



SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**5**

Meeting Date: **JUNE 2, 2011**

**Subject:**

**June 2011 Legislative Report**

**Recommendation:**

Adopt Resolution No. 2011-0060, approving the June 2011 Legislative Report.

**Background/Justification:**

The Legislative Advocacy Program Policy adopted by the Board on November 10, 2003, requires Authority staff to present the Board with monthly reports concerning the status of legislation with potential impact to the Authority. The June 2011 Legislative Report updates Board members on legislative activities that have taken place during the month of May. The Authority Board can give direction to staff on legislative issues contained in the attached Legislative Report (Attachment A).

**State Legislative Action**

Authority staff is not recommending that the Board adopt any new positions on State legislative bills.

State legislators and Governor Brown continue to focus on the State budget and on resolving the budget shortfall. Following an unanticipated \$6.6 billion increase in revenues this year, the current general fund deficit totals \$9.6 billion. On May 16th, the Governor released his revised budget proposal which would eliminate 5,500 state jobs and eliminate forty-three boards and commissions. The Governor's plan calls for a five-year extension of higher sales and vehicle tax rates, as well as a retroactive four-year extension of higher income taxes. His plan would also eliminate redevelopment agencies, providing the State with \$1.7 billion in revenue.

The Governor's plan appears to omit funding for the High-Speed Rail System's Phase 2 environmental work. As a result, environmental review and outreach activities for the Phase 2 segment, which includes the Los Angeles-San Diego corridor, may be delayed.

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**Federal Legislative Action**

Staff recommends that the Board adopt an Oppose position on H.R. 1474/S.785 and a Watch position on H.R. 1801.

H.R. 1474/S.785 are companion bills that would require any government entity receiving federal funds to contract out all federally-funded work – except in cases of national defense/homeland security and where there is no private source - to the private sector. This legislation was initiated on behalf of the National Air Transport Association in an effort to prevent airports from serving as Fixed Base Operators. It is opposed by Airports Council International-North America.

H.R. 1801 would require the Transportation Security Administration to develop and implement a process to expedite airport security screening for military service members traveling on official orders and their accompanying family members.

**Environmental Review:**

- A. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

**Equal Opportunity Program:**

Not applicable.

**Prepared by:**

MICHAEL KULIS  
DIRECTOR, INTER-GOVERNMENTAL RELATIONS

**RESOLUTION NO. 2011-0060**

**A RESOLUTION OF THE BOARD OF THE SAN  
DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
APPROVING THE JUNE 2011 LEGISLATIVE  
REPORT**

**WHEREAS, the Authority operates San Diego International Airport as well as plans for necessary improvements to the regional air transportation system in San Diego County, including serving as the responsible agency for airport land use planning within the County; and**

**WHEREAS, the Authority has a responsibility to promote public policies consistent with the Authority's mandates and objectives; and**

**WHEREAS, Authority staff works locally and coordinates with legislative advocates in Sacramento and Washington, D.C. to identify and pursue legislative opportunities in defense and support of initiatives and programs of interest to the Authority; and**

**WHEREAS, under the Authority's Legislative Advocacy Program Policy, the Authority Board gives direction to Authority staff on pending legislation; and**

**WHEREAS, the Authority Board in directing staff may adopt positions on legislation that has been determined to have a potential impact on the Authority's operations and functions.**

**NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the June 2011 Legislative Report (Attachment A); and**

**BE IT FURTHER RESOLVED that the Board finds that this Board action is not a "project" as defined by the California Environmental Quality Act (CEQA), Pub. Res. Code Section 21065; and is not a "development" as defined by the California Coastal Act, Pub. Res. Code Section 30106.**

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**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 2nd day of June, 2011, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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**TONY RUSSELL**  
**DIRECTOR CORPORATE SERVICES/  
AUTHORITY CLERK**

**APPROVED AS TO FORM:**

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**BRETON K. LOBNER**  
**GENERAL COUNSEL**

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June 2011 Legislative Report

State Legislation

New or Amended Legislation

Legislation/Topic

**AB 23 (Smyth) – Prohibition of Simultaneous Local Agency Meetings**

Background/Summary

Initially, this bill would have prohibited members of a legislative body from convening a simultaneous or serial order meeting if the members of that body constituted a quorum of the subsequent meeting.

