



MEMORANDUM

To: Miles Weaver
From: Matt Solak
Date: December 2021
Re: MAAE Monthly Legislative Report

Overall State Issues

Michigan's Independent Redistricting Commission Adopts Maps

In 2018, Michigan voters passed a Constitutional amendment establishing an independent redistricting commission to redraw legislative maps as required every ten years. Since the beginning of the year the Michigan Independent Citizens' Redistricting Commission (MICRC) has been working through the process to draw these new legislative maps. On the afternoon of December 28, the MICRC finished its work and approved Congressional and State Legislative district maps.

The approved maps were the Chestnut Congressional map, the Linden State Senate map, and the Hickory State House map. All maps were required to have two yes votes from independent members, Republican members and Democratic members. All maps received the needed support from the Commission. The maps can be found here: <https://www.michigan.gov/micrc/>

While the maps have been adopted there are expected to be legal challenges from both organizations on the left and the right of the political spectrum. The likelihood of success of these legal challenges is unclear.

Redistricting and the final maps will play a critical role in the 2022 elections. While Michigan leans slightly Democratic statewide the current legislative maps have slightly favored Republicans the last ten years leading to a 58-52 Republican majority in the State House, a 22-16 Republican majority in the State Senate and a 7-7 split in the Congressional delegation. Analysis of the current maps show a slight, 7-6, lean towards Democrats in Congressional districts, a slight lean towards Democrats in the State Senate but a slight lean towards Republicans in the State House.

New Economic Development Fund Created

In response to Michigan losing two major auto industry economic development projects to Kentucky and Tennessee, respectfully, the Legislature and Governor worked to create an economic development program to be able to compete for these types of large-scale projects. On the last day of the 2021 legislative session the House, Senate and Governor's office finalized a \$1 billion in a new economic development fund designed to accomplish that goal.

Under the plan, the new Strategic Outreach and Attraction Reserve (SOAR) fund will receive \$1 billion from the state's General Fund (GF) surplus. The Michigan Economic Development Corporation will use the money as an incentive to lure large-scale industrial projects. Once reviewed by MEDC, the Legislature will review the proposal and steer money from SOAR into one of two funds to be used for the project.

The legislative package of bills received bipartisan support and bipartisan opposition. The legislative package was opposed by the most progressive Democratic members and the most conservative Republican members.

Airport Issues

ARPA Funding Released as Part of Supplemental Budget

Earlier this month, the House-Senate Conference Committee officially approved a \$725 million supplemental budget appropriation which included the \$169 million in ARPA grant funds for airports. The supplemental budget received overwhelming bipartisan support, passing the House 94-9 and the Senate 35-1, and has now been signed into law by the Governor. In the budget, airports will receive the following ARPA grants:

Airport Coronavirus Response Grant Program - General Aviation: Includes \$2.8 million in federal American Rescue Plan Act funds to provide economic relief to General Aviation airports in Michigan.

Airport Coronavirus Response Grant Program - Primary Airports: Includes \$168.9 million in federal American Rescue Plan Act funds to provide economic relief to Commercial service – Primary airports in Michigan.

Full summary: <https://www.legislature.mi.gov/documents/2021-2022/billanalysis/House/pdf/2021-HLA-4398-13444789.pdf>

We appreciate the help and support from all MAAE members who contacted their legislators encouraging them to include these funds in this supplemental budget.

President Biden Signs Infrastructure Bill in Law

In October, the Bipartisan Infrastructure Deal (Infrastructure Investment and Jobs Act) was signed into law. The legislation that passed will deliver \$550 billion of new federal investments

in America's infrastructure over five years, including money for roads, bridges, mass transit, rail, airports, ports and waterways. Specifically relating to airports, the legislation invests \$25 billion in airports to address repair and maintenance backlogs, reduce congestion and emissions near ports and airports.

Upcoming House Republican Event

On January 19, KDA will be hosting the House Republican Caucus in Lansing for a meet and greet with clients. MAAE leadership will be invited to attend and represent MAAE and the aviation industry. The event provides an opportunity to discuss aviation issues with key lawmakers including House Speaker Jason Wentworth.

Additional Supplemental Requests

Between COVID relief dollars and higher than expected tax revenue there is currently \$15 billion in unappropriated state funds. MAAE is coordinating with MDOT on supplemental budget requests. Requests include:

- Automated Weather Observation Station Upgrade - \$4 million to upgrade the 41 station Michigan AWOS Network that is beyond its useful life. General fund request.
- Air Service Program Revitalization - increase funding made available for air carrier recruitment and retention - \$1.5 million general fund
- State / Local Airport Development Program - Michigan has not been able to provide non-federally eligible airports with grant assistance for many years. This request would provide vital support to these airports. \$2 million general fund.
- Unmanned Aircraft System Program Funding - \$350,000 for education and outreach activities +1 FTE, \$500,000 for initial analysis of state operated airspace management system - 850,000 general fund

Peer-to-peer Carsharing Legislation (HB 4915-HB 4917) Introduced

On May 25, bipartisan legislation was introduced to regulate peer-to-peer carsharing service companies. These companies include Turo, Getaround and Maven. Peer-to-peer carsharing (also known as person-to-person carsharing and peer-to-peer car rental) is the process whereby existing car owners make their vehicles available for others to rent for short periods of time.

These companies may be operating without a service agreement at some airports in likely violation of those airport's ground transportation regulations. The MAAE Board has taken a position of support on this legislation as the bills require these companies to enter into operational agreements with airports.

MAAE worked previously on a similar issue when Lyft and Uber wanted to operate on airport property without complying with any type of ground transportation agreement with airports or any payment to the airport like other ground transportation companies.