



SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY
STAFF REPORT

Item No.
5

Meeting Date: **AUGUST 4, 2011**

Subject:

August 2011 Legislative Report

Recommendation:

Adopt Resolution No. 2011-0090, approving the August 2011 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 August 2011 Legislative Report updates Board members on legislative activities that have taken place during the month of July. The Authority Board can give direction to staff on legislative issues contained in the attached Legislative Report (Attachment A).

State Legislative Action

Authority staff recommends that the Board adopt an Oppose position on SB 931. This legislation would prohibit public agencies from using public funds to pay external consultants or legal advisors to provide counsel to minimize or deter the exercise of guaranteed employee rights.

The State Legislature is scheduled to reconvene on August 15th, following its summer recess.

Federal Legislative Action

Authority staff recommends that the Board adopt a Watch position on H.R. 2469. This legislation would prohibit most state and local governments from imposing taxes on the rental of motor vehicles.

Following Congress' inability to reach agreement on a 21st extension of the Federal Aviation Administration (FAA) Reauthorizations passed in 2003, a partial shutdown of the FAA began on July 22, 2011. This shutdown has resulted in the furloughing of nearly 4,000 FAA employees and the issuance of "stop work" orders for major aviation infrastructure projects nationwide. It is estimated that the shutdown prevents approximately \$30 million per day from being deposited into the Airport and Airways Trust Fund.

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Although Authority staff does not anticipate any significant short-term impacts to San Diego International Airport (SDIA), long-term impacts could include: delays in the review and approval of documents submitted to the FAA; delays in the award and disbursement of federal funds for SDIA projects; reduced federal funding available for SDIA programs and projects. Authority staff will provide additional updates as more information becomes available.

Authority staff continues to work with our federal legislative consultants, airport advocacy associations, and others to urge Congress to quickly pass an extension, and approve a final multi-year FAA Reauthorization bill.

On July 15, 2011, the Department of Transportation announced a proposed rule that would require airlines to report more information on the amount and types of fees collected from passengers, as well as the number of checked bags and mishandled wheelchairs.

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. 2011-0090

A RESOLUTION OF THE BOARD OF THE SAN
DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY, APPROVING THE AUGUST 2011
LEGISLATIVE REPORT

WHEREAS, the 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 of the San Diego County Regional Airport Authority hereby approves the August 2011 Legislative Report (Attachment A); and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of August 2011 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

**TONY RUSSELL
DIRECTOR CORPORATE SERVICES/
AUTHORITY CLERK**

APPROVED AS TO FORM:

**BRETON K. LOBNER
GENERAL COUNSEL**

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ATTACHMENT A

August 2011 Legislative Report

State Legislation

New or Amended Legislation

Legislation/Topic

SB 931 (Vargas) – Public Employee Organizations

Background/Summary

This bill would prohibit public agencies from using public funds to pay consultants or legal advisors to provide counsel to minimize or deter the exercise of guaranteed employee rights.

These provisions would not apply to payments for representation of a public sector employer before any court, administrative agency, or tribunal of arbitration, or for payments for engaging in collective bargaining on behalf of the employer with respect to wages, hours, or other terms and conditions of employment.

Anticipated Impact/Discussion

This legislation would prohibit the Airport Authority from hiring any outside experts to assist in employee negotiations.

Status: 6/22/11 – Approved by the Senate Committee on Public Employment, Retirement and Social Security by a vote of 4 to 2

Position: Oppose

Legislation/Topic

AB 145 (Gagliani/Levanthal) – High-Speed Rail Governance

Background/Summary

This bill would limit the High-Speed Rail Authority policy decisions relative to implementation of high-speed rail consistent with Proposition 1A. This bill was amended, deleting the creation of the Department of High-Speed Trains within the Business, Transportation and Housing Agency.

Anticipated Impact/Discussion

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

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Status: 7/12/11 – Approved by the Senate Committee on Transportation and Housing by a vote of 5 to 3 and referred to the Senate Committee on Appropriations

Position: Watch (2/10/11)

Legislation/Topic
AB 492 (Galgiani) – High-Speed Rail Authority

Background/Summary

This bill would require the High-Speed Rail Authority to consider, to the extent permitted by federal and state law, 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 High Speed Rail Authority to appoint a small business advisory committee.

