

1 **A BILL**

2
3 To amend title 49, United States Code, to authorize appropriations for the Federal Aviation
4 Administration for fiscal years 2008 through 2010, to improve aviation safety and capacity,
5 to provide stable, cost-based funding for the national aviation system, and for other purposes.
6

7 *Be it enacted by the Senate and House of Representatives of the United States of America*
8 *in Congress assembled,*
9

10 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

11 (a) SHORT TITLE.—This Act may be cited as the “Next Generation Air Transportation
12 System Financing Reform Act of 2007”.

13
14 (b) TABLE OF CONTENTS.—

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16 Sec. 1. Short title; Table of contents.

17 Sec. 2. Amendments to title 49, United States Code.

18 Sec. 3. Effective date.
19

20 Title I—AUTHORIZATIONS

21
22 Sec. 101. Authorizations for General Fund, air traffic functions, safety and operations.

23 Sec. 102. Airport planning and development and noise compatibility planning and programs.

24 Sec. 103. Airline data and analysis.

25 Sec. 104. Office of Commercial Space Transportation.

26 Sec. 105. Transition.
27

28 Title II—USER FEE AUTHORITY

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30 Sec. 201. Fees.

31 Sec. 202. Conforming Amendments.

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Title III—AIRPORT IMPROVEMENT PROGRAM

- Sec. 301. Reform of passenger facility charge authority.
- Sec. 302. Amendments to AIP definitions.
- Sec. 303. Amendments to grant assurances.
- Sec. 304. Government share of project costs.
- Sec. 305. Amendments to allowable costs.
- Sec. 306. Simplification and reform of apportionment formulas.
- Sec. 307. Minimum amount for discretionary fund.
- Sec. 308. Funding of space transportation infrastructure grants program.
- Sec. 309. Repeal of small airport fund.
- Sec. 310. Creation of new small airport set-aside, and repeal of military and reliever airport set-asides.
- Sec. 311. Military Airport Program.
- Sec. 312. Sale of private airport to public sponsor.
- Sec. 313. Sunset of airport security program.
- Sec. 314. Sunset of pilot program for purchase of airport development rights.
- Sec. 315. Extension of grant authority for compatible land use planning and projects by State and local governments.
- Sec. 316. Midway Island Airport.
- Sec. 317. Pilot program for airport takeover of air navigation facilities.
- Sec. 318. ADS-B Support Pilot Program
- Sec. 319. AIP eligibility for Metropolitan Washington Airports Authority.
- Sec. 320. Miscellaneous Amendments.

Title IV—MANAGEMENT AND ORGANIZATION

- Sec. 401. Air Transportation System Advisory Board.
- Sec. 402. Facilitation of Next Generation air traffic services.
- Sec. 403. Clarification of authority to enter into reimbursable agreements.

- 1 Sec. 404. Definition of air navigation facility.
2 Sec. 405. Improved management of property inventory.
3 Sec. 406. Clarification to acquisition reform authority.
4 Sec. 407. Assistance to foreign aviation authorities.
5 Sec. 408. Presidential Rank Award Program.
6 Sec. 409. Realignment and consolidation of aviation facilities and services.
7 Sec. 410. Operational and approach procedures by third parties through delegation.
8 Sec. 411. Judicial review of denial of airman certificates.
9 Sec. 412. Release of data relating to abandoned type certificates and supplemental type
10 certificates.
11 Sec. 413 Design Organization Certificates.
12 Sec. 414. Contract tower program.
13 Sec. 415. Enhanced Oversight of Next Generation Air Transportation System Joint Planning and
14 Development office.

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17 Title V—AVIATION SAFETY, SECURITY, CAPACITY AND CONNECTIVITY
18 IMPROVEMENTS

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- 20 Sec. 501. Disclosure of data to Federal agencies in interest of national security.
21 Sec. 502. FAA access to criminal history records or database systems.
22 Sec. 503. Allocation of operating authorizations at LaGuardia airport.
23 Sec. 504. Pilot program for market-based mechanisms at congested airports.