As amended, this bill would allow subsequent meetings, only if a clerk or member of the convened legislative body verbally announces the amount of compensation or stipend that each member will be entitled to receive as a result of convening the simultaneous or serial meeting of the second legislative body, as specified.

Anticipated Impact/Discussion

Since the Authority Board members do not receive compensation for additional meetings held on the same day, it appears that this legislation would not impact the Authority.

Status: 5/5/11 – Approved by the Assembly by a vote of 72 to 0

Position: Watch (3/3/11)

**Legislation/Topic**

**SB 194 (Committee) – Local Government: Omnibus Bill**

**Background/Summary**

This bill is an omnibus technical corrections bill that clarifies that California airport owners/operators are not required to pay a fee for the recording of an aviation easement.

**Anticipated Impact/Discussion**

The legislation benefits the Authority by eliminating the potential collection of fees from the Authority for recording aviation easements required under the Quieter Home Program.

**Status:** 5/5/11 – Approved by the Senate by a vote of 40 to 0 and referred to the Assembly

**Position:** Support (5/5/11)

**Legislation/Topic**

**SB 619 (Fuller) – Flight Schools and Private Postsecondary Education**

**Background/Summary**

The California Private Postsecondary Education Act of 2009 provides for student protections and regulatory oversight of private postsecondary schools in the state. The act is enforced by the Bureau for Private Postsecondary Education within the Department of Consumer Affairs.

This bill would exempt from the Act flight instructors and flight schools that provide flight instruction pursuant to Federal Aviation Administration regulations and meet specified criteria.

**Anticipated Impact/Discussion**

Without this legislation, flight schools could be adversely impacted by new regulations, resulting from the Act. The California Airports Council, of which the Authority is a member, supports this legislation.

**Status:** 4/26/11 – Approved by the Senate Committee on Business, Professions and Economic Development by a vote of 9 to 0 and referred to the Senate Committee on Appropriations

**Position:** Watch (5/5/11)

**Legislation/Topic**

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**Background/Summary**

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**Anticipated Impact/Discussion**

The legislation benefits the Authority by eliminating the potential collection of fees from the Authority for recording avigation easements equired under the Quieter Home Program.

**Status:** 5/5/11 – Approved by the Senate by a vote of 40 to 0 and referred to the Assembly

**Position:** Support (5/5/11)

**Legislation/Topic**

**SB 619 (Fuller) – Flight Schools and Private Postsecondary Education**

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This bill would exempt from the Act flight instructors and flight schools that provide flight instruction pursuant to Federal Aviation Administration regulations and meet specified criteria.

**Anticipated Impact/Discussion**

Without this legislation, flight schools could be adversely impacted by new regulations, resulting from the Act. The California Airports Council, of which the Authority is a member, supports this legislation.

**Status:** 4/26/11 – Approved by the Senate Committee on Business, Professions and Economic Development by a vote of 9 to 0 and referred to the Senate Committee on Appropriations

**Position:** Watch (5/5/11)

**Legislation/Topic**

**SB 446 (Dutton) – Ontario International Airport**

**Background/Summary**

The bill would establish an Ontario International Airport Authority and to transfer management and operational control of Ontario International Airport to the new Authority.

The bill would also require that the new Authority, the City of Los-Angeles, the City of Ontario, the County of San Bernardino, other local and regional agencies, and the Department of Transportation cooperate to develop effective surface transportation access to Ontario International Airport.

