



**AS** an organization that is , our loyalties lie with the issues,  the political parties or the politicians. Understandably, separating personal views on social or fiscal issues is incredibly challenging; so as the  for airline pilots, we've summarized a few of the current legislative items on the table that affect your profession, career, and future to be decided—in some shape or form—at the polls on November 6.

By ALPA's Government Affairs Department Staff



## ✓ Health-care taxation

Over the past few years, proposals to impose taxes on employer-provided health-care benefits and retirement contributions have gained momentum as Congress wrestles with deficit-reduction strategies. These policy ideas have been included in several bipartisan



deficit-reduction proposals. ALPA remains actively engaged in this important issue, as taxation of health-care benefits would represent a significant tax increase for every ALPA member. Scan the QR code to view a list of members of Congress who signed an ALPA-supported letter in opposition to taxing health-care benefits. ■



## ✓ FAA reauthorization

After more than five years and 23 extensions, Congress finally passed a full reauthorization of the FAA in January 2012. This was a top priority for ALPA. The new law provides the FAA guaranteed funding for four years, allowing the agency to plan and execute NextGen air traffic control upgrades, which will increase safety and promote efficiency and capacity growth. Furthermore, the law includes critical provisions to improve the safety of air operations such as runway incursion prevention and research on how to operate safely in weather events such as icing, windshear, and volcanic ash. While the final version of the bill did include certain provisions that ALPA would like to



see removed, the Association strongly urged Congress to support this bill. Scan the QR codes to see how your representatives and senators voted. ■



## ✓ Ex-Im Bank

During the past five years, the Export-Import Bank has provided financing for dozens of widebody aircraft for foreign airlines. This financing is provided at rates and terms that are not available to U.S. airlines, and many of these bank-subsidized widebody aircraft are being used on routes that are, have been, or could be served by U.S. airlines. U.S. carriers have found that they have needed to withdraw from or not enter routes that might otherwise be economically viable.

The effect on U.S. pilot and airline worker jobs has been significant. In response to the increase in seat capacity directly attributable to aircraft financing from the bank to foreign airlines, domestic airlines have been forced to reduce capacity by nearly 2 percent, resulting in the loss of approximately 7,500 U.S. airline jobs.

That's why ALPA worked with Congress to reform the bank's financing of widebody aircraft through the Export-Import Bank Reauthorization Act of 2012. The reauthorization includes important

bipartisan reforms to aircraft financing and will help to protect U.S. airline workers from unmerited, subsidized foreign competition. The reforms will also shine some desperately needed light on the bank's financing processes. By directing the United States to negotiate with the four European countries that finance Airbus, the reauthorization will help bring about a necessary end to worldwide subsidies of widebody aircraft. This action will help to level the playing field for U.S. airlines that compete with foreign airlines, including many that are state-sponsored and that buy U.S.- and European-manufactured airplanes at below-market rates unavailable to U.S. airlines.

ALPA believes the bill was a step in the right direction to reforming the bank and urged members of Congress to vote yes on this bill. Scan the QR codes to see how your representatives and senators voted. ■



## ✓ Oil speculation

Fuel is often the largest and certainly the most volatile expense for the airline industry. Dramatic price swings have added significant stress to an already beleaguered industry and make long-term planning almost impossible. In today's marketplace, the price of oil is increasingly driven by speculators, not by producers and consumers of oil. In the last decade, the level of speculative trading in crude oil futures contracts on the New York Mercantile Exchange has risen by 600 percent. A Deutsche Bank analysis estimates that every one cent increase in jet fuel prices on an annualized basis equals an additional fuel expense of \$170 million for the U.S. airline industry. In turn, these costs are passed



on to consumers or drive businesses into debt or, worse, bankruptcy.

ALPA supports S. 1598, the Anti-Excessive Speculation Act introduced by Sen. Bill Nelson (D-Fla.), which protects pilot jobs and the airline industry from rampant speculation in the oil market. The bill curbs oil speculation while allowing legitimate hedging. Importantly, the

## ✓ EU ETS

Every country is concerned about the potential effect that greenhouse gases from burning jet fuel can have on the climate. To this end, the European Union has created an emissions trading scheme (ETS)—a unilaterally imposed scheme that charges airlines for their aviation carbon emissions into and out of the EU.

It's ALPA's view that the ETS violates state sovereignty and is in contravention of the United Nations Framework Convention on Climate Change. More than 20 countries with large aviation sectors, including the U.S., have adopted a declaration opposing the ETS and have urged the EU to work collaboratively with the rest of the

international community to address aviation emissions.

Further, there is no requirement that funds raised from the ETS be applied toward mitigating climate change or decreasing aircraft emissions through technological innovation of equipment or fuel. Instead of combating climate change, the EU ETS will only impede the U.S. airline



industry's ability to reduce carbon emissions. The EU ETS decreases U.S. airlines' ability to invest in such technology. According to the International Air Transport Association, the EU ETS could erode airline industry profits, which are already very marginal, by more than 30 percent. This significant decrease in profits will hinder U.S. airlines' ability to invest in new, more fuel-efficient airplanes.

