



Washington Update

AAAE Basics of Airport Law Workshop – October 29, 2018

Washington Update and Look Ahead to 2019

- FAA/TSA Reauthorization Overview (H.R. 302/P.L. 115-254)
- 2018 Midterms: Battle for the House and Senate
- 116th Congress Preview: New Leaders, New Challenges, New Opportunities
- Lame-Duck Update: 2019 Appropriations



Rep. Bill Shuster (R-PA)



Sen. John Thune (R-SD)



Rep. Peter DeFazio (D-OR)



Sen. Bill Nelson (D-FL)





FAA/TSA Reauthorization Overview

(H.R. 302/P.L. 115-254)

FAA/TSA Reauthorization Legislation – H.R. 302/P.L. 115-254

- **Informal Process to “Craft” Legislation**

- **1,200 Page Bill:**

- Division A: Sports Medicine Licensure
- Division B: FAA Reauthorization
- Division C: NTSB Reauthorization
- Division D: Disaster Recovery
- Division E: Concrete Masonry
- Division F: BUILD Act
(Int’l Development Finance Corp.)

Division G: Syria Study Group

Division H: Preventing Emerging Threats

Division I: Disaster Relief

Division J: Maritime Security

Division K: Transportation Security

- **Passed House 398-23**

- **Passed Senate 93-6**



FAA Reauthorization Provisions – Division B

Title 1: Authorizations

- FAA Programs and Funding
- PFCs
- AIP Modifications
- Airport Noise & Environmental Streamlining

Title 2: FAA Cert Reform

- General
- Aircraft Cert. Reform
- Flight Standards Reform
- Safety Workforce
- International Aviation

Title 3: Safety

- General
- UAS
- GA Safety

Title 4: Air Service Improvements

- Airline Customer Service
- Aviation Consumers with Disabilities
- Small Community Air Service

Title 5: Miscellaneous

- Various Reports/Studies
- FAA Organizational Issues
- Contract Weather Observers
- Study on Airport Credit Assistance (TIFIA)
- DOT Office of Spaceports

Title 6: Aviation Workforce

- Youth
- Women in Aviation
- Future of Aviation Workforce
- UAS Workforce

Title 7: Flight R&D

- General
- FAA R&D
- UAS
- Cyber
- R&D Activities
- Geospacial Data



TSA Reauthorization Provisions – Division K

Title 1: Transportation Security

- Organization and Authorizations
- Security Technology
- Public Area Security
- Passenger and Cargo Security
- Foreign Airport Security
- Cockpit and Cabin Security
- Surface Transportation Security



Rep. John Katko (R-NY)