**Anticipated Impact/Discussion**

Although this bill has no direct impact on the Authority, staff will continue to monitor the bill to identify any potential impact to the Authority or SDIA.

**Status:** 5/9/11 – Approved by the Senate Committee on Rules by a vote of 9 to 0 and referred to the Senate Committee on Appropriations

**Position:** Watch (3/3/11)

**Legislation/Topic**

**AB 76 (Harkey) – High-Speed Rail**

**Background/Summary**

On November 4, 2008, California voters passed Proposition 1A, the "Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century," authorizing the issuance of \$9.95 billion in general obligation bonds for a high-speed rail system. This bill would reduce the amount of high-speed rail general obligation debt to the amount under contract as of January 1, 2012.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 1/27/11 – Introduced and referred to the Assembly Committee on Transportation  
5/12/11- No further action expected on bill this year

**Position:** Watch (4/7/11)

**Legislation/Topic**  
**AB 133 (Galgiani) – High-Speed Rail**

**Background/Summary**

This bill would require that federal funds made available to the state for high-speed rail purposes be available for preliminary engineering, project-level environment work, mitigation, final design, and construction for the following four segments approved by the Federal Railroad Administration: San Francisco to San Jose; Merced to Fresno; Fresno to Bakersfield; and Los Angeles to Anaheim.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 2/3/11 – Introduced and referred to the Assembly Committee on Transportation  
5/12/11 - No further action expected on bill this year

**Position:** Watch (4/7/11)

**Legislation/Topic**  
**AB 385 (Harkey) – High-Speed Rail**

**Background/Summary**

Existing law requires the High-Speed Rail Authority to approve and submit a detailed funding plan for the development and implementation of high-speed train service to the Director of Finance, a specified peer review group, and the Legislature's transportation and fiscal committees. This bill would require the High-Speed Rail Authority to also approve and submit an investment grade analysis to those entities.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 3/25/11 – Referred to the Assembly Committee on Transportation  
5/12/11- No further action expected on bill this year

**Position:** Watch (4/7/11)

**Legislation/Topic**

**AB 471 (Lowenthal) – High-Speed Rail: Inspector General**

**Background/Summary**

This bill would create an office of the Inspector General within the High-Speed Rail Authority, and require the High-Speed Rail Authority to appoint an Inspector General, who would serve at the pleasure of the Authority. The Inspector General would be required to prepare specified reports and audits relating to high-speed rail.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 5/3/11 – Approved by the Assembly Committee on Transportation by a vote of 14 to 0 and referred to the Assembly Committee on Appropriations

**Position:** Watch (4/7/11)

**Legislation/Topic**

**AB 492 (Galgiani) – High-Speed Rail Authority**

**Background/Summary**

This bill would authorize the High-Speed Rail authority to consider, to the extent permitted by federal and state law, the creation of jobs in California when awarding major contracts or purchasing high-speed trains.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 5/5/11 – Approved by the Assembly Committee on Appropriations by a vote of 12 to 5

**Position:** Support (4/7/11)

**Legislation/Topic**

**AB 615 (Lowenthal) – High-Speed Rail**

**Background/Summary**

Existing law generally requires the approval of the Department of General Services before a state agency may acquire, hire, dispose of, or let real property. It also requires General Services to inventory most state-owned property, and establishes the process for leasing property acquired for highway use to former owners. This bill would enact authorizations, and exemptions relative to real property obtained for high-speed rail purposes by the High-Speed Rail Authority. The bill would also enact similar exceptions, authorizations and new provisions governing acquisition or disposal of right-of-way property by the Authority. In addition, this bill would exempt the High-Speed Rail Authority from obtaining approval from the Department of Finance and State Public Works Board before expanding funds from an appropriation for capital outlay purposes.