Anticipated Impact/Discussion

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

Status: 6/2/11 – Passed by the Assembly by a vote of 64 to 12
6/27/11 – Amended and re-referred to the Senate Committee on Rules

Position: Support (4/7/11)

Legislation/Topic
SB 468 (Kehoe) – State Highways in the Coastal Zone

Background/Summary

This bill would impose additional requirements on the Department of Transportation for proposed capacity-increasing state highway projects located in the coastal zone.

The original bill was amended to remove the requirement that mass transit must be completed prior to construction of the proposed highway project, and the stated purpose of the bill was changed from developing traffic congestion reduction goals, to ensuring that “multimodal transportation options are evaluated and included in project design.”

The bill now states that highway construction can move forward at the same time as public transit projects. It also requires that impacts on local roads be evaluated and that mitigation of those impacts be provided.

Anticipated Impact/Discussion

This bill could impact the proposal by Caltrans to widen Interstate 5, which could affect future travelers going to and from SDIA.

Status: 7/12/11 – Approved by the Assembly Committee on Natural Resources by a vote of 5 to 1 and referred to the Assembly Committee on Appropriations

Position: Watch (4/7/11)

Existing Legislation

Legislation/Topic

AB 662 (Hueso) – San Diego County Regional Airport Authority

Background/Summary

Currently, the Authority's Board acts as the Airport Land Use Commission for San Diego County and is responsible for the preparation, adoption, and amendment of airport land use compatibility plans for each airport in San Diego County.

This bill would alter the ALUC's role in the preparation, adoption, or amendment of an airport land use compatibility plan related to the City of Coronado.

Anticipated Impact/Discussion

Authority representatives have participated in meetings with Assemblymember Hueso and other interested parties to obtain additional information concerning the potential impact of this bill on the ALUC. Staff will continue to participate in additional discussions on this legislation and report back to the Board.

Status: 4/4/11 – Referred to the Assembly Committee on Local Government
5/16/11 - No further action expected on bill this year

Position: Watch (5/5/11)

Legislation/Topic

AB 23 (Smyth) – Prohibition of Simultaneous Local Agency Meetings

Background/Summary

Initially, this bill would have prohibited members of a legislative body from convening a simultaneous or serial order meeting if the members of that body constituted a quorum of the subsequent meeting.

As amended, this bill would allow subsequent meetings, only if a clerk or member of the convened legislative body verbally announces the amount of compensation or stipend that each member will be entitled to receive as a result of convening the simultaneous or serial meeting of the second legislative body, as specified.

Anticipated Impact/Discussion

Since the Authority Board members do not receive compensation for additional meetings held on the same day, it appears that this legislation would not impact the Authority.

Status: 7/12/11 – Enrolled and presented to the Governor for signature

Position: Watch (3/3/11)

Legislation/Topic

SB 194 (Committee) – Local Government: Omnibus Bill

Background/Summary

This bill is an omnibus technical corrections bill that clarifies that California airport owners/operators are not required to pay a fee for the recording of an avigation easement.

Anticipated Impact/Discussion

The legislation benefits the Authority by eliminating the potential collection of fees from the Authority for recording avigation easements required under the Quieter Home Program.

Status: 6/30/11 – Approved by the Assembly Committee on Local Government by a vote of 7 to 0 and referred to the Assembly Committee on Appropriations

Position: Support (5/5/11)

Legislation/Topic

SB 619 (Fuller) – Flight Schools and Private Postsecondary Education

Background/Summary

The California Private Postsecondary Education Act of 2009 provides for student protections and regulatory oversight of private postsecondary schools in the

state. The act is enforced by the Bureau for Private Postsecondary Education within the Department of Consumer Affairs.

This bill would exempt from the Act flight instructors and flight schools that provide flight instruction pursuant to Federal Aviation Administration regulations and meet specified criteria.

Anticipated Impact/Discussion

Without this legislation, flight schools could be adversely impacted by new regulations, resulting from the Act. The California Airports Council, of which the Authority is a member, supports this legislation.