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26 Title VI—ENVIRONMENTAL STEWARDSHIP AND STREAMLINING

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- 28 Sec. 601. Airport Cooperative Research Program.
29 Sec. 602. State Block Grant Program.
30 Sec. 603. Airport funding of special studies or reviews.
31 Sec. 604. Environmental Mitigation Demonstration Pilot Program.

- 1 Sec. 605. Grant eligibility for assessment of flight procedures.
2 Sec. 606. Research consortium for lower energy, emissions and noise technology partnership.
3 Sec. 607. Amendments to Air Tour Management Program.

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Title VII—AVIATION INSURANCE

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- 7 Sec. 701. General Authority.
8 Sec. 702. Extension of authority to limit third party liability of air carriers arising out of acts of
9 terrorism.
10 Sec. 703. Clarification on reinsurance authority.
11 Sec. 704. Use of independent claims adjusters.
12 Sec. 705. Extension of aviation program authority.

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Title VIII—AVIATION SERVICE IMPROVEMENTS

- 15 Sec. 801. Extension of competitive access reports.
16 Sec. 802. Essential air service reform.
17 Sec. 803. Termination of DOT authority to set international mail rates.
18 Sec. 804. Air carriage of international mail.
19 Sec. 805. Contents of competition plans.
20 Sec. 806. Airport privatization.
21 Sec. 807. Clarification of air carrier fee disputes.
22 Sec. 808. Amendments to chapter 415.

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Title IX—INTERNAL REVENUE CODE AMENDMENTS

25

- 26 Sec. 901. Amendment of 1986 Code.
27 Sec. 902. Modifications to tax on aviation fuel.
28 Sec. 903. Modifications to tax on transportation of persons by air.
29 Sec. 904. Extension of Airport and Airway Trust Fund expenditure authority.

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2 **SEC. 2. AMENDMENTS TO TITLE 49, UNITED STATES CODE.**

3 Except as otherwise expressly provided, whenever in this Act an amendment or repeal is
4 expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference
5 shall be considered to be made to a section or other provision of title 49, United States Code.
6

7 **SEC. 3. EFFECTIVE DATE.**

8 Except as otherwise expressly provided, this Act and the amendments made by this Act
9 shall be effective on the date of enactment.
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12 Title I—AUTHORIZATIONS
13

14 **SEC. 101. AUTHORIZATIONS FOR SAFETY AND OPERATIONS, AIR**
15 **TRAFFIC FUNCTIONS, RESEARCH AND DEVELOPMENT.**

16 (a) IN GENERAL.—Part C of subtitle VII is amended by striking chapter 482 and
17 inserting in lieu thereof the following:
18

19 “CHAPTER 482—AUTHORIZATIONS FOR AIR TRAFFIC FUNCTIONS, SAFETY
20 AND OPERATIONS, AND RESEARCH AND DEVELOPMENT

21 “Sec.

22 “48201. Air Traffic Organization.

23 “48202. Safety and operations.

24 “48203. Civil aviation research and development.

25 “48204. General fund authorization.
26

27 **“§48201. Air Traffic Organization**

28 “(a) AIR TRAFFIC ORGANIZATION ACCOUNT.—On October 1, 2007, the
29 Secretary of the Treasury shall establish on the books of the Treasury a separate account
30 to be known as the “Air Traffic Organization”.

1 “(b) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts from
2 the general fund of the Treasury as authorized in section 48204, not more than a total of
3 the following amounts may be appropriated to the Secretary of Transportation out of the
4 Airport and Airway Trust Fund established under section 9502 of the Internal Revenue
5 Code of 1986 (26 U.S.C. 9502) for capital, operating and overhead costs of providing air
6 traffic control and related services:

7 “(1) \$7,915,516,000 for fiscal year 2008;

8 “(2) \$1,130,000,000 for fiscal year 2009; and

9 “(3) \$1,126,000,000 for fiscal year 2010.