This bill would also provide that the High-Speed Rail Authority is the responsible agency for projects under its jurisdiction.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 5/4/11 – Approved by the Assembly Committee on Appropriations by a vote of 12 to 5

**Position:** Watch (4/7/11)

**Legislation/Topic**

**AB 650 (Blumenfeld) – Blue Ribbon Taskforce on Public Transportation**

**Background/Summary**

This bill would establish the Blue Ribbon Task Force on Public Transportation for the 21st Century. The bill would require the task force to be comprised of 12 members jointly appointed by the Senate Committee on Rules and the Speaker of the Assembly by March 31, 2012.

The bill would also require the task force prepare a report to the Governor, the Legislature and several legislative committees on the current state of California's transit system, and the estimated cost and potential funding sources needed by March 31, 2013.

The bill would appropriate \$750,000 from the Public Transportation Account to the Department of Transportation to accomplish these purposes.

**Anticipated Impact/Discussion**

Although this bill would not have any direct impact on the Authority or SDIA, it could affect transit connections to SDIA.

**Status:** 4/12/11 – Approved by the Assembly Committee on Appropriations by a vote of 9 to 1

**Position:** Watch (4/7/11)

**Legislation/Topic**

**AB 1377 (Butler) – Peace Officers, Airport Law Enforcement**

**Background/Summary**

Individuals employed as airport law enforcement officers are peace officers authorized to carry firearms only if so authorized by the peace officer's employing agency.

This bill would place an airport law enforcement officer regularly employed by the Los Angeles World Airports within a different category of peace officers with the authority to carry specified firearms. This bill would also make legislative findings and declarations concerning the necessity of a special statute for the City of Los Angeles relating to law enforcement at the Los Angeles International Airport.

**Anticipated Impact/Discussion**

This bill is only relative to Airport law enforcement officers at Los Angeles World Airports.

**Status:** 5/4/11 – Approved by the Assembly Committee on Public Safety by a vote of 5 to 2 and referred to the Assembly Committee on Appropriations

**Position:** Watch (4/7/11)

**Legislation/Topic**

**AJR 3 (Dickinson) – Federal Taxation**

**Background/Summary**

This resolution of the State Legislature would urge the U.S. Congress to extend the alternative minimum tax (AMT) holiday for private activity bonds. The American Recovery and Reinvestment Act of 2009 exempted airport private activity bonds (pab's) issued in 2009 and 2010 from the AMT, saving airports an estimated \$1 billion. This AMT exemption expired at the end of 2010.

This exemption is expected to save the Authority approximately \$45 million over the life of the bonds issued for the Green Build.

**Anticipated Impact/Discussion**

This bill is sponsored by the California Airports Council. If Congress were to extend the AMT exemption for PAB's, it would benefit the Authority financially by enabling the Authority to issues future bonds at a lower interest rate.

**Status:** 4/14/11 – Adopted by the Assembly by a vote of 60 to 0 and referred to the Senate Rules and Governance and Finance Committees

**Position:** Support (4/7/11)

**Legislation/Topic**  
**SB 295 (Price) – Community College Site Acquisition**

**Background/Summary**

This bill removes the current obligation of the community college districts to notify the Caltrans Division of Aeronautics before locating a new school, or adding an addition onto a present school located within two miles of an airport runway. It also removes the provision prohibiting the use of state funds for the school site or addition if the community college decides to overrule the recommendation by Caltrans not to site a school.

**Anticipated Impact/Discussion**

If a community college's proposal is located in SDIA's Airport Influence Area, they are required to submit an application for consistency pursuant to the provisions of the Public Utilities Code. However, this bill would remove the additional layer of notice when a community college attempts to develop near an airport.

**Status:** 2/24/11 – Referred to the Assembly Committee on Education

**Position:** Watch (4/7/11)

**Legislation/Topic**  
**SB 468 (Kehoe) – State Highways in the Coastal Zone**

**Background/Summary**

This bill would impose additional requirements on the Department of Transportation for proposed capacity-increasing state highway projects located in the coastal zone. Included in the new requirements is the completion of mass transit prior to construction of the proposed highway project.

