

EXTENSIONS OF REMARKS

TREATING SMALL AIRPORTS WITH FAIRNESS ACT OF 2016

SPEECH OF

HON. MICHAEL T. McCAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 13, 2016

Mr. McCAUL. Mr. Speaker, I submit the following cost estimate from the Congressional Budget Office regarding H.R. 4549.

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
Washington, DC, April 13, 2016.

Hon. MICHAEL McCAUL,  
Chairman, Committee on Homeland Security,  
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4549, the Treating Small Airports with Fairness Act of 2016.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Megan Carroll.

Sincerely,

KEITH HALL.

Enclosure.

H.R. 4549—Treating Small Airports with Fairness Act of 2016

Summary: Under current law, the Transportation Security Administration (TSA) is required to screen passengers and property on scheduled commercial flights and some charter flights involving aircraft that meet certain capacity-related specifications. Broadly speaking, the agency oversees or conducts screening at most airports with commercial service; for all other airports, the agency uses a risk-based methodology for determining appropriate policies for security-related screening of passengers and cargo.

H.R. 4549 would require TSA to provide screening services at certain airports that lost or experienced a disruption in service by

commercial airlines after January 1, 2013. Based on information from the agency, CBO estimates that implementing the bill would cost \$33 million over the 2017–2021 period, assuming appropriation of the necessary amounts.

Pay-as-you-go procedures do not apply because enacting H.R. 4549 would not affect direct spending or revenues. CBO estimates that enacting the bill would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 4549 contains no intergovernmental or private-sector mandates in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary effect of H.R. 4549 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

By fiscal year, in millions of dollars—

|  | 2017 | 2018 | 2019 | 2020 | 2021 | 2017–2021 |
|--|------|------|------|------|------|-----------|
| INCREASES IN SPENDING SUBJECT TO APPROPRIATION |      |      |      |      |      |           |
| Estimated Authorization Level .....            | 8    | 5    | 6    | 7    | 8    | 34        |
| Estimated Outlays .....                        | 6    | 6    | 6    | 7    | 8    | 33        |

Basis of estimate: for this estimate, CBO assumes that H.R. 4549 will be enacted before the start of fiscal year 2017 and the estimated amounts will be appropriated each year.

At the request of the operator of an airport that lost commercial air service after January 1, 2013, H.R. 4549 would require TSA to provide screening services at that airport. According to the agency, 22 airports could become eligible for federal screening services under the bill, several of which have agreements with commercial airlines to resume service in the near future. TSA has denied requests from some of those airports to resume screening services in the recent past and CBO expects that under current law the agency is unlikely to provide screening services at such airports in the near future. As a result, CBO estimates that implementing H.R. 4549 would increase the cost of TSA's aviation security programs.

Based on information from TSA about average screening-related costs for airports with characteristics similar to those that would be affected by the bill, CBO estimates that increased spending for aviation-related screening would total \$6 million in 2017 and \$33 million over the 2017–2021 period. That amount includes roughly \$9 million in one-time costs to acquire and install screening-related equipment and \$24 million in ongoing personnel costs and other expenses. CBO expects that initially about one-third of the airports that would be eligible for screening services from TSA under the bill—particularly those with agreements from air carriers to resume commercial service—would apply for such services, with that number doubling by 2021.

CBO also estimates that implementing H.R. 4549 would not affect security-related fees collected by TSA to offset a portion of the agency's screening costs. Such fees are collected by air carriers from passengers when tickets for commercial flights are

sold—whether or not TSA performs security screening—and would be unaffected by this legislation.

Pay-As-You-Go considerations: None.

Increase in long-term direct spending and deficits: CBO estimates that enacting H.R. 4549 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

Intergovernmental and private-sector impact: H.R. 4549 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Estimate prepared by: Federal Costs: Megan Carroll; Impact on state, local, and tribal governments: Jon Sperl; Impact on the Private Sector: Amy Petz.

Estimate approved by: H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

FORCED ARBITRATION

SPEECH OF

HON. DONALD S. BEYER, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 14, 2016

Mr. BEYER. Mr. Speaker, I stand here today to express my opposition to the increasing use of forced or binding arbitration. Most Americans don't even know about forced or binding arbitration until it happens to them.

Clauses are buried in the fine print of everyday contracts and, before they know it, they are unknowingly compelled to give up their legal rights. Quite honestly, if we just take into consideration human behavior—most Americans don't read the fine print even if they know they should. And let's assume that if

they did, I guarantee you most don't have enough of legal background to recognize problem language when they read it.

This is concerning and dangerous when we consider that arbitration clauses are increasingly being inserted into consumer and employment contracts. This allows companies to circumvent the courts and bars people from joining together in class-action lawsuits. And class action law suits are realistically one of the few tools citizens have to fight illegal or deceitful business practices.

Applying for a credit card, using a cellphone, getting cable or Internet service and you are likely agreeing to private arbitration unknowingly. This is concerning because arbitration is heavily weighted in favor of the more powerful party. Not only does the corporation that wrote the contract set the terms of arbitration, but it also often decides on the arbitrator. Arbitrators do not have to be trained in the law, nor are they required to follow the law.

Quite simply, arbitration lacks many of the fundamental guarantees of fairness that a court provides. As a small business owner, I view binding arbitration as plainly unfair to the consumer and also unnecessary in the operation of a successful business practice. My business currently operates successfully without engaging in the same predatory practice for consumers.

Lawyers can continually put together more sophisticatedly drafted agreements meaning courts routinely enforce such agreements. That means we have a legally enforceable culture that is reinforcing these one-sided provisions which unfairly tilt the playing field in favor of one party. This is a practice we must stop. I am here to say we must stop it. Let us

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