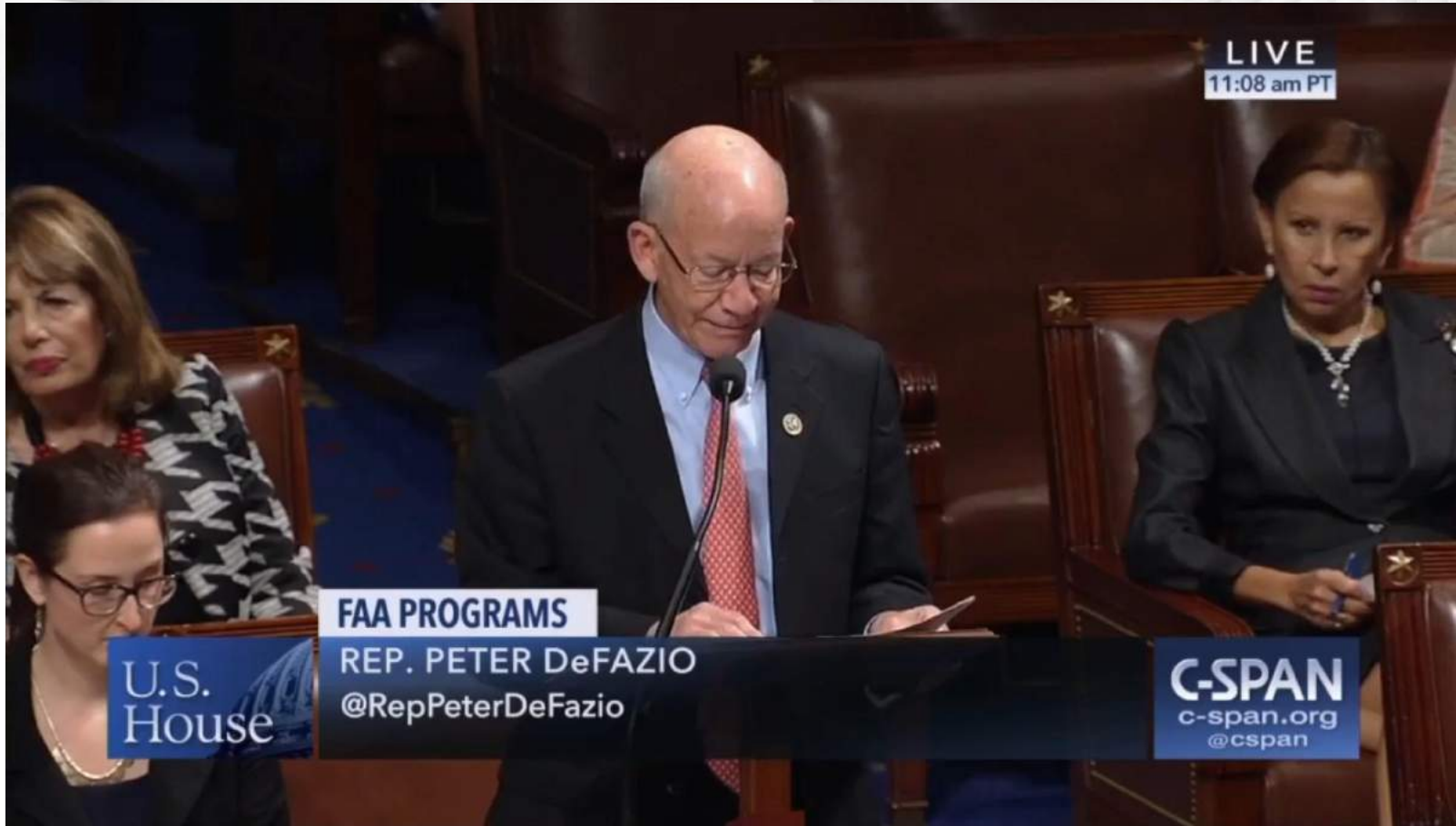


You Can't Sugarcoat It...

- **Disappointing Results for Airports on Infrastructure Investment:**
 - No PFC Increase
 - Flat Funding for AIP
 - 5-Year Bill – Through FY 2023
- **Window Dressing on Future Airport Funding:**
 - Authorization of \$1 Billion-Plus in Supplemental Discretionary Funding
(LHs Need not Apply)
 - Future Infrastructure Needs Study
 - 60 Days for DOT to Enter Agreement with Independent Non-Profit That Recommends Solutions to Public Policy Challenges Through Objective Analysis
 - Report and Recommendations to Congress Within 15 Months
 - Considerations: Should Help Make the Case for a PFC Adjustment



DeFazio on Lack of PFC Increase



Looking at the Bright Side...

- **Positive Provisions:**
 - PFC Streamlining/Significant Contribution
 - Limit on Federal Involvement with Airport Land Use
 - No Ground Transportation Provisions
 - No AOPA-Backed Amendment on Transient Ramp Space
 - AIP Certainty
 - FAA Cost-Free Space
 - Contract Tower Updates
 - Small Community Support – EAS/SCASDP
 - LEO Reimbursement Authorization
 - Exit Lane Staffing Authorization
 - Enhanced Inspection vs. 100 Percent Physical Screening
 - 5-Year Term for TSA Administrator



Now What on Airport Priorities??