10 “(c) USER FEES.—(1) In addition to amounts authorized under subsection (b),
11 amounts credited to the account established under subsection (a) from fees collected
12 under section 45305 of this title are authorized to be used for capital, operating and
13 overhead costs of providing air traffic control and related services, as well as for the costs
14 related to the assessment and collection of these fees.

15 “(2) Notwithstanding any other provision of law, amounts credited to the account
16 established under subsection (a) shall be used only to carry out the air traffic functions of
17 the Federal Aviation Administration.

18 “(d) AVAILABILITY OF AMOUNTS.—Amounts appropriated under this
19 section shall remain available until expended.

20
21 **“§48202. Safety and operations**

22 “(a) SAFETY AND OPERATIONS ACCOUNT.—On October 1, 2007, the
23 Secretary of the Treasury shall establish on the books of the Treasury a separate account
24 to be known as the “Safety and Operations”.

25 “(b) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts from
26 the general fund of the Treasury as authorized in section 48204, not more than a total of
27 the following amounts may be appropriated to the Secretary of Transportation out of the
28 Airport and Airway Trust Fund established under section 9502 of the Internal Revenue
29 Code of 1986 (26 U.S.C. 9502) for programs, activities and services relating to the
30 Federal Aviation Administration’s safety programs, services to the commercial space
31 industry and other staff support functions:

1 “(1) \$671,594,000 for fiscal year 2008;

2 “(2) \$69,000,000 for fiscal year 2009; and

3 “(3) \$69,000,000 for fiscal year 2010.

4 “(c) USER FEES.—(1) Amounts credited to the account established under
5 subsection (a) from fees collected under sections 45305 and 45306 of this title, are
6 authorized to be used for programs, activities and services relating to the Federal
7 Aviation Administration’s safety programs and other staff support functions, as well as
8 for the costs related to the assessment and collection of these fees.

9 “(2) Notwithstanding any other provision of law, amounts credited to the account
10 established under subsection (a) shall be used only to carry out the safety programs,
11 services to the commercial space industry, and staff support functions of the Federal
12 Aviation Administration.

13 “(d) AVAILABILITY OF AMOUNTS.—Amounts appropriated under this
14 section shall remain available until expended.”.

15
16 **“§ 48203. Civil aviation research and development**

17 “(a) AUTHORIZATION.—In addition to amounts from the general fund of the
18 Treasury as authorized in section 48204, not more than the following amounts may be
19 appropriated out of the Airport and Airway Trust Fund established under section 9502 of
20 the Internal Revenue Code of 1986 (26 U.S.C. 9502), to the Secretary of Transportation
21 for conducting civil aviation research and development under sections 44504, 44505,
22 44507, 44509, and 44511-44513 of this title:

23 “(1) \$122,867,000 for fiscal year 2008;

24 “(2) \$174,000,000 for fiscal year 2009; and

25 “(3) \$174,000,000 for fiscal year 2010.

26 “(b) AVAILABILITY OF AMOUNTS.--Amounts appropriated under this section
27 shall remain available until expended.”.

28
29 **“§ 48204. General Fund Authorization**

30 “Not more than the following amounts may be appropriated under this chapter
31 from the general fund of the Treasury to the Secretary of Transportation for activities or

1 services, the cost of which is not otherwise funded by fees established under chapter 453
2 of this title or by funds made available from the Airport and Airway Trust Fund, related
3 to aviation safety regulation and oversight, research and development, air traffic services
4 provided to military, public or air ambulance aircraft, operation of Flight Service Stations
5 and Automated Flight Service Stations, operation of air traffic control towers at airports
6 with fewer than 100,000 passenger boardings per year, services to the commercial space
7 industry, or other Federal Aviation Administration programs in the general public
8 interest, including the capital, operating, and overhead costs for such activities or
9 services:

- 10 “(1) \$2,618,322,000 for fiscal year 2008;
- 11 “(2) \$2,582,000,000 for fiscal year 2009; and
- 12 “(3) \$2,582,000,000 for fiscal year 2010.”