Legislation has already passed in the House of Representatives by voice vote that would block U.S. participation in this scheme. ALPA has been advocating for the U.S. Senate to follow suit. Encouragingly, a companion bill, S. 1956, introduced by Sen. John Thune (R-S.D.) and Sen. Claire McCaskill (D-Mo.), recently cleared the Senate

Commerce Committee, with the help of hundreds of ALPA pilots who wrote their senators in support of the bill. S. 1956, which authorizes the secretary of the Department of Transportation to prohibit U.S. airlines from taking part in the EU ETS, now awaits floor consideration by the Senate. To view the list of current Senate cosponsors, scan the QR code. In addition, ALPA is advocating that the administration file an Article 84 action at the International Civil Aviation Organization (ICAO) and work with ICAO to establish a global carbon emissions-limitation meth-



odology that decreases pollution while maintaining airline sustainability. ■

## ✓ FFDO

The Federal Flight Deck Officer (FFDO) program was instituted by Congress with the passage of the Arming Pilots Against Terrorism Act of 2002. Since its creation, the FFDO program has been tremendously successful as a strong, ongoing deterrent against the threat of aircraft hijackings. This is primarily due to an excellent training curriculum and the quality of the pilots who are selected to make up its ranks. Today, many thousands of FFDOs protect the flight decks of U.S. airliners and defend more than 100,000 flight segments per month, at a very minimal cost to the U.S. government and the American taxpayer.

As ALPA members know, FFDOs receive no compensation for their service, and they

pay out of their own pocket for many costs associated with their federal service. ALPA knows of no other aviation security program that can compare to the FFDO program in terms of effectiveness and efficiency.

Unfortunately, however, funding for the program has not kept pace with the growth of the program since it began nearly a decade ago. As a result, there is a waiting list of pilots who would like to enter the program but cannot because funds are not available for training. And in the administration's FY 2013 budget request, a cut of more than 50 percent was proposed to the FFDO program.

ALPA aggressively lobbied Congress to protect and increase funding for the FFDO program. Pilot advocates held more than 50 meetings with

key congressional leaders and appropriators, and ALPA members around the country sent more than 3,800 letters and e-mails to Congress in support of FFDO funding.

Ultimately, the



House of Representatives increased the program's budget by \$10 million, thanks to an amendment offered by Rep. Chip Cravaack (R-Minn.). The Senate has not yet completed its consideration of the Homeland Security Appropriations bill, but ALPA is committed to working with lawmakers in both chambers and on both sides of the aisle to ensure this program is protected and strengthened. ■

legislation also establishes individual statutory speculative position limits for energy futures, options, and economically similar contracts, wherever they are traded (on exchange or over the counter). Scan the QR



code to view additional cosponsors of the bill. ■



## ✓ Flight time/ duty time

ALPA views improving flight and duty time rules as among the most important flight safety undertakings in modern times. Achieving one level of safety for all ALPA members has been a major focus of ALPA's advocacy efforts during the 112th Congress.

In spring 2011, while the FAA was drafting regulations to update flight- and duty-time regulations, ALPA aggressively lobbied against an amendment offered by Rep. Bill Shuster (R-Pa.) to the FAA reauthorization bill that would have allowed exemptions to pilot fatigue regulations for supplemental and all-cargo carriers in advance of the rulemaking. This amend-

ment ultimately passed the House, but ALPA successfully prevented the language from becoming law. ALPA pilots engaged in intense grassroots action and sent more than 3,500 letters to Congress opposing this provision.

When the FAA missed its congressionally mandated Aug. 1, 2011, deadline for completing the flight-time/duty-time (FT/DT) rulemaking, ALPA led a charge on Capitol Hill to garner signatures on a letter to the FAA urging swift action. The letter was spearheaded by Rep. Brian Higgins (D-N.Y.) and Rep. Jean Schmidt (R-Ohio) and included the signatures of 103 members of Congress.

