

April 1, 2011

House Approves 4-Year FAA Bill [H.R.658]; Obama Threatens Veto

The House of Representatives voted 223-196 early this afternoon to pass a four-year reauthorization of the Federal Aviation Administration, but a dispute over a provision in the bill that would make it more difficult for airline and railroad workers to unionize has triggered a veto threat from President Barack Obama.

The labor provision would overturn a National Mediation Board rule approved last year that allows employees to form a union by a simple majority of those voting. Under the old rule, workers who didn't vote were treated as "no" votes. The House rejected 220-206 an amendment this morning to strip the National Mediation Board provision from the FAA bill ([HR 658](#)).

It's one of several contentious issues that have arisen in connection with the bill, the Associated Press reported. The White House has also objected to about \$4 billion in funding cuts the bill would make, which could slow down the nation's transition from an air-traffic-control system based on World War II-era radar-based technology to a next-generation system based on GPS technology.

The White House said in a statement that "if funding were appropriated at the levels proposed in the bill, the safe and efficient movement of air traffic in the air and on the ground would be degraded -- today and in the future."

Airline pilots and families of air crash victims have objected to several provisions in the House bill, the FAA Reauthorization and Reform Act, which they contend would jeopardize safety.

An amendment by Rep. Bill Shuster, R-Pennsylvania, would require FAA to tailor regulations to different segments of the aviation industry rather than set across-the-board safety standards. It would also increase requirements that the agency refrain from issuing safety regulations unless it can show that the cost to industry is justified. The House approved the amendment 215-209.

Jeff Urbanchuk, a spokesman for Shuster, said the amendment would only apply to future FAA regulations and wouldn't affect regulations the agency is already working on. But opponents of the provision said the amendment is broadly written and could easily be interpreted to apply to regulations currently in the works.

Short-Term FAA Bill Enacted

The House bill now heads to the Senate, which has already passed its own version of a multiyear FAA reauthorization ([S 223](#)).

Earlier this week, the House approved a short-term FAA extension ([HR 1079](#)) that will continue to fund aviation programs while a House/Senate conference committee negotiates the final wording of a long-term reauthorization.

The Airport and Airway Extension Act of 2011 was approved Tuesday by voice vote in the House and later the same day by unanimous consent in the Senate. Obama signed the bill into law Thursday (Public Law 112-7). It extends FAA funding and programs at current levels through May 31. Previous authority was set to lapse Thursday.

No jet-fuel tax increase is included in the House version of the long-term FAA reauthorization. The Senate has proposed to increase the tax rate, however, to provide additional aviation funding. Senators approved creating a new account in the Airport and Airway Trust Fund that would receive \$400 million annually in tax revenue for expenses to modernize the air-traffic-control system. The bill would fund the account by raising the jet-fuel tax for noncommercial aircraft to roughly 36 cents per gallon, up from the current rate of about 22 cents.

Revenue in the Senate bill would also be increased by classifying aircraft owned by multiple people, called "fractional aircraft," as noncommercial aviation for tax purposes and imposing a 14.1 cents-per-gallon fuel surtax.

With no revenue increase, the House version would cut funding on several fronts including grants to airports for runway maintenance, safety enhancements, and security. The proposal would cut funding to \$3 billion a year, a 14% decrease from the \$3.5 billion in place since 2006.

Airports believe that the cuts would reduce their ability to keep up with future capacity demands, according to the Airports Council International. The Senate would increase funding to \$4 billion a year for airport projects.

FAA Administrator Randy Babbitt says uncertainty about FAA funding already has prompted the agency to pause in its efforts to certify new aviation technology and could even slow the opening of aircraft manufacturer plants, thereby reducing jobs.

AASHTO Journal

April1, 2011