13
14 (b) CONFORMING AMENDMENT.—The analysis of Part C of Subtitle VII is
15 amended by revising the entry for chapter 482 to read as follows:

16 “482. AUTHORIZATIONS FOR AIR TRAFFIC FUNCTIONS, SAFETY AND
17 OPERATIONS, RESEARCH AND DEVELOPMENT AND GENERAL
18 FUND..... 48201”.

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20
21 **SEC. 102. AIRPORT PLANNING AND DEVELOPMENT AND NOISE**
22 **COMPATIBILITY PLANNING AND PROGRAMS.**

23 (a) AUTHORIZATION.—Section 48103 is amended—

- 24 (1) in the first sentence, by striking “The” and inserting “(a)
- 25 AUTHORIZATION.—The”;
- 26 (2) by striking “September 30, 2003” and inserting “September 30, 2007”;
- 27 (3) by striking paragraphs (1) through (4) and inserting the following:
28 “(1) \$2,750,000,000 for fiscal year 2008;
- 29 “(2) \$2,900,000,000 for fiscal year 2009; and
- 30 “(3) \$3,050,000,000 for fiscal year 2010.”; and
- 31 (4) by inserting at the end the following:

1 “(b) AIRPORT COOPERATIVE RESEARCH PROGRAM.--Not more than
2 \$15,000,000 per year for fiscal years 2008, 2009 and 2010 may be appropriated to the
3 Secretary of Transportation from the amounts made available each year under subsection
4 (a) for the Airport Cooperative Research Program under section 44511 of this title, of
5 which not less than \$5,000,000 per year shall be for research activities related to the
6 airport environment, including reduction of community exposure to civil aircraft noise,
7 reduction of civil aviation emissions, or addressing water quality issues.”.

8 (b) OBLIGATIONAL AUTHORITY.—Section 47104(c) is amended by striking
9 “September 30, 2007” and inserting “September 30, 2010”

10
11 **SEC. 103. AIRLINE DATA AND ANALYSIS.**

12 (a) AUTHORIZATION.--There is authorized to be appropriated to the Secretary
13 of Transportation out of the Airport and Airway Trust Fund established by section 9502
14 of the Internal Revenue Code of 1986 (26 U.S.C. 9502), \$4,000,000 per year for fiscal
15 year 2008, and \$6,000,000 for fiscal years 2009 and 2010 to fund airline data collection
16 and analysis by the Bureau of Transportation Statistics in the Research and Innovative
17 Technology Administration of the Department of Transportation.

18 (b) In fiscal year 2009, the Secretary shall reform, by the most efficient means
19 available, the aviation economic data program for the collection and dissemination of
20 airline traffic and financial data.

21
22 **SEC. 104. OFFICE OF COMMERCIAL SPACE TRANSPORTATION.**

23 Section 70119 is amended—

24 (1) in paragraph (4), by striking “and”;

25 (2) in paragraph (5), by striking “2009.” and inserting “2009; and”; and

26 (3) by inserting at the end:

27 “(6) \$15,224,000 for fiscal year 2010.”.

28
29 **SEC. 105. TRANSITION.**

30 (a) AUTHORIZATION FOR TRANSITION PERIOD.—For the purpose of
31 supporting the transition to a user fee system of financing under chapter 453, not more

1 than \$1,360,000,000 is authorized to be appropriated to the Secretary of Transportation
2 from the general fund of the Treasury to provide services for an initial period of sixty
3 days for which user fees under sections 45305 (air traffic control and related fees) and
4 45306 (registration, certification and related fees) are assessed.

5 (b) FEE SURCHARGE.—The Administrator of the Federal Aviation
6 Administration shall, subject to appropriation in advance, impose and collect a surcharge
7 on the user fees established under sections 45305 and 45306 for fiscal year 2009 in an
8 amount and manner so as to fully recover and return to the general fund in fiscal year
9 2009 the amount used for transition costs under this section.