- **Near-Term:** Engagement with DOT/FAA/TSA on Implementation
- **Longer-Term:** Look for Opportunities to “Move the Ball” Outside of FAA Reauth.
- **Positives:**
 - If Dems Win House, Infrastructure is High on the Agenda
 - We’ll Have More Evidence of Need
 - NPIAS
 - Future Infrastructure Needs Study
 - ACI Capital Needs Study
 - Increased Engagement from Airports, Others?
 - Regulatory Relief Remains a Priority for White House
- **Challenges:**
 - No “Must-Do” Vehicle
 - Senate
 - Airlines and Their Allies





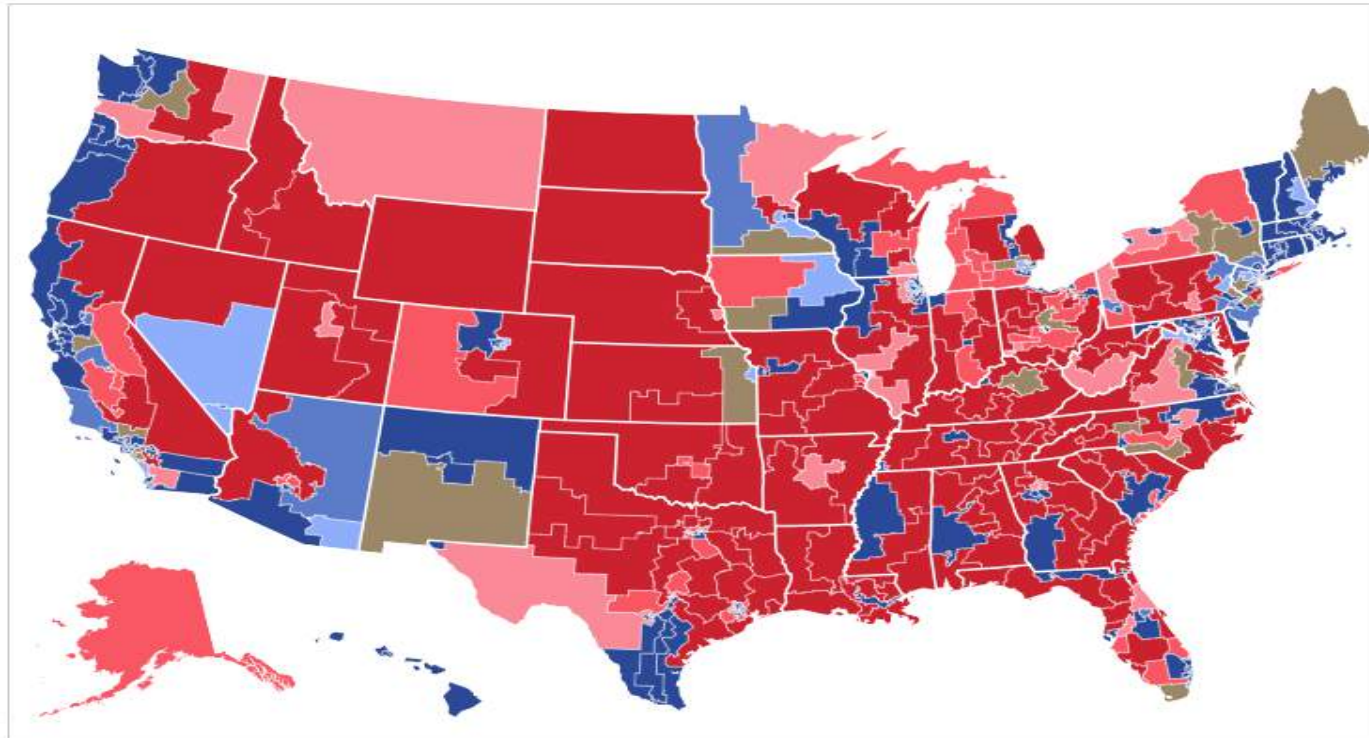
2018 Midterms: Battle for the House and Senate

Battle for the House of Representatives



United States ▼

+ - Full Size



- **115th Congress:** 235 Republicans/193 Democrats (7 Vacancies)
- **116th Congress:** Democrats Must Win 23 Seats in Mid-Terms to Achieve House Majority of 218
- **Politico:** 100 of 238 Republican Seats “In Reach”; 60 GOP Seats “In Danger”
- **270 to Win:** 26 Seats are “Toss-Ups” (25 Currently Held by R’s)

Battle for the House of Representatives

Good News for Democrats...

