

18 November 2020



Election Results

2020 Presidential election results are still pending, with Georgia and North Carolina still counting ballots and the Trump campaign challenging the results in several battleground states. However, we expect former Vice President Joe Biden (D-Del.) will become the nation's 46th president on January 20. Control of the Senate depends on the two runoff races in Georgia on January 5, 2021 – currently, Republicans hold 50 seats while Democrats hold 48. Democrats narrowly held control of the House – with about 15 races yet to be called, Republicans unexpectedly picked up several seats, reducing the Democratic margin to fewer than 12 seats. Slim margins in the House and likely Republican control of the Senate will probably prevent enactment of top Democratic legislative priorities and serve as a backstop against excessive regulatory action by the Biden administration.

Transportation Leadership Changes

Some names that have been floated for a Biden Administration Transportation Secretary include former Chicago Mayor Rahm Emanuel, Los Angeles Mayor Eric Garcetti, and New York City DOT Commissioner Polly Trottenberg. FAA Administrator Steve Dickson is expected to remain in his position for the remainder of his five-year term. Other policy positions at DOT and FAA are unlikely to be filled until early next year. We are not expecting significant changes to the leadership of key congressional authorizing and appropriations committees.

Payroll Support Program

Our top legislative priority for the lame duck session of Congress is extending the CARES Act airline payroll assistance program (PSP) for passenger and cargo carriers. Senate Majority Leader Mitch McConnell (R-Ky.) is expected to take a more active role in the upcoming negotiations with House Speaker Nancy Pelosi (D-Calif.) and Senate Majority Leader Charles Schumer (D-N.Y.). The sides remain far apart on the top-line number. Democrats prefer a package in the \$3 trillion range; Republicans want a more targeted bill in the \$500 billion range. Democratic leaders privately maintain that PSP extension will be included in any COVID relief bill.

Aviation Excise Tax Holiday

In addition to PSP extension, we are working with Airlines for America on extending the CARES Act federal aviation excise tax (FET) holiday past December 31, 2020. Senator Roy Blunt (R-Mo.) is preparing to introduce a free-standing bill to extend the FET holiday through 2021. We are trying to get a Democratic cosponsor from the Senate Finance Committee and attach the Blunt bill to one of the "must-pass" bills that Congress will take up during the lame-duck session. To prevent a government shutdown, Congress must pass an omnibus appropriations bill or a short-term continuing resolution by December 11.

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Vaccine Distribution Outreach Continues

NACA has contacted the Defense Logistics Agency regarding the planning for distribution of a COVID-19 vaccine among US military personnel. We are expecting a call in November to discuss the role Civil Reserve Air Fleet carriers might have. In the wake of news that Pfizer has a potentially successful vaccine, we have contacted their logistics division. They are currently partnered with UPS and FedEx, but are interested in talking to us early next year to possibly expand their capabilities.

ICAO Cargo Screening Language

TSA requested language suggestions from NACA for their proposal to meet the International Civil Aviation Organization cargo screening requirements scheduled for June 2021. In consultation with our cargo carriers, we suggested language permitting exemptions for whole aircraft charters and conceptual ideas for industry-specific products to lessen the impact on other cargo operations. We expect to see TSA's proposal in December or January.

FAA Technical Matters

The Flight Standards Transparency, Performance, Accountability, Efficiency Aviation rulemaking Committee (FST PAcE ARC) sub group 222 has drafted 13 recommendations with NACA input. The committee is aiming to submit its final report in the second quarter of 2021.

The NACA safety council met virtually on November 4, and elected Charlie Ferling as our 2021 vice chair. We had robust discussion with the FAA on several topics. The FAA will invite us to form a working group to outline the process of placing all reporting (VDRP, ASAP etc.) under SMS.

The FAA hosted the 119 maintenance leadership call. There were two panels – NACA members participated on both. The Operations leadership call is scheduled for November 17.

Global Crossing Airlines Joins NACA

Global Crossing Airlines, LLC ("GlobalX") has joined NACA as a provisional member. GlobalX, which will operate Airbus A320/330 aircraft, expects to receive its full FAA certification in early 2021. Once the FAA certification process is complete, GlobalX will join NACA as a full member. More information on the airline is available online here.

NACA Winter Board Meeting Scheduled for December 2

NACA will hold the next meeting of its Board of Directors on Wednesday, December 2, via Zoom. We will be sending out more information, a draft agenda and background materials shortly.

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