

State-Federal Relations Division

House Approves 2018 FAA Reauthorization Act

April 30, 2018

On April 27, the House of Representatives approved, 393-13, <u>H.R. 4</u>, the Federal Aviation Administration (FAA) Reauthorization Act of 2018. The bill would reauthorize FAA programs and the federal aviation taxes that fund FAA programs and operations for five years through Sept. 30, 2023. The prior reauthorization expired in September 2015, which has resulted in five short-term extensions.

Aviation Infrastructure Funding

The bill gradually increases funding for the many of the programs aimed at improving airport infrastructure. Specifically, FAA operations, which includes the air traffic control system would receive \$10.2 billion in FY 2018, increasing to \$11.3 billion by FY 2023. The AIP program would receive \$3.35 billion each year. EAS would see its funding rise from \$153 million to \$168 million. The bill does not increase the amount passengers can be charged under the passenger facility charge.

Drones

The bill includes many sections pertaining to unmanned aircraft systems (drones). FAA would be required to establish a unified traffic management system (UTM) for drones. Additionally, the bill would remove the existing prohibition on regulations impacting drone hobbyists. The bill includes an NCSL supported amendment that would codify a drone pilot program, recently announced by DOT. The pilot program aims to accelerate drone integration plans by working to solve technical, regulatory, and policy challenges that includes the ability for states to set reasonable time, manner, and place limitations on low altitude drone operations. An area where NCSL remains concerned is the provision included in section 45510. The section aims to establish an FAA process for drones to be certified as "air carriers." However, per the 1978 Airline Deregulation Act, states are exempt from regulating the routes of "air carriers." Such a pre-emption could result in states having no legislative or regulatory recourse over where and when hundreds of thousands of drone flights operate.

Airline Passenger Protections

The bill includes a few provisions aimed at airline passengers. It prohibits e-cigarettes and using a cell phone to talk during a flight. Additionally, airlines will no longer be allowed to "bump" a passenger involuntarily after boarding. The bill also includes a disability passenger "bill of rights."

Air Ambulances

The bill would create a board within the DOT that includes state representatives in order to develop recommendations for determining which portion of the charged ambulatory rate is medical in nature and what portion is transportation in nature. By separating out the transportation charge, where states are pre-empted, states would be able to regulate the cost of certain medical services if they chose to do so.

Federal Disaster Response

The bill also includes components of the <u>Disaster Recovery Reform Act</u>, which would make a number of modifications to Federal Emergency Management Administration programs and processes for providing disaster assistance to states. With particular focus on pre-disaster planning and mitigation, the bill would in part increase funding allocations for pre-disaster mitigation efforts by establishing the National Public Infrastructure Pre-disaster Mitigation Assistance Program, improve rates and processes of reimbursement to state and local governments for a range of disaster costs, and improve coordination between federal, state, and local governments on emergency response, resilience, and preparedness.

Additional State Pre-emption

The bill also includes a <u>provision</u>, adopted as an amendment, that would expand an existing state pre-emption concerning motor carrier operators. Specifically, it would prevent states from enacting laws or regulations that conflict with exisiting federal standards regarding motor carrier operator hours of service. This provision has been adopted by the House in the past in previous pieces of legislation but never enacted into law.

The bill now moves to the Senate, which is likely to take up its own version later this Spring. For additional information on aviation provisions please contact Ben Husch (202-624-7779) or Lucia Bragg (202-624-3576) for disaster response.