- President's Party Has Lost House Seats in 35/38 Midterms Since the Civil War
- Since 1994, the President's Party Has Lost an Average of 23 Seats in Midterms
- In Midterms When President's Approval Below 50%, Party Loses 40 House Seats on Average
 - Trump Approval is Lower than Clinton's in 1994 – Dems Lost 52 Seats
 - Trump Approval is Similar to Bush's in 2006 – Republicans Lost 31 Seats
 - Trump Approval is Lower than Obama's in 2010 – Dems Lost 63 Seats
- 50 House Republicans are Retiring/Have Resigned/Running for Other Office/Lost Primary
- Nationally, Voters Favor Democratic Candidates in House by 14 Points



Battle for the House of Representatives



Democrats Likely to Pick Up Seats, But How Many??



Blue Wave: +23, Take Control of House



Blue Tsunami: +30 or More



Blue Tornado: D Pickups in Random/Unpredictable Pattern



Blue Sprinkle: Small Dem Gains

Battle for the House of Representatives



Good News for Republicans...

- Hillary Clinton Was Supposed to Be President
- The Economy Is Strong
- Nancy Pelosi Is Less Popular Nationally Than President Trump
- It Will Be a Good Night for Republicans if They Maintain Control of the House in the 116th



Rep. Nancy Pelosi (D-CA)



Rep. Kevin McCarthy (R-CA)