**Anticipated Impact/Discussion**

This bill could impact the proposal by Caltrans to widen Interstate 5, which could affect future travelers going to and from SDIA.

**Status:** 5/4/011 – Approved by the Senate Committee on Transportation and Housing by a vote of 6 to 2 and referred to the Committee on Appropriations

**Position:** Watch (4/7/11)

**Legislation/Topic**  
**SB 517 (Lowenthal) – High-Speed Rail Authority**

**Background/Summary**

This bill would place the High-Speed Rail Authority within the Business, Transportation and Housing (BTH) Agency, and provide for the BTH Secretary to serve on the authority as a nonvoting, member. The bill would also require the Secretary to propose an annual budget for the Authority.

The bill would require the members of the Authority appointed by the Governor to be appointed with the advice and consent of the Senate. This bill would vacate the current membership of the Authority and provide for the appointment or reappointment of members by January 31, 2012, under staggered terms.

This bill also would provide that the executive director is subject to appointment with the advice and consent of the Senate, and would enact various conflict-of-interest provisions applicable to members of the authority and its staff.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 4/27/11 – Approved by the Senate Committee on Transportation and Housing by a vote of 7 to 2 and referred to the Committee on Appropriations

**Position:** Watch (4/7/11)

**Legislation/Topic**  
**SB 545 (Anderson) – Transportation**

**Background/Summary**

Under existing law there are various transportation programs to develop and implement improvements to transportation systems. This bill would state the intent of the Legislature to enact legislation enabling the state to examine efficiency in administering solutions to California's transportation needs.

**Anticipated Impact/Discussion**

This "spot bill" states the Legislature's intent to possibly enact legislation in the future. Staff will monitor this bill as details are provided to identify any potential impacts to SDIA or other aviation planning or operations

**Status:** 3/3/011 – Referred to the Senate Committee on Rules

**Position:** Watch (4/7/11)

**Legislation/Topic**  
**SB 749 (Steinberg) – High-Speed Rail**

**Background/Summary**

This bill would provide that the five High-Speed Rail Authority members appointed by the Governor are subject to the advice and consent of the Senate.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 3/3/011 – Referred to the Senate Committee on Transportation and the Senate Committee on Rules

**Position:** Watch (4/7/11)

**Legislation/Topic**  
**AB 31 (Beall) – High-Speed Rail and Local Master Planning**

**Background/Summary**

This bill would establish the High-Speed Rail Local Master Plan Pilot Program, authorizing jurisdictions with an approved high-speed rail station to participate in the program. Participating jurisdictions may prepare and adopt a master plan for development in the areas surrounding the high-speed rail system in their jurisdiction. Participating jurisdictions may collaborate with the State Air Resources Board to develop incentives to encourage development while concurrently reducing greenhouse gas emissions, consistent with or pursuant to the California Global Warming Solutions Act of 2006. Jurisdictions adopting a high-speed rail master plan may finance any publicly-owned facility or amenity necessary to implement the master plan.

**Anticipated Impact/Discussion**

Although this legislation is not expected to have any impact the Authority, it could impact the development of the area surrounding a high-speed rail station in San Diego.

**Status:** 3/24/10 – Amended and re-referred to the Assembly Committee on Local Government

**Position:** Watch (2/10/11)

**Legislation/Topic**  
**AB 58 (Gagliani) – High-Speed Rail**

**Background/Summary**

Existing law provides for appointment of an executive director by the Authority, who is exempt from civil service and serves at the pleasure of the authority. This bill would authorize the Governor to appoint up to six deputy directors exempt from civil service who would serve at the pleasure of the executive director.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 3/17/11 – Amended and re-referred to the Assembly Committee on Transportation

**Position:** Watch (2/10/11)

**Legislation/Topic**  
**AB 81 (Beall) – Aircraft Jet Fuel Taxes**

**Background/Summary**

This bill would exempt from state sales and use taxes gross receipts from the sale of, storage, use or consumption of fuel and petroleum products by an air common carrier provided that the gross receipts are in excess of the average spot price per gallon over the previous five years. This bill would also require the State Board of Equalization, beginning on January 1, 2013 to submit a report to the Legislature setting forth the state fiscal impact of the exemption.