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11
12 Title II—USER FEE AUTHORITY
13

14 **SEC. 201. FEES**

15 (a) IN GENERAL.--Chapter 453 is amended by adding at the end the following:
16

17 **“Sec. 45305. Air traffic control and related fees**

18 “(a) SCHEDULE OF FEES.—(1) Not later than the date of transition, the
19 Administrator of the Federal Aviation Administration shall establish fees for air traffic
20 control and related activities, services, facilities and equipment provided by, or on behalf
21 of, the Administration in accordance with this section. Except as provided in subsection
22 (c), owners or operators of aircraft in the national airspace system shall pay the fees
23 assessed under this section. The Administrator may establish separate fees for aircraft
24 operating in terminal, enroute, or oceanic airspace.

25 “(2) For purposes of this section and section 45306, “date of transition” means
26 October 1, 2008.

27 “(3) In establishing fees under paragraph (1), the Administrator may establish
28 interim fees for a period not to exceed one year after the date of transition, and may
29 impose a surcharge on such fees in order to recover the full costs of services during the
30 initial period of transition to user fees. The establishment of such interim fees would not
31 be subject to the requirements of subsection (e)(2).

1 “(4) In accordance with this section, the Administrator may periodically modify
2 the fees established under this section either on the Administrator’s own initiative, based
3 on the requirements of the agency or the users of the National Airspace System, or on a
4 recommendation from the Board under subsection (e)(2) of this section.

5 “(b) BASIS FOR FEES; COMPUTATION METHODS.—(1) EN ROUTE AND
6 OCEANIC.—In establishing fees for aircraft operating in en route or oceanic airspace,
7 including fees for aircraft that operate in United States controlled airspace but neither
8 take off from, nor land in, the United States, the Administrator may base the fee on
9 distance traveled, or on any other method that is consistent with the treaties and
10 international agreements to which the United States is a party.

11 “(2) TERMINAL AIRSPACE.—For aircraft operations in terminal airspace, the
12 Administrator may establish a fee with the following elements:

13 “(A) for takeoffs and landings at airports with greater than 100,000
14 passenger boardings per year;

15 “(B) that may be based on the weight of the aircraft;

16 “(C) specifically for aircraft operating in terminal airspace for a large hub
17 airport, as defined by section 40102(a)(29);

18 “(D) specifically for terminal airspace for a large hub airport that varies
19 with the time of day, day of the week, or for a particular large hub airport if the
20 Administrator determines—

21 “(i) that such airspace is congested;

22 “(ii) that such congestion results in whole or in part from the
23 limitation on the capacity of the large hub airport or airports;

24 and

25 “(iii) that establishing such a fee will help reduce delays in the
26 national airspace system; and

27 “(E) a fee that is different for nighttime operations than for daytime operations.

28 “(3) QUANTITATIVE STANDARDS.--For the purpose of the determinations
29 required by paragraphs (b)(2)(D), the Administrator shall issue quantitative
30 standards for the levels of airspace and airport congestion, operating delays, effect
31 of airport delay on national system delay, and feasibility of increasing the

1 capacity of a congested airport, and make such determinations in accordance with
2 those standards.

3 “(4) AIRCRAFT ALTITUDE.--Nothing in this section shall require the
4 Administrator to take into account aircraft altitude in establishing any fee for
5 aircraft operations in terminal, en route or oceanic airspace.

6 “(5) INCENTIVE FOR EQUIPAGE.--The Administrator may establish
7 reduced fees for aircraft that are equipped with avionics whose use the
8 Administrator determines would enhance the safety or efficiency of the National
9 Airspace System if the Administrator finds that such a fee structure would create
10 an incentive for the purchase and installation of such equipment.