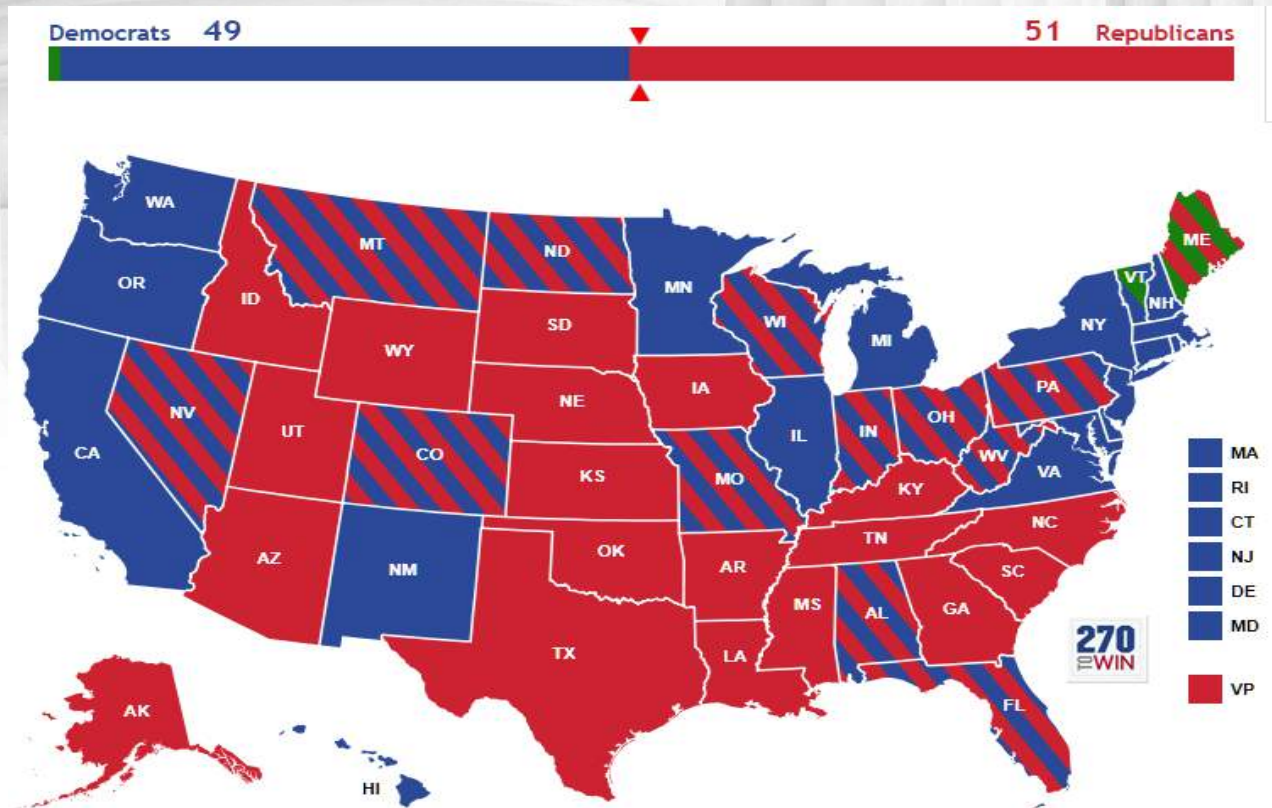


Rep. Steve Scalise (R-LA)



Rep. Jim Jordan (R-OH)

