



Legislative Bulletin June 24, 2011

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H.R. 2279 - Airport and Airway Extension Act, Part III

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(Mica, R-FL)**

Order of Business: The legislation is scheduled to be considered on Friday, June 24, 2011, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2279 will extend for three weeks, through July 22, 2011, certain authorities of the Federal Aviation Administration (FAA), which will expire on June 30, 2011, under current law. Aviation-related taxes that are used to finance the Airport and Airway Trust Fund currently expire on June 30th. The bill extends the taxes that are used to finance the Airport and Airway Trust Fund, including taxes on aviation fuel, domestic and international ticket taxes, and taxes on cargo shipped by air. The bill also extends the authority to use money from the Airport and Airway Trust Fund, into which revenue from those taxes are deposited for FAA programs for that same period.

H.R. 2279 will authorize \$2.8 billion in contract authority for the Airport Improvement Program and extend the authority to make grants from the Airport and Airway Trust Fund for a ten-month period beginning on Oct. 1, 2010 through July 22, 2011 (The bill extends the duration of the authorization by three weeks, from June 30th to July 22nd, 2011). The bill requires the FAA to extend, through July 22, 2011 the termination date of certain insurance policies under its aviation war-risk insurance program. The department also would be permitted to extend the termination date of such policies through October 31, 2011. It also extends, through October 31st, air carrier liability protection for third party claims arising out of acts of terrorism that exceed \$100 million. H.R. 2279, reduces, by 7%, certain apportioned amounts within the Airport Improvement Program. The legislation also extends the authority to make grants from the Airport and Airway Trust Fund and the federal government's 95% share of Airport Improvement Program project costs through July 22, 2011.

Lastly, H.R. 2279 extends a passenger facility fee pilot program at non-hub airports compatible land use planning and projects by state and local governments, funding for the Midway Island Airport, and grant eligibility for the Republic of the Marshall Islands, the

Federated States of Micronesia, and the Republic of Palau. It allows the FAA to approve airport development project grants for large or medium hub airports, and for the Metropolitan Washington Airports Authority, which oversees the Washington D.C. area airports, for an additional three weeks.

Background: The last multi-year FAA reauthorization law, Vision 100--Century of Aviation Reauthorization Act (P.L. 108-176), was enacted in 2003. It was a four-year reauthorization, covering fiscal years 2004-2007. Since September 30, 2007, the FAA has been operating under a series of short-term extensions. This will be the nineteenth extension to date.

Committee Action: H.R. 2279 was introduced by Rep. John Mica (R-FL) on 6/22/2011 and the legislation was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Ways and Means.

Administration Position: No Statement of Administration Policy (SAP) is available.

Cost to Taxpayers: No Congressional Budget Office cost estimate is available.

Does the Bill Expand the Size and Scope of the Federal Government?: No

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: A committee report citing compliance with rules regarding earmarks, limited tax benefits, or limited tariff benefits is not available.

Constitutional Authority: According to the author, "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8 of the United States Constitution, specifically Clause 1, Clause 3, and Clause 18."

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