11 “(6) RELATION TO COSTS.—The fees established under this section shall
12 be based on the costs to the Administration of providing the air traffic control and
13 related activities, services, facilities, and equipment using the available data
14 derived from the agency’s cost accounting system and cost allocation system to
15 users. For purposes of this section, the term ‘costs’ means those costs associated
16 with the operation, maintenance, debt service, and overhead expenses of the
17 services provided and the facilities and equipment used in such services, including
18 the projected costs for the period during which the services will be provided, but
19 shall not include the cost of providing services to aircraft described in subsection
20 (c).

21 “(7) RESERVE.—The fees that the Administrator establishes under this
22 section may also include amounts sufficient to cover the costs of providing air
23 traffic control and related activities, services, facilities and equipment in the event
24 that receipts are less than projected, whether such a shortfall is caused by a
25 decrease in aircraft operations, delinquent payment of fees by any person, or for
26 another comparable reason.

27 “(8) ANNUAL REVIEW.—The Administrator shall provide for an annual
28 independent review to validate that the agency used actual costs for the year,
29 which were prepared in accordance with generally accepted accounting principles,
30 and compiled those costs in accordance with the agency’s documented cost
31 allocation methodology.

1 “(9) FEES CREDITED AS OFFSETTING COLLECTIONS.—Any fee
2 authorized to be collected under this section shall, subject to appropriation made in
3 advance—

4 “(A) be credited as offsetting collections to the account established under
5 section 48201(a) of this title; and

6 “(B) be available to the Administrator for expenditure only to pay the costs of
7 activities and services for which the fee is imposed, including the costs to
8 determine, assess, review and collect the fee.

9 “(10) EFFECT OF LAW ON FEE COLLECTION.--The Administrator may
10 continue to assess and collect and spend fees established under this section during any
11 period in which the agency’s funding is provided under an Act providing continuing
12 appropriations in lieu of the agency’s regular appropriations.

13 “(c) EXCEPTIONS.--(1) MILITARY AND OTHER PUBLIC AIRCRAFT.—
14 Fees may not be assessed under this section for air traffic control and related services
15 provided to military aircraft, public aircraft (as defined in section 40102 of this subtitle),
16 air ambulance aircraft, or to military or non-commercial civil aircraft of a foreign
17 government.

18 “(2) GENERAL AVIATION OPERATIONS.—Except for fees established for
19 operations in terminal airspace for a large hub airport under subsection (b)(2), no fees
20 may be established under this section for air traffic control and related services provided
21 to aircraft operations using fuel for which a tax was paid under section 4081(a)(2) (except
22 taxes paid at the rate specified in section 4081(a)(2)(C)(i)) of title 26, United States Code.
23 The exception provided by this subparagraph shall cease to be effective if the rate of tax
24 for fuel under section 4081(a)(2) is lower than 70.0 cents per gallon, starting on the date
25 of transition, except if the lower rate is the result of adjustments made under section
26 4081(a)(2) of title 26, United States Code.

27 “(3) FLIGHT PLAN INFORMATION.--Any person required to file a flight plan
28 with the Administration, including operators of flights described in paragraphs (1) and
29 (2), must specify in the plan whether the person is engaged in an operation for
30 compensation or hire, or a general aviation operation, or a military or public aircraft
31 operation, for purposes of this section.

1 “(4) CANADA TO CANADA FLIGHTS.—The Administrator may waive a fee
2 that would otherwise be assessed under this chapter for flights that operate in U.S.-
3 controlled airspace but takeoff and land at an airport in Canada without an intermediate
4 stop outside Canada, if the Administrator determines that not assessing and collecting the
5 fee for such flights would be in the public interest.

6 “(d) ADMINISTRATIVE PROVISIONS.—

7 “(1) FEES PAYABLE TO THE ADMINISTRATOR.--Fees assessed and
8 amounts collected under this section are payable to the Administrator. The Administrator
9 may refund any fee, or portion thereof, paid by mistake in excess of the amount required.

10 “(2) COLLECTION PROCEDURES.--The Administrator shall establish
11 procedures for the collection of fees. These procedures shall establish the frequency of
12 payment, deadlines for payment, a maximum amount of fees that may be outstanding on
13 the account of any person, and such other limitations and conditions as the Administrator
14 determines are necessary to obtain prompt payment of fees.