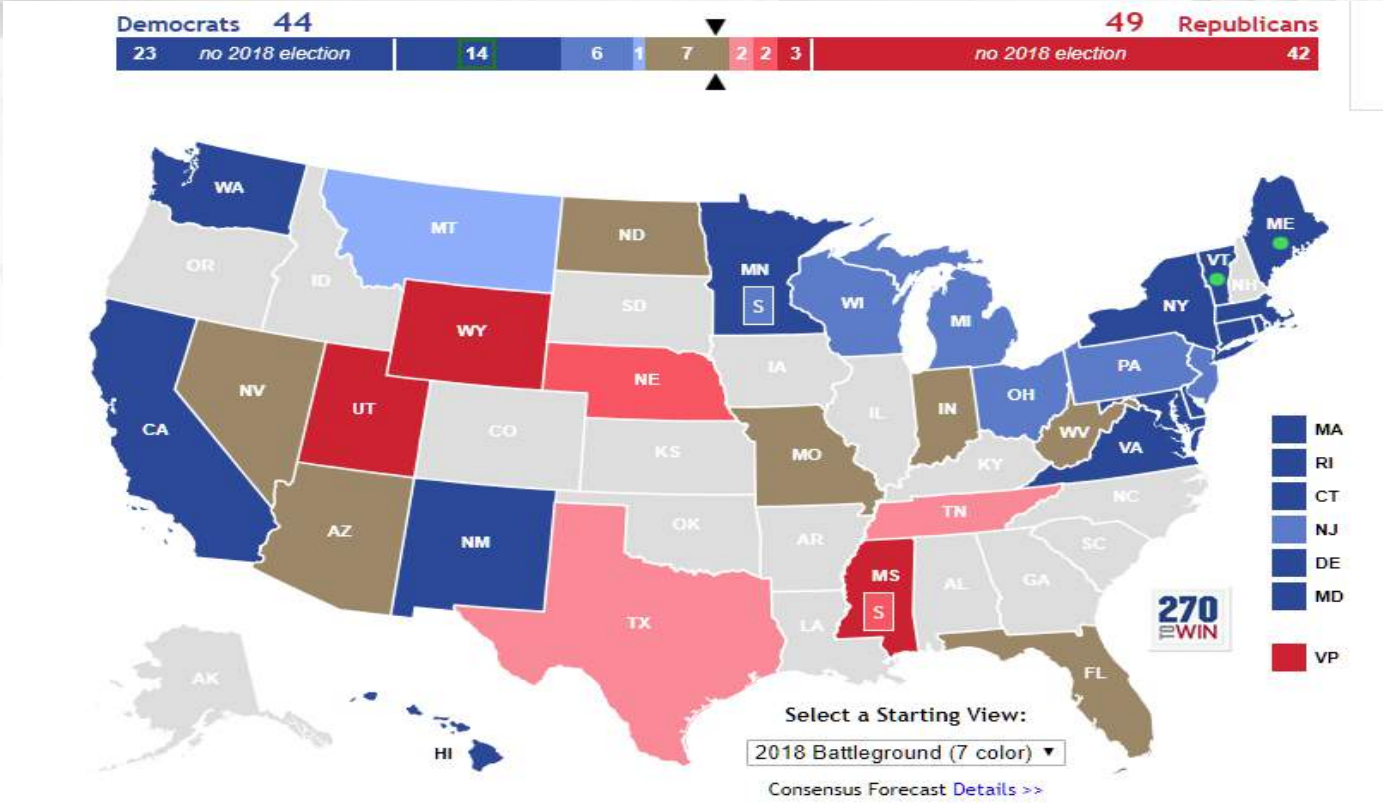
Battle for the Senate



- **115th Congress:** 51 Republicans/49 Democrats*
- **116th Congress:** Democrats Must Pick Up 2 Seats in Mid-Terms to Achieve House Majority of 51
- **The Math:** 35 Contested Seats; Democrats Defending 26 vs. 9 for Republicans
- **Bottom Line:** Climate Favors Democrats; Map Heavily Favors Republicans

Battle for the Senate

10 States To Watch....



ND*	FL*	IN*	MO*	WV*
MT*	NV*	AZ	TN	TX*



Battle for the Senate

Races to Watch: Seats Currently Held by Democrats

State	Matchup	Notable
North Dakota	Sen. Heidi Heitkamp (D)* Rep. Kevin Cramer (R)	Trump by 36 Trending Positive for Cramer
Montana	Sen. Jon Tester (D)* Matt Rosendale (R)	Trump by 20
Indiana	Sen. Joe Donnelly (D)* Mike Braun (R)	Trump by 19
Missouri	Sen. Claire McCaskill (D)* MO AG Josh Hawley (R)	Trump by 19
West Virginia	Sen. Joe Manchin (D)* WV AG Patrick Morrisey (R)	Trump by 42 Trending Positive for Manchin



Battle for the Senate

Races to Watch:

State	Matchup	Notable
Florida	Sen. Bill Nelson (D)* Gov. Rick Scott (R)	\$\$ -- Dead Heat
Arizona	Rep. Martha McSally (R) Rep. Kyrsten Sinema (D)	Open Seat (Flake)
Nevada	Sen. Dean Heller (R)* Rep. Jacky Rosen (D)	Clinton by 2
Tennessee	Rep. Marsha Blackburn (R) Former Gov. Phil Bredesen (D)	Open Seat (Corker) Trump by 26
Texas	Sen. Ted Cruz (R)* Rep. Beto O'Rourke	If Texas Goes Blue...

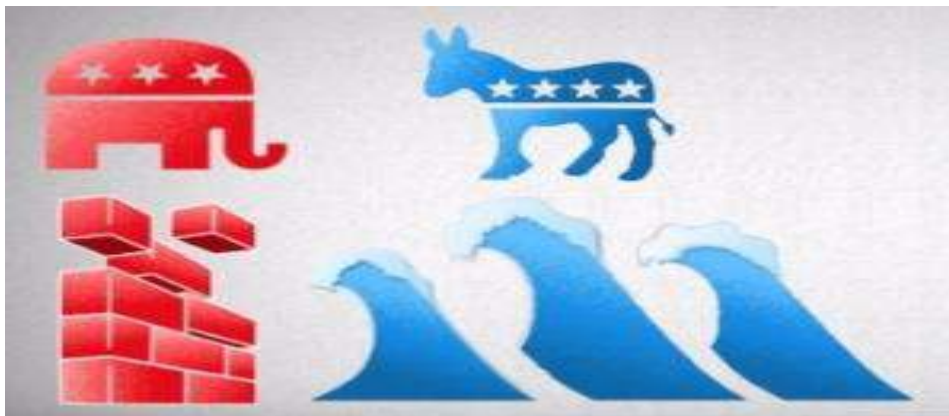


Battle for the Senate



Bottom Line:

- Democrats Have to Hold Seats in Difficult States AND Win in Red States
- R's Have Multiple Paths to 50 Seats and Opportunities to Grow Majority
- Senate Likely to Be the Red Wall Holding Back Blue Wave/Tsunami/Etc.
- But, Republican Leaders Warning Donors They Are in Trouble...