**Anticipated Impact/Discussion**

Although this legislation would not directly impact the Authority or SDIA, it could financially benefit airlines that operating at SDIA.

**Status:** 3/24/11 – Amended and re-referred to the Assembly Committee on Revenue and Taxation

**Position:** Watch (2/10/11)

**Legislation/Topic**

**AB 145 (Gagliani/Levanthal) – High-Speed Rail Governance**

**Background/Summary**

This bill would limit the High-Speed Rail Authority policy decisions relative to implementation of high-speed rail consistent with Proposition 1A. The bill would also create the Department of High-Speed Trains within the Business, Transportation and Housing Agency, transferring certain powers and responsibilities of the Authority to the Department. The director of the Department would be appointed by the Governor, who would serve at the pleasure of the Authority, and the Governor would be authorized to appoint up to ten officers of the Department who would be exempt from civil service and serve at the pleasure of the director. The bill would also provide for acquisition and disposition by the Department of rights-of-way for the high-speed rail project.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 4/26/11 – Approved by the Assembly Committee on Transportation by a vote of 12 to 0 and referred to the Committee on Appropriations

**Position:** Watch (2/10/11)

**Legislation/Topic**

**AB148 (Smyth) – Local Government Ethics Training Disclosure**

**Background/Summary**

Existing law defines the term "ethics laws" to include, among others, laws relating to government transparency. This bill would expand the term "ethics laws" to also include compensation setting guidelines as established by specified organizations or a local agency. It would also require ethics training records for officials to be posted to the agency's website, and to submit a copy of such records to the State Controller. In addition, it requires local agencies to post their written attendance compensation policy or written reimbursement policy to the agency's website.

**Anticipated Impact/Discussion**

If passed, this legislation would require the Authority to post ethics training records and attendance compensation/reimbursement policy information on the Authority's website.

**Status:** 4/28/11 – Approved by the Assembly Committee on Local Government by a vote of 9 to 0 and referred to the Committee on Appropriations

**Position:** Watch (2/10/11)

**Legislation/Topic**

**SB 22 (La Malfa) – High-Speed Rail**

**Background/Summary**

Existing law, pursuant to the "Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century," provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes. This bill would reduce the amount of high-speed rail general obligation debt to the amount contracted as of January 1, 2012.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 3/3/11 – Referred to the Senate Committee on Transportation and Housing  
5/16/11- No further action expected on bill this year

**Position:** Watch (2/10/11)

**Legislation/Topic**

**SB 186 (Kehoe) – State Controller Audit and Investigation Authority**

**Background/Summary**

Existing law authorizes the State Controller to appoint a qualified accountant to make an investigation and to obtain the information required for the annual report of financial transactions. This bill would expand the Controller's authority, authorizing the Controller to exercise discretionary authority to perform an audit or investigation of any county, city, special district, or redevelopment agency, in order to ensure compliance with state law, grant agreements, local ordinances, and to determine fiscal viability. This bill would require the Controller to prepare a report of the results of an audit or investigation and to file a copy with the local legislative body.

**Anticipated Impact/Discussion**

This legislation was introduced in response to last year's controversy with the City of Bell official's salaries. Since the Authority is not considered a "special district" this legislation would have no direct impact on the Authority.

This bill was amended to delete the provision that costs incurred by the Controller shall be borne by the county, city, or redevelopment agency.

**Status:** 3/21/11 – Approved by the Senate Governance and Finance Committee by a vote of 5 to 0 and referred to the Appropriations Committee.

