



MEMORANDUM

To: Steve Smigelski

From: Matt Solak

Date: September 2022

Re: MAAE Monthly Legislative Report

Legislature Passes Supplemental Bill

While things remain extremely quiet in Lansing with current officeholders and candidates focused on the 2022 mid-term elections there was a shake-up during the few session days that occurred at the end of September.

Legislator leaders and the Governor spent September negotiating a supplemental budget bill to inject \$846 million to replenish the Strategic Outreach and Attraction Reserve (SOAR) fund and dedicate other funding for large economic development projects.

The deal included \$500 million in the SOAR fund to start Fiscal Year 2023 and it also included \$350 million for site preparation for specific projects. The remaining portions of the supplemental paid for scholarships and made other funding adjustments related to federal COVID Relief Fund money.

The shake-up came when, then, Appropriations Chair Thomas Albert (R-Lowell) publicly came out opposed to the supplemental budget agreement and abruptly resigned as Chair of the Appropriations Committee.

Rep. Mary Whiteford (R-Casco Twp.) will serve as the House Appropriations Committee chair until year's end after Rep. Albert's resignation. Rep. Albert was removed from the Appropriations Committee completely.

HB 6361 Changes to the Aeronautics Code

On August 17, Representative Jeff Yaroch introduced legislation making certain changes to the State Aeronautics Code. The primary purpose of the legislation is to require the Aeronautics Department to regulate activities of certain organizations operating at private use airports.

The suggested changes stem from Representative Yaroch having issues with a non-profit skydiving club operation on a private airstrip in his district. He has received numerous constituent complaints and has been looking for ways to regulate operations.

MAAE is monitoring the legislation at this time and has taken no official position. The MAAE is working with the State Aeronautics Office and Rep. Yaroch on how this legislation may impact airports.

HB 6123 Airport Firearm Changes

The MAAE was approached by Representative Damoose regarding his introduction of HB 6123. The legislation intends to update the federal statute referenced in the state's airport sterile area statute.

The Representative introduced the legislation in response to Jim Linderman, Emmet County Prosecutor, expressing the need to update the statute reference because he is unable to prosecute individuals who are found to be carrying firearms in airport sterile areas, airport sterile areas being the parts of airports beyond the pre-boarding security screening area.

The legislation had a hearing on September 13 and was reported from committee on September 21. The MAAE supported the legislation which will now move to the full House of Representatives for consideration.

Potential Tax Policy Changes and SAF Funding Changes

The MAAE has begun working with key lawmakers to discuss potential tax policy changes to help support funding for the State Aeronautics Fund. As members are aware, SAF funding has not adequately kept up with the needs of airports in Michigan.

On June 14, HB 6172 was introduced by State Representative Scott VanSingel and SB 1071 was introduced by Senator Wayne Schmidt. Both of these bills would earmark an amount equal to the collections of the sales tax imposed at a rate of 4% to the state aeronautics fund.

The MAAE will keep members apprised of developments on this effort.

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

On March 22, the House Regulatory Reform Committee held a hearing on bipartisan legislation to regulate peer-to-peer carsharing service companies in Michigan. Enterprise Holdings and the MAAE testified in support of the legislation while Turo testified opposed to the legislation.

The legislation passed out of the Committee favorably by a vote of 11-0-4 and will now head to the full House of Representatives for consideration.

The legislation would require a peer-to-peer car sharing program or shared vehicle owner to enter into an agreement with an airport before a shared vehicle could engage in certain activities at an airport. The 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 or any payment of fees.

Turo continues to advocate for weaker airport language in the legislation. Rep. Outman continues to be a bulwark against Turo's efforts to water down the legislation.

The bill has not received consideration by the full House of Representatives, but the MAAE will continue to push for a vote on this important legislation.