15 “(3) FAILURE TO PAY REQUIRED FEES.--If the Administrator determines
16 that any person has failed to pay fees when due under this section, or to comply with any
17 limitation or condition on payment under this section, or to provide the Administration
18 with the correct information in the person’s flight plan or by other means regarding the
19 nature of the flight, including whether the person engaged in an operation for
20 compensation or hire or general aviation operation, the Administrator may--

21 “(A) assess interest charges, using a rate equal to 150 percent of a rate
22 determined by the Secretary of the Treasury based on the average of bond
23 equivalent yields on 13-week Treasury bills auctioned during the previous
24 calendar quarter, to be redetermined quarterly, on amounts that have not been paid
25 by the deadline;

26 “(B) change the required payment schedule for such person;

27 “(C) offset any amount of fees owed by withholding any payment
28 otherwise owed or due to the person by the Secretary or the Administrator;

29 “(D) upon 24 hours notice, terminate, reduce, or withhold the provision of
30 non-emergency air traffic control and related services to such person, except that,

1 in any case involving a foreign air carrier, the Administrator shall take such
2 actions as are necessary to comply with applicable international agreements; or

3 “(E) impose a civil penalty for each day amounts remain unpaid, or take
4 other appropriate enforcement action under this subtitle.

5 “(4) ACTION WHEN FUTURE PAYMENT IN JEOPARDY.—If the
6 Administrator reasonably determines that an aircraft owner or operator will not pay its
7 required fees when due, the Administrator may—

8 “(A) change the required payment schedule for such person; or

9 “(B) upon 24 hours notice, terminate, reduce, or withhold the provision of
10 non-emergency air traffic control and related services to such person, except that,
11 in any case involving a foreign air carrier, the Administrator shall take such
12 actions as are necessary to comply with applicable international agreements.

13 “(5) PAYMENT NOT STAYED PENDING REVIEW.--In any case where a
14 person seeks administrative review of the Administrator’s action under this section, the
15 collection of fees from that person may not be stayed pending resolution of the case.

16 “(e) CONSULTATION REQUIREMENTS; APPROVAL OF FEES.—(1) Prior
17 to establishing or modifying fees under this section or section 45306 of this title, the
18 Administrator shall consult with air carriers, including foreign air carriers, consistent with
19 international agreements, and any other persons subject to such fees, and any other
20 member of the public who wishes to file comments. For purposes of the section,
21 ‘consult’ means to afford the opportunity to provide comments to, and have such
22 comments considered by, the Administrator.

23 “(2) Prior to establishing or modifying fees under this section or section 45306 of
24 this title, the Administrator shall consult with and seek the recommendations of the type
25 and level of such fees from the Air Transportation System Advisory Board (hereinafter
26 ‘the Board’) established under section 106(p) of this title. The Board may, from time to
27 time, recommend that the Administrator modify established fees based on the needs of
28 the agency or the users of the National Airspace System. If the Board fails to recommend
29 approval of any fee proposed by the Administrator, or if the Administrator fails to adopt
30 the recommendation of the Board, the Administrator may establish or maintain such fees
31 only after publishing in the Federal Register a written determination setting forth the

1 reasons for the Administrator's establishment or modification of the fees and
2 summarizing the views of the Board.

3 “(3) Any person who is subject to fees established in this section or section 45306
4 of this title, and who objects to the establishment or amount of such fees may appeal that
5 decision exclusively to the Secretary of Transportation. The Secretary may disapprove
6 the establishment or modification of fees if the Secretary finds that the fees--

7 “(A) are not, in the case of fees under this section, based on costs as
8 described in subsection (b)(6);

9 “(B) do not fairly allocate system costs among users who pay fees;

10 “(C) unreasonably discriminate against a particular category of users of
11 the system; or

12 “(D) are not in accordance with the strategic plan of the Administration.