Status: 7/6/11 – Approved by Assembly Committee on Higher Education by a vote of 8 to 0 and referred to the Assembly Committee on Appropriations

Position: Watch (5/5/11)

Legislation/Topic

SB 446 (Dutton) – Ontario International Airport

Background/Summary

The bill would establish an Ontario International Airport Authority and to transfer management and operational control of Ontario International Airport to the new Authority.

The bill would also require that the new Authority, the City of Los-Angeles, the City of Ontario, the County of San Bernardino, other local and regional agencies, and the Department of Transportation cooperate to develop effective surface transportation access to Ontario International Airport.

Anticipated Impact/Discussion

Although this bill has no direct impact on the Authority, staff will continue to monitor the bill to identify any potential impact to the Authority or SDIA.

Status: 7/8/11 – No further action on bill expected this year

Position: Watch (3/3/11)

Legislation/Topic

AB 615 (Lowenthal) – High-Speed Rail

Background/Summary

Existing law generally requires the approval of the Department of General Services before a state agency may acquire, hire, dispose of, or let real property. It also requires General Services to inventory most state-owned property, and establishes the process for leasing property acquired for highway use to former owners.

This bill would enact authorizations, and exemptions relative to real property obtained for high-speed rail purposes by the High-Speed Rail Authority. The bill would also enact similar exceptions, authorizations and new provisions governing acquisition or disposal of right-of-way property by the Authority. In addition, this bill would exempt the High-Speed Rail Authority from obtaining approval from the Department of Finance and State Public Works Board before expanding funds from an appropriation for capital outlay purposes.

This bill would also provide that the High-Speed Rail Authority is the responsible agency for projects under its jurisdiction.

Anticipated Impact/Discussion

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

Status: 7/12/11 – Approved by the Assembly by the Senate Committee on Transportation and Housing by a vote of 6 to 2 and referred to the Senate Committee on Appropriations

Position: Watch (4/7/11)

Legislation/Topic

AB 650 (Blumenfeld) – Blue Ribbon Taskforce on Public Transportation

Background/Summary

This bill would establish the Blue Ribbon Task Force on Public Transportation for the 21st Century. The bill would require the task force to be comprised of 12 members jointly appointed by the Senate Committee on Rules and the Speaker of the Assembly by March 31, 2012.

The bill would also require the task force prepare a report to the Governor, the Legislature and several legislative committees on the current state of California's transit system, and the estimated cost and potential funding sources needed by March 31, 2013.

The bill would appropriate \$750,000 from the Public Transportation Account to the Department of Transportation to accomplish these purposes.

Anticipated Impact/Discussion

Although this bill would not have any direct impact on the Authority or SDIA, it could affect transit connections to SDIA.

Status: 6/28/11 – Approved by the Senate Committee on Transportation and Housing by a vote of 6 to 3 and referred to the Senate Committee on Rules

Position: Watch (4/7/11)

Legislation/Topic

AJR 3 (Dickinson) – Federal Taxation

Background/Summary

This resolution of the State Legislature would urge the U.S. Congress to extend the alternative minimum tax (AMT) holiday for private activity bonds. The American Recovery and Reinvestment Act of 2009 exempted airport private activity bonds (pab's) issued in 2009 and 2010 from the AMT, saving airports an estimated \$1 billion. This AMT exemption expired at the end of 2010.

This exemption is expected to save the Authority approximately \$45 million over the life of the bonds issued for the Green Build.

Anticipated Impact/Discussion

This bill is sponsored by the California Airports Council. If Congress were to extend the AMT exemption for PAB's, it could benefit the Authority financially by enabling the Authority to issues future bonds at a lower interest rate.

Status: 7/14/11 – Adopted by the Senate by a vote of 37 to 0 and sent to the Assembly for concurrence

Position: Support (4/7/11)

Legislation/Topic

SB 517 (Lowenthal) – High-Speed Rail Authority

Background/Summary

This bill would place the High-Speed Rail Authority within the Business, Transportation and Housing (BTH) Agency, and provide for the BTH Secretary to serve on the authority as a nonvoting, member. The bill would also require the Secretary to propose an annual budget for the Authority.