116th Congress Preview:

New Leaders, New Challenges, New Opportunities

What Will it Mean for the Next Congress??

A New Leader on the House Transportation Committee

- With Shuster Retirement, New Leadership Regardless of Election Outcome
- Graves or Denham Likely Republican Leader
- [DeFazio Has Indicated Infrastructure Investment Will Be a Priority](#); “Father” of PFC; Bill to Eliminate Cap
- Even with DeFazio as Chair, Must Get Legislation Through Divided Senate and OK’d by President



Rep. Peter DeFazio (D-OR)



Rep. Sam Graves (R-MO)



Rep. Jeff Denham (R-CA)



What Will it Mean for the Next Congress??

A New Leader on the Senate Commerce Committee

- Thune Likely to Move Up in Republican Leadership, Give Up Commerce Chair
- Wicker is Likely Replacement
- Will Nelson Return? Cantwell Next In Line....
- Aviation Subcommittee?....Musical Chairs



Sen. John Thune (R-SD)



Sen. Roger Wicker (R-MS)



Sen. Bill Nelson (D-FL)



Sen. Maria Cantwell (D-WA)

What Will it Mean for Airports in the Next Congress??

- New Transportation Committee Leader With Shuster Retirement
- If Dems Win, Infrastructure Investment Will Be a High Priority, PFC Is Identified “Solution”
- Regardless of Outcome, Senate Will Be Closely Divided (House Too, But...)
- Bills Must Still Be Signed Into Law...
- May Be In for A Period of Even More Uncertainty...
- The Budget Situation Will Likely Be Bleak...

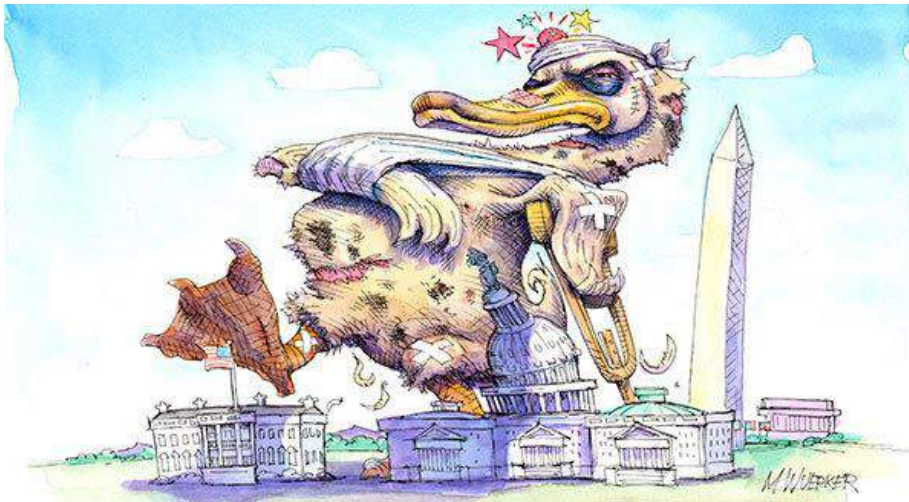




Lame-Duck Update: 2019 Appropriations

Lame Duck Update – FY 2019 Appropriations

- Congress Has Passed 5 of 12 Annual Appropriations Bills, Including DOD and Labor/HHS/Ed
- DOT and DHS Funding Measures for FY 2019 Have Yet to Be Finalized, Approved
- LEO Reimbursement, AIP Supplemental Discretionary Funds “In Play”
- Current Funding Expires December 7
- The President Wants His Wall
- Election Results Could Further Complicate the Already Complicated...
- FY 2020 Likely to Be Bleak Following Budget Deal for FY 18/19





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