13 “(4) The decision of the Administrator to establish or modify a fee or schedule of
14 fees under this section or section 45306 of this title shall be effective unless disapproved
15 by the Secretary within 60 days after submission of the Administrator's decision to the
16 Secretary. The decision of the Secretary constitutes final agency action and is not subject
17 to judicial review.

18 “(f) EFFECT ON OTHER FEES.—Unless otherwise specified, nothing in this
19 section or section 45306 shall be construed as affecting fees previously authorized and
20 established under this chapter.

21 “(g) EXEMPTION FROM RULEMAKING.--The requirements applicable to
22 developing and issuing rules under title 5, United States Code, shall not apply to the
23 actions of the Secretary, Administrator, or Board under this section.

24 “(h) STATUS OF AIRPORT.—Based on fiscal year 2006 data, the Administrator
25 shall publish a list of airports that meet the criteria for a large hub airport under
26 subsection (b)(2). The Administrator shall periodically update such list. If in the fiscal
27 year during which the list is first published or in any subsequent fiscal year in which the
28 list of airports is updated, an airport meets the criteria for a large hub airport under
29 subsection (b)(2), such airport shall be deemed to remain in such status for three years
30 regardless of fluctuation in the passenger boardings during that time.

31 “(i) DEFINITIONS.—For the purposes of this section—

1 “(1) ‘Air ambulance aircraft’ means—

2 “(A) rotorcraft, which are engaged in an operation to provide
3 emergency medical services; or

4 “(B) fixed-wing aircraft, which are equipped for and exclusively
5 dedicated to providing acute care medical services.

6 “(2) ‘enroute airspace means airspace encompassing Class A and Class E
7 airspace listed in part 71 of title 14 of the Code of Federal Regulations and
8 subpart B of Federal Aviation Administration Order 7400.9N or a successor
9 order;

10 “(3) ‘terminal airspace’ means airspace encompassing Class B, Class C
11 and Class D airspace listed in part 71 of title 14 of the Code of Federal
12 Regulations and subpart B of Federal Aviation Administration Order 7400.9N or
13 a successor order.

14 “(4) ‘oceanic airspace’ means U.S. controlled airspace over an ocean.
15

16 **“§ 45306. Registration, certification and related fees**

17 “(a) IMPOSITION OF REGISTRATION FEES.—On the date of transition, the
18 Administrator shall establish the following fees for the following services or activities:

19 “(1) \$130 for registering an aircraft.

20 “(2) \$45 for replacing an aircraft registration.

21 “(3) \$130 for issuing an original dealer’s aircraft certificate.

22 “(4) \$105 for issuing an additional aircraft certificate.

23 “(5) \$80 for issuing a special registration number.

24 “(6) \$50 for issuing a renewal of a special registration number.

25 “(7) \$130 for recording a security interest.

26 “(8) \$130 for recording a security interest in aircraft parts.

27 “(9) \$50 for issuing an airman certificate.

28 “(10) \$25 for issuing a replacement airman certificate.

29 “(11) \$42 for issuing an airman medical certificate.

30 “(12) \$100 for providing legal title opinions pertaining to aircraft
31 transactions.

1 “(b) ESTABLISHMENT OF CERTIFICATION FEES.—(1) The Administrator
2 shall establish fees for the following services or activities:

3 “(A) The appointment of a designee (other than designated medical
4 examiners).

5 “(B) The appointment of delegated organizations.

6 “(C) The training of a designee.

7 “(D) The issuance of a certificate to a flight school under Part 141 of title
8 14 of the Code of Federal Regulations.

9 “(E) The issuance of a certificate to a training center under Part 142 of title
10 14 of the Code of Federal Regulations.

11 “(F) The issuance of a certificate to a large domestic repair station under
12 part 145 of title 14 of the Code of Federal Regulations.

13 “(G) The issuance of a certificate to a medium domestic repair station
14 under part 145 of title 14 of the Code of Federal Regulations.

15 “(H) The issuance of a certificate to a small domestic repair station under
16 part 145 of