The bill would require the members of the Authority appointed by the Governor to be appointed with the advice and consent of the Senate. This bill would vacate

the current membership of the Authority and provide for the appointment or reappointment of members by January 31, 2012, under staggered terms.

This bill also would provide that the executive director is subject to appointment with the advice and consent of the Senate, and would enact various conflict-of-interest provisions applicable to members of the authority and its staff.

Anticipated Impact/Discussion

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

Status: 7/14/11 – Approved by the Assembly Committee on Rules by a vote of 9 to 0 and referred to the Assembly Committee on Appropriations

Position: Watch (4/7/11)

Legislation/Topic

AB 58 (Gagliani) – High-Speed Rail

Background/Summary

Existing law provides for appointment of an executive director by the Authority, who is exempt from civil service and serves at the pleasure of the authority. This bill would authorize the Governor to appoint up to six deputy directors exempt from civil service who would serve at the pleasure of the executive director.

Anticipated Impact/Discussion

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

Status: 3/17/11 – Amended and re-referred to the Assembly Committee on Transportation

Position: Watch (2/10/11)

Legislation/Topic

AB 81 (Beall) – Aircraft Jet Fuel Taxes

Background/Summary

This bill would exempt from state sales and use taxes gross receipts from the sale of, storage, use or consumption of fuel and petroleum products by an air

common carrier provided that the gross receipts are in excess of the average spot price per gallon over the previous five years. This bill would also require the State Board of Equalization, beginning on January 1, 2013 to submit a report to the Legislature setting forth the state fiscal impact of the exemption.

Anticipated Impact/Discussion

Although this legislation would not directly impact the Authority or SDIA, it could financially benefit airlines operating at SDIA.

Status: 5/23/11 – Approved by the Assembly Committee on Revenue and Taxation by a vote of 7 to 1 and referred to the Committee on Appropriations

Position: Watch (2/10/11)

Legislation/Topic

SB 186 (Kehoe) – State Controller Audit and Investigation Authority

Background/Summary

Existing law authorizes the State Controller to appoint a qualified accountant to make an investigation and to obtain the information required for the annual report of financial transactions. This bill would expand the Controller's authority, authorizing the Controller to exercise discretionary authority to perform an audit or investigation of any county, city, special district, or redevelopment agency, in order to ensure compliance with state law, grant agreements, local ordinances, and to determine fiscal viability. This bill would require the Controller to prepare a report of the results of an audit or investigation and to file a copy with the local legislative body.

Anticipated Impact/Discussion

This legislation was introduced in response to last year's controversy with the City of Bell official's salaries. Since the Authority is not considered a "special district" this legislation would have no direct impact on the Authority.

This bill was amended to delete the provision that costs incurred by the Controller shall be borne by the county, city, or redevelopment agency.

Status: 6/16/11 – Referred to the Assembly Committee on Local Government

Position: Watch (3/3/11)

Legislation/Topic

AB 16 (Perea) – High-Speed Rail Authority

Background/Summary

Existing law, pursuant to the "Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century", authorizes \$9.95 billion in general obligation bonds for high-speed rail development and other related purposes. The Federal American Recovery and Reinvestment Act of 2009 (ARRA) also provides funding for high-speed rail projects. This bill would require the High-Speed Rail Authority to make every effort to purchase high-speed train rolling stock and related equipment manufactured in California, consistent with federal and state laws.

Anticipated Impact/Discussion

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

Status: 6/28/11 – Approved by the Senate Committee on Transportation and Housing by a vote of 7 to 2

Position: Support (2/10/11)

Federal Legislation

New or Amended Legislation

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

The bill exempts federally assisted airports from the tax prohibition if a concession fee is involved, so 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

Existing Legislation

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

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airport facilities. San Francisco International Airport was specifically identified as an example by the Author.

Status: 5/3/11 – Introduced and referred to the House Subcommittee on Railroads, Pipelines and Hazardous Materials

Position: Oppose (7/7/11)

Legislation/Topic

H.R. 1801 (Cravaack) Risk-Based Security Screening for Members of the Armed Forces Act

Background/Summary

This bill requires the Transportation Security Administration (TSA) to develop and implement a policy that expedites service members and their families through security screening at airports when they are travelling on official orders. This bill requires that the policy be introduced within 6 months from when this bill becomes law.

