



Legislative Bulletin June 20, 2011

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**H.R. 2553 - Airport and Airway Extension Act, Part IV
(Mica, R-FL)**

Order of Business: The legislation is scheduled to be considered on Wednesday, July 20, 2011, under a closed rule and waives all points of order against consideration of the bill.

Summary: H.R. 2553 will extend for eight weeks, through September 16, 2011, certain authorities of the Federal Aviation Administration (FAA), which will expire on July 22, 2011, under current law. Aviation-related taxes that are used to finance the Airport and Airway Trust Fund currently expire on July 22nd. 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. 2553 will authorize \$3.4 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 eleven-month period beginning on Oct. 1, 2010 through September 16, 2011 (The bill extends the duration of the authorization by eight weeks, from July 22nd to September 16th, 2011). The bill requires the FAA to extend, through September 16, 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 December 31, 2011. It also extends, through December 31st, air carrier liability protection for third party claims arising out of acts of terrorism that exceed \$100 million. 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 September 16, 2011.

Lastly, H.R. 2553 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 eight weeks.

Provisions Impacting Essential Air Services

H.R. 2553 changes the eligibility for Essential Air Service (EAS) and accepts the Senate version of EAS reform. The provision prohibits EAS funding for communities that are located 90 or more miles from a large- or medium-hub airport and sets a subsidy cap of \$1,000 per passenger. By limiting eligibility to communities that are more than 90 miles from an airport, the new measure will eliminate 10 communities and save \$12.5 million annually, according to the Transportation and Infrastructure Committee. The subsidy cap would save \$4.1 million (both provisions combined would save taxpayers 16.6 million annually) and would eliminate airports in Nevada, New Mexico and Montana. The bill also restricts the Transportation Department from declaring a place not eligible for benefits on any basis that is not specifically stated in the law. It also includes an exception to the new eligibility criteria for locations in Alaska and allows the Transportation Department to provide waivers if it determines that the geographic characteristics of a location result in undue difficulty in accessing the nearest medium- or large-hub airport. The Essential Air Service program provides subsidies to airlines that serve rural and smaller communities where demand for airline service is often weak. This program provides ever taxpayer dollars costs for flights that are in many cases nearly empty.

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 twentieth extension to date.

Committee Action: H.R. 2553 was introduced by Rep. John Mica (R-FL) on 7/15/2011 and the legislation was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Ways and Mean.

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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H.J.Res. 66 - Approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003 (*Crowley, D-NY*)

Order of Business: The resolution is scheduled to be considered on Wednesday, July 20, 2011, under a motion to suspend the rules and pass the resolution.

Summary: H.J.Res. 66 approves the renewal of the import restrictions contained in section 3(a)(1) and section 3A (b)(1) and (c)(1) of the Burmese Freedom and Democracy Act of 2003. Congress must renew these import restrictions annually in order to keep them in place.

Additionally Information: The Burmese Freedom and Democracy Act (P.L. 108-61) requires the President to impose a ban on the import of products of Burma; freeze assets of certain Burmese officials; block U.S. support for loans from international financial institutions; and ban visas for certain Burmese officials.

The Burmese Freedom and Democracy Act requires the President to ban any product from Burma until the State Peace and Development Council (SPDC) has made substantial and measurable progress to end human rights violations, cease violating workers rights (including the use of forced child labor and child-soldiers). It also prohibits imports from Burma until the SPDC releases all political prisoners, allows freedom of speech and the press, allows freedom of association, and permits the peaceful exercise of religion, and agrees with the National League for Democracy (a Burmese political party), and Burma’s ethnic nationalities, on the transfer of power to a civilian government accountable to the people of Burma through democratic elections under the rule of law.

For more information on the import ban on Burmese products, please see [this CRS report](#).

Prior Congressional Action: Congress must renew these import restrictions annually in order to keep them in place. In the 111th Congress, these import restrictions were renewed by the House of Representatives on July 14, 2009, via H.J.Res. 83, which passed by voice vote. They were again renewed on July 21, 2009, via H.J.Res. 56, which also passed by voice vote.

Committee Action: H.J.Res. 66 was introduced on May 26, 2011, and was referred to the House Ways and Means Committee, which took no public action.

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

Cost to Taxpayers: A CBO cost estimate is unavailable at press time.

Does the Bill Expand the Size and Scope of the Federal Government?: No, these import restrictions are currently in place.

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?: Though the bill contains no earmarks, and there's no accompanying committee report, the earmarks rule (House Rule XXI, Clause 9(a)) does not apply, by definition, to legislation considered under suspension of the rules.

Constitutional Authority: Rep. Crowley's statement on constitutional authority states Congress has the power to enact this legislation pursuant to the following: "Clause 3 of section 8 of article I of the Constitution."

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