

TO: AIRPORT COMMISSION

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SUBJECT: Legislative Update

DATE: October 26, 2023

FEDERAL

Fiscal Year 2024 Federal Budget

On September 30, 2023, Congress passed a 45-day continuing resolution (H.R. 5860) to prevent a federal government shutdown. The legislation extended Fiscal Year 2023 funding levels through November 17, 2023, and included \$16 billion in disaster relief funds. Negotiations for federal funding are currently stalled due to the removal of the Republican House Speaker McCarthy on October 3, 2023. With the selection of Speaker Mike Johnson on October 25, 2023, the House is expected to take up federal funding.

FAA Reauthorization

[The FAA Reauthorization Act of 2018](#) was signed into law on October 5, 2018. It extended FAA's funding and authorities through federal fiscal year 2023, which ended on September 30, 2023. As part of a continuing resolution, Congress passed a bill extending the FAA's authorization for three months, through December 31, 2023. The bill extends the FAA's authority to collect taxes and fees on passengers, cargo, and fuel and spend revenue through the end of the year. Discussions are expected to reconvene in January to pass the five-year FAA Reauthorization bill. The current text for the final reauthorization bill provides long-term stability and funding for the FAA, authorizes the safety work of the National Transportation Safety Board, addresses airport infrastructure needs, and includes provisions to improve and streamline FAA programs. Additionally, the bill is anticipated to regulate new airspace entrants such as drones and advanced air mobility vehicles. In the House version of the bill, Congresswoman Lofgren was able to secure an exemption for Santa Clara County to require use of unleaded fuel, which would benefit the Reid-Hillview Airport.

FAA Administrator

The United States Senate on October 24, 2023 confirmed Michael Whitaker to be Administrator of the Federal Aviation Administration for a five-year term by a vote of 98 to 0. During the confirmation process, Whitaker outlined three priorities: maintaining aviation safety, rebuilding the FAA workforce, and ensuring the United States remains an aviation leader. Whitaker was the chief operating officer of Supernal, Hyundai's electric aircraft spinoff. He served as FAA's deputy administrator from 2013 to 2016, where he oversaw the transition to satellite-based air traffic control technologies. Whitaker has also worked as group CEO of InterGlobe Enterprises, India's largest travel conglomerate and operator of its largest airline, IndiGo, and spent 15 years at United Airlines working on commercial alliances and joint ventures, international and regulatory affairs and more. He was also assistant general counsel of international and regulatory affairs at Trans World Airlines. He is a private pilot.

STATE

California State Budget FY 2024

The FY 2023-2024 state budget passed in June 2023 included solutions to address the \$32 billion shortfall while maintaining over \$37 billion in General Fund reserves.⁴ However, the California Franchise Tax Board extended the tax filing deadline from April 18 to October 14, 2023, to align with the extension provided by the Internal Revenue Service. This deadline was later extended to November 16, 2023, for most tax filers and this has delayed the collection of tax receipts.

California Bill Update

2023 Legislative Session – Bills signed by the Governor

- AB 480 (Ting)
 - Removes airports from the requirement to submit affordable housing determination requests to the Dept. of Housing and Community Development
- AB 534 (McCarty)
 - Eliminate the sunset date that applies to the alternative daily Customer Facility Charge (CFC) and removes the requirement that airport rental car facilities have outstanding debt in order to implement the alternative daily CFC
- AB 893 (Papan)
 - Requires personal vehicle sharing programs (such as Turo) to secure an operating permit at any airport they conduct business by July 1, 2024. If no permit is secured on and after July 1, 2024, "a personal vehicle sharing program shall not allow a vehicle to be placed on a digital network or software application of the personal vehicle sharing program for the

purpose of making the vehicle available for rental through the personal vehicle sharing program.”

- SB 800 (Caballero)
 - Creates the Advanced Air Mobility and Aviation Electrification Committee
- SB 1637 (Irwin)
 - Requires a local agency utilize or redirect public-facing websites to a “.gov” or “.ca.gov” domain. This bill also requires a local agency to ensure that each email address provided to employees utilizes a “.gov” or “.ca.gov” domain name no later than January 1, 2029. By adding to the duties of local officials, the bill would impose a state-mandated local program. Furthermore, it would require the state to reimburse local agencies for any costs mandated by this bill, as determined by the Commission on State Mandates.

2023 Legislative Session – Two-year Bills Pushed into 2024

- AB 929 (McKinnor)
 - Permits continued consumption of alcohol outside the designated concessionaire areas within an airport terminal. The California Airports Council supports this bill.
- SB 720 (Stern)
 - Requires Governor’s Office of Business and Economic Development (GO-Biz) to create a stakeholder group to identify and pursue opportunities to attract and develop sustainable aviation fuel production and infrastructure in the state to help reach the goal of net-zero greenhouse gas emissions in California. Creates additional reporting requirements to the California State Air Resources Board for public and private airports with more than 50,000 annual takeoffs in a disadvantaged community. Violations of certain provisions of this proposed bill would be a crime. The California Airports Council opposes this bill as currently written.