The FAA's final fatigue rule, FAR Part 117, was



ultimately issued on Dec. 21, 2012. While the new rule is a significant improvement over the antiquated rules established five decades ago, it falls short by excluding cargo operations from the updated regulations. For decades, ALPA has demanded "One Level of Safety" for the simple reason that fatigue affects all pilots. All safety regulations should follow suit. ALPA worked with congressional leaders to introduce bipartisan legislation in both the House and the Senate

that would close the cargo carveout and extend the FAR Part 117 fatigue rules to all pilots. More than 2,700 pilots and counting have asked their representatives and senators to cosponsor and pass this bill. Scan the QR codes to view a current list of cosponsors in the House and Senate. ■

REPRESENTATIVES



SENATORS

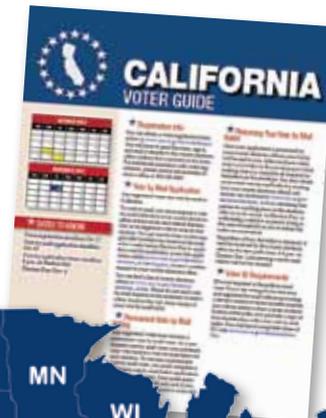


## Will You Be Flying on November 6?

Early and absentee voting is easy. Many states have adopted new laws that include changes to voting rules and registration requirement for the 2012 election. So even if you've done it before,

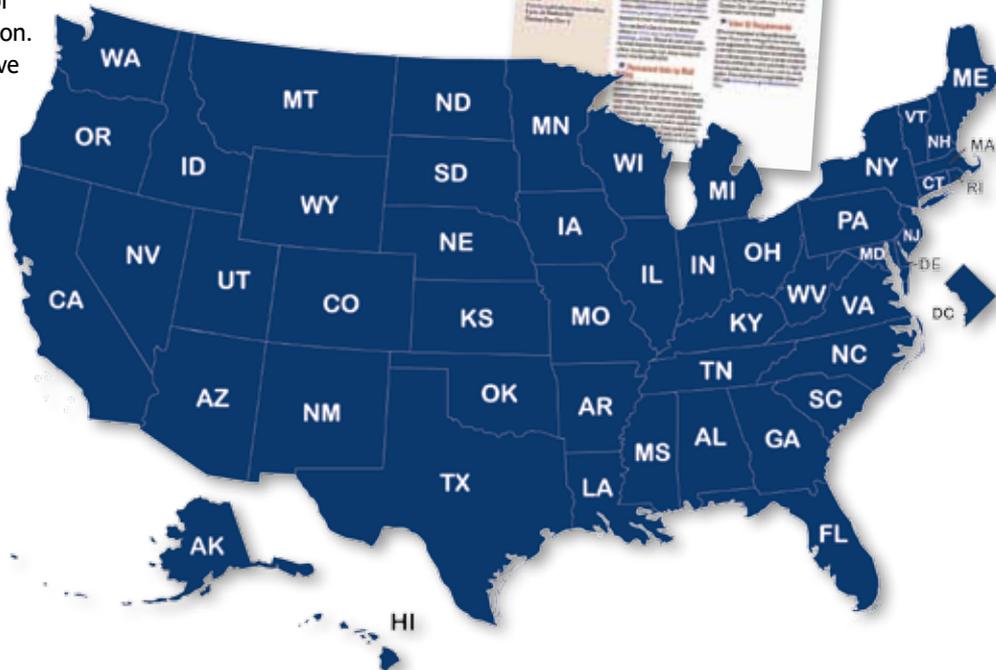
double-check the rules and requirements.

For your convenience, the Association has compiled an information guide (state by



state) that outlines early and absentee voting rules. Please visit [www.ALPA.org/advocacy](http://www.ALPA.org/advocacy) and click on the map.

ALPA encourages all members to exercise their constitutional right to vote. ■





## How Does the PAC Help ALPA's Pilot Partisan Agenda? An FT/DT Case Study

ALPA-PAC's work on pilots' behalf lays the groundwork and sets the stage for our victories on Capitol Hill. In 2011, as the new flight-time/duty-time (FT/DT) rule moved slowly through the rulemaking process, ALPA-PAC began building and expanding a base in Congress to support expediting the process and keeping the new rules science-based. Of the 103 members of Congress who ultimately signed ALPA's letter pushing the administration toward swifter action, ALPA-PAC had made direct contact with 100 of them, supplementing the direct advocacy by ALPA's Government

Affairs team and volunteer pilot advocates. After the new rule was published, the PAC immediately moved to activate that base of support toward fixing the cargo carveout.



Rep. Chip Cravaack (R-Minn.), above, and Rep.



Tim Bishop (D-N.Y.), left, the lead sponsors of the Safe Skies Act of 2012 in the House, are two of the PAC's greatest champions. Both have been

targeted this election cycle as vulnerable incumbents, and the PAC has been working hard to ensure that they return next year to continue their work on pilots' behalf. ALPA-PAC has also supported more than 30 candidates for Congress this year, all of whom have pledged to support "One Level of Safety and Security" in our skies.

ALPA-PAC is active in all of ALPA's legislative activities. Through a strong PAC, ALPA is able to build and expand relationships in

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Congress, helping to create pilot partisan majorities in the House and Senate that lead to ALPA victories, including the new fatigue rules and passage of the Safe Skies Act.

Find out more at [www.ALPA.org/alpapak](http://www.ALPA.org/alpapak). ■



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We are interested in a pro-pilot agenda.  
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