would go toward airport infrastructure projects. Airport development grants funded through this legislation would not require a local match.

This legislation would also exempt private activity bonds issued by airports in 2011 and 2012 from the alternative minimum tax. In addition, the bill would create a \$10 billion for a National Infrastructure Bank and provide \$1 billion for the Next Generation Air Transportation system.

**Anticipated Impact/Discussion**

If enacted into law, this legislation could provide new funding for SDIA projects.

**Status:** 10/5/11 - Introduced in the Senate  
9/21/11 – Introduced in the House and referred to eleven House Committees

**Position:** Watch (11/3/11)

**Legislation/Topic**

**H.R. 2594 (Mica) – European Union Emissions Trading Scheme Prohibition Act of 2011**

**Background/Summary**

This legislation would direct the Department of Transportation to prohibit operators of U.S. civil aircraft from participating in any emissions trading scheme unilaterally established by the European Union. Under the European Union's carbon-emissions trading system, beginning in January 2012, U.S. airlines flying into or out of Europe must reduce their carbon dioxide emissions or pay a fine. The U.S. airline industry is opposed to the program based on its belief that it violates international agreements and infringes on U.S. sovereignty.

**Anticipated Impact/Discussion**

This legislation is not expected to have any direct impact on SDIA or the Authority.

**Status:** 10/24/11 – Approved by the House by voice vote  
12/17/11 – Referred to the Senate Committee on Commerce, Science and Transportation

**Position:** Watch (11/3/11)

**Legislation/Topic**

**H.R. 3116 (King) – Department of Homeland Security (DHS) Authorization Act for Fiscal Year 2012**

**Background/Summary**

This legislation would reauthorize Department of Homeland Security (DHS) operations and programs and DHS programs for the first time since DHS was created in 2003. Provisions in the bill would require an internal review by Customs and Border Protection (CBP) to ensure there is adequate staffing at each of the ten international airports in the U.S. with the largest volume of international travelers. The legislation would also require implementation of the exit component of the U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT) program at airports.

**Anticipated Impact/Discussion**

Approval of this bill could help ensure that SDIA continues to have an adequate level of federal security and sufficient CBP staffing for international flight passenger processing.

**Status:** 10/13/11 – Approved by the House Committee on Homeland Security by a vote of 20 to 12

**Position:** Watch (12/1/11)

**Legislation/Topic**

**S. 2322 (Murray)/H.R. 5972 - Fiscal Year 2013 Transportation Appropriations Act**

**Background/Summary**

This legislation provides annual funding for the Department of Transportation and Federal Aviation Administration (FAA) operations and programs. Both the Senate and House versions of this legislation would fund the Airport Improvement Program (AIP) at \$3.35 billion – the full amount authorized for this program in the recently enacted FAA Reauthorization bill. Both versions would provide \$9.7 billion for FAA operations and would continue the prohibition on the use of AIP funds to replace baggage conveyor systems, reconfigure terminal baggage areas or make other improvements necessary to install bulk explosive detection systems. Both bills would prohibit the FAA from requiring airports to provide space free of charge in airport-owned buildings.

The House bill provides the FAA with \$2 million to enhance investigations of airport revenue diversion. The House bill also includes a provision preventing airports from receiving AIP funds unless they agree to provide cost-free space in non-revenue producing areas to DOT to conduct outreach on air passenger rights.

**Anticipated Impact/Discussion**

Approval of this bill would assist the Authority by providing annual AIP funding for which the Authority could compete.

**Status:** 4/19/12 – S. 2322 - Passed by Senate Appropriations Committee  
6/29/12 – H.R. 5972 - Passed by House on a vote of 261 to 153

**Position:** Support (5/3/12)