Anticipated Impact/Discussion

Although the method that TSA would use to expedite services members through security is unclear, this legislation could require modifications to passenger screening checkpoints at SDIA.

Status: 5/10/11 – Introduced and referred to the House Committee on Homeland Security

Position: Watch (6/2/11)

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 Fixed Base Operators. It is opposed by ACI-NA and AAAP.

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 we choose to do so.

Status: 4/12/11 – Introduced and referred to the House Committee on Homeland Security and Government Affairs

Position: Oppose (6/2/11)

Legislation/Topic

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

Background/Summary

This bill could expand the use of private screeners at U.S. airports that choose to hire a private company rather than rely on the Transportation Security Administration (TSA).

In January, TSA Administrator John Pistole curtailed the Screening Partnership Program (SPP), under which 16 airports had chosen to hire private screening companies rather than use TSA screeners.

The bill would compel TSA to act on the applications of U.S. airports to hire private screeners within 120 days of their request. TSA 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 ensure the timely review of a SPP application should the Authority decide to use a program in the future.

Status: 5/5/11 – Referred to the House Committee on Homeland Security's Subcommittee on Transportation 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. Exempts from such prohibition:

- Individuals conducting research and development or flight test operations for an aircraft manufacturer or the Federal Aviation Administration (FAA)
- Department of Defense (DOD) or Department of Homeland Security (DHS) personnel conducting research, development, operations, testing or training; or
- An individual 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: 3/1/11 – Referred to the Senate Judiciary Committee

Position: Support (4/7/11)

Legislation/Topic

H.R. 674/S.89 (Herger/Vitter) IRS Code Amendment, Vendors

Background/Summary

Beginning January 1, 2012 federal, state, and local governments with total expenditures of \$100 million or more are required to withhold 3 percent from all payments for goods and services to guard against possible business tax evasion.

This bill would amend the Internal Revenue Code to repeal the imposition of the 3 percent withholding of payments.

Anticipated Impact/Discussion

This could negatively affect construction companies and could potentially force many small businesses out of the government market, increase the costs of performing public works contracts, and increase taxpayer costs.

Status: 2/11/11 – H.R. 674 Introduced and referred to the House Committee on Ways and Means
1/25/11 – S.89 Introduced and referred to the Senate Committee on Finance

Position: Support (4/7/11)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

SDIA relies on AIP funding for its capital improvements program and the elimination of this funding could limit the Authority from moving forward on many projects.

Status: 3/23/11 – Referred to the House Subcommittee on Insurance, Housing and Community Opportunity

Position: Oppose (4/7/11)

Legislation/Topic

S. 223 (Rockefeller)/ H.R. 658 (Mica) - FAA Reauthorization Act

Background/Summary

House Version:

The House approved a four-year FAA Reauthorization Bill with the following provisions:

- Passenger Facility Charge (PFC) cap stays at \$4.50
- Airport Improvement Funding (AIP) cut from \$3.5 to \$3.17 billion in FY 2011 and \$3 billion annually for FY 2012-2014
 - Essential Air Service Program for most communities phased out over three years
- Creates a pilot program allowing up to 5 airports to use PFC revenue for intermodal ground access projects

Senate Version:

The Senate approved a two-year Reauthorization Bill with the following provisions:

- Passenger Facility Charge (PFC) cap stays at \$4.50, but pilot program introduced for up to 6 airports where airports may impose a PFC without regard to dollar amount limitations if the airport collects the charge directly from passengers, and if approved by the Department of Transportation
- AIP funding at \$4 billion in FY 2010, and \$4.1 billion in FY 2011 (up from current \$3.5 billion)
- Increases minimum amount for discretionary AIP from \$148 million to \$520 million

Status: 2/17/11 – Passed in the Senate by a vote of 87 to 8

4/1/11 – Passed in the House by a vote of 223 to 196

Position: House Version: Watch (3/3/11)
Senate Version: Support (3/3/11)