

TO: AIRPORT COMMISSION

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SUBJECT: Legislative Update

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FEDERAL

In December 2020, the U.S. government passed H.R. 133, the Consolidated Appropriations Act of 2021, which included the Coronavirus Relief and Supplemental Appropriations Act of 2021. This bill provided \$2 billion to fund the Airport Coronavirus Response Grant Program. Of the \$2 billion, \$1.75 billion would be reserved for commercial service and certain cargo airports. Airports would be allowed to use funds for “costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the threat of pathogens at the airport, and debt service payments.” Funds would be distributed based on a modified AIP apportionment.

H.R. 133 also provides \$200 million to primary airports based on enplanements “to provide relief from rents and minimum annual guarantees to on-airport car rental, on-airport parking, and in-terminal airport concessions.” Airports would be required to provide relief from the date of enactment until the sponsor has provided an amount equal to the grant amount “to the extent practicable and to the extent permissible under state laws, local laws, and applicable trust indentures.”

Finally, H.R. 133 allows FY 2022 and FY 2023 to apportion AIP funds based on passenger numbers in Calendar Years 2018 or 2019, whichever is higher.

With the inauguration of President Biden and Vice President Harris on January 20, 2021 and the change in party control of the Senate, the Democrats hold the White House and slim majorities in both houses. This increases the likelihood of additional coronavirus relief and stimulus legislation. Some key aviation related activity coming out of the new administration includes:

- An Executive Order directing federal agencies to implement a mask mandate on all federally controlled properties, including key transportation systems (airplanes).
- A continuation and modification of the mandated Covid tests for international passengers returning to the United States (started on January 26), which includes a recommendation for self-quarantining even with a negative Covid test. This order also directs the establishment of international travel guidelines for aircraft and airports.
- Executive Orders do not remove the travel restrictions on citizens from select countries. Travel restrictions remain on foreign nationals entering the United States from: European Union (Schengen Area), The United Kingdom, Ireland, Brazil, China, Iran, and South Africa.

President Biden also released his National Strategy for the Covid-19 Response and Pandemic Preparedness, a 200-page blueprint for addressing the current pandemic (available at: <https://www.whitehouse.gov/wp-content/uploads/2021/01/National-Strategy-for-the-COVID-19-Response-and-Pandemic-Preparedness.pdf>).

The U.S. Congress is currently working on the next Covid relief bill. There was a recognition among some legislators that the \$2 billion provided in December to airports was only a stopgap measure and would not be enough given the low passenger counts. Currently, the nation's airports are asking for \$17 billion in additional emergency relief in this next relief bill. Biden's \$1.9 trillion Covid relief proposal is being prepared as a budget reconciliation bill, which would allow it to pass the Senate with a simple majority.

President Biden is has quickly announced most of his cabinet and senior level government positions. He has proposed the appointment of the following key positions:

- Secretary of Transportation: Pete Buttigieg
- Secretary of Homeland Security: Alejandro Mayorkas
- Administrator of the EPA: Michael Regan

The list of the proposed cabinet is available at: <https://www.whitehouse.gov/administration/cabinet/>

STATE

The California State Legislature has started with their new session, and new bills continue to be introduced. We will continue to monitor the legislation to see which bills of interest are likely to move forward. At this time, the Governor's Office is primarily focused on addressing the economic and social impacts of the coronavirus pandemic and the related vaccine rollout.