**Position:** Watch (3/3/11)

**Legislation/Topic**  
**AB 16 (Perea) – High-Speed Rail Authority**

**Background/Summary**

Existing law, pursuant to the "Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century", authorizes \$9.95 billion in general obligation bonds for high-speed rail development and other related purposes. The Federal American Recovery and Reinvestment Act of 2009 (ARRA) also provides funding for high-speed rail projects. This bill would require the High-Speed Rail Authority to make every effort to purchase high-speed train rolling stock and related equipment manufactured in California, consistent with federal and state laws.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact on the Authority or SDIA, it could affect the potential connection of high-speed rail to the San Diego region and SDIA.

**Status:** 5/5/11 – Approved by the Assembly Committee on Appropriations by a vote of 12 to 5

**Position:** Support (2/10/11)

**Legislation/Topic**  
**SB 49 (Strickland) – Local Government Emergency Response Fees**

**Background/Summary**

Existing law authorizes public agencies to hold liable any person who is under the influence of an alcoholic beverage, any drug, or the combination of an alcoholic beverage and any drug, whose negligent operation of a motor vehicle, a boat or vessel, or a civil aircraft caused by that influence proximately causes any incident resulting in an appropriate emergency response, and any person whose intentionally wrongful conduct proximately causes an incident resulting in an appropriate emergency response, for the expense of that emergency response. This bill would prohibit a city, including a charter city, county, district, municipal corporation, or public authority from charging a fee to any person, regardless of residency, for the expense of an emergency response, as specified, except where a fee is otherwise authorized.

**Anticipated Impact/Discussion**

Under this legislation the City of San Diego and Harbor Police would be prohibited from recovering any expenses from an individual during an emergency response.

**Status:** 5/3/11 – Failed passage by the Senate Committee on Public Safety by a vote of 1 to 4, reconsideration granted

**Position:** Watch (3/3/11)

## Federal Legislation

### New or Amended Legislation

#### Legislation/Topic

**H.R. 1801 (Cravaack) Risk-Based Security Screening for Members of the Armed Forces Act**

#### Background/Summary

This bill requires the Transportation Security Administration (TSA) develop and implement a policy that speeds service members and their families through security screening at airports when they are travelling on official orders. This bill requires that the policy be introduced within 6 months from when this bill becomes law.

#### Anticipated Impact/Discussion

**Status:** 5/10/11 – Introduced and referred to the House Committee on Homeland Security

**Position:** Watch

#### Legislation/Topic

**H.R. 1474/S.785 (Duncan/Thune), Freedom from Government Competition Act of 2011**

#### Background/Summary

This bill requires that any government entity receiving federal funds contract out all federally-funded work – except in cases of national defense/homeland security and where there is no private source - to the private sector. This bill would require airports to contract with a private FBO to provide services at their airport.

This legislation was initiated on behalf of the National Air Transport Association in an effort to prevent airports from serving as Fixed Base Operators. It is opposed by ACI-NA and AAAE.

#### Anticipated Impact/Discussion

Although the Authority currently uses a private company for SDIA's FBO, this bill would mandate that the airport contract with a private FBO in the future, eliminating our option to provide our own FBO services.

**Status:** 4/12/11 – Introduced and referred to the House Committee on Homeland Security and Government Affairs

**Position:** Oppose

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**Existing Legislation**

**Legislation/Topic**

**H.R. 1586 (King) Expanding Airport Security Screening Opt-Out Programs**

**Background/Summary**

This bill could expand the use of private screeners at US airports that choose to hire a commercial company rather than rely on the Transportation Security Administration (TSA).

In January, TSA Administrator John Pistole curtailed the Screening Partnership Program (SSP), under which 16 airports had chosen to hire private screening companies rather than use TSA screeners.

The bill would compel TSA to act on the applications of US airports to hire private screeners within 120 days of their request. TSA must approve the application unless it can demonstrate that doing so would hurt the effectiveness of screening or otherwise harm aviation security.

**Anticipated Impact/Discussion**

This legislation would give SDIA the option to apply for the private screening program in the future.

**Status:** 4/15/11 – Introduced and referred to the House Committee on Homeland Security

**Position:** Watch (5/5/11)

**Legislation/Topic**

**H.R. 386 (Lungren) Securing Cockpits Against Lasers Act of 2011**

**Background/Summary**

This Act amends the federal criminal code to prohibit the aiming of the beam of a laser pointer at an aircraft or in its flight path, and imposes a fine and/or prison term of up to five years. Exempts from such prohibition:

- Individuals conducting research and development or flight test operations for an aircraft manufacturer or the Federal Aviation Administration (FAA)
- Department of Defense (DOD) or Department of Homeland Security (DHS) personnel conducting research, development, operations, testing or training; or
- An individual using a laser emergency signaling device to send a distress signal.

**Anticipated Impact/Discussion**

Although this legislation would have no direct impact to the Authority or SDIA, it could enhance aviation safety by protecting pilots from laser interferences.

**Status:** 3/1/11 – Referred to the Senate Judiciary Committee

**Position:** Support (4/7/11)

**Legislation/Topic**

**H.R. 674/S.89 (Herger/Vitter) IRS Code Amendment, Vendors**

**Background/Summary**

Beginning January 1, 2012 federal, state, and local governments with total expenditures of \$100 million or more are required to withhold 3 percent from all payments for goods and services to guard against possible business tax evasion.

This bill would amend the Internal Revenue Code to repeal the imposition of the 3 percent withholding of payments.

**Anticipated Impact/Discussion**

This could negatively affect construction companies and could potentially force many small businesses out of the government market, increase the costs of performing public works contracts, and increase taxpayer costs.

**Status:** 2/11/11 – H.R. 674 Introduced and referred to the House Committee on Ways and Means  
1/25/11 – S.89 Introduced and referred to the Senate Committee on Finance

**Position:** Support (4/7/11)

**Legislation/Topic**

**H.R. 235 (Brady) Cut Unsustainable and Top-Heavy Spending Act of 2011**

**Background/Summary**

This bill eliminates several federal programs including grants to large and medium hub airports under the Airport Improvement Program (AIP). This bill also rescinds any unobligated funds made available for such grants.

**Anticipated Impact/Discussion**

SDIA relies on AIP funding for its capital improvements program and the elimination of this funding could limit the Authority from moving forward on many projects.

**Status:** 3/23/11 – Referred to the House Subcommittee on Insurance, Housing and Community Opportunity

**Position:** Oppose (4/7/11)

**Legislation/Topic**

**S. 223 (Rockefeller)/ H.R. 658 (Mica) - FAA Reauthorization Act**

**Background/Summary**

**House Version:**

The House is currently considering a four-year FAA Reauthorization Bill with the following provisions:

- Passenger Facility Charge (PFC) cap stays at \$4.50
- Airport Improvement Funding (AIP) cut from \$3.5 to \$3.17 billion in FY 2011 and \$3 billion annually for FY 2012-2014
  - Essential Air Service Program for most communities phased out over three years
- Creates a pilot program allowing up to 5 airports to use PFC revenue for intermodal ground access projects

**Senate Version:**

The Senate is currently considering a two-year Reauthorization Bill with the following provisions:

- Passenger Facility Charge (PFC) cap stays at \$4.50, but pilot program introduced for up to 6 airports where airports may impose a PFC without regard to dollar amount limitations if the airport collects the charge directly from passengers, and if approved by the Department of Transportation
- Increases minimum amount for discretionary AIP from \$148 million to \$520 million

**Status:** 2/17/11 – Passed in the Senate by a vote of 87 to 8  
4/1/11 – Passed in the House by a vote of 223 to 196

**Position:** House Version: Watch (3/3/11)  
Senate Version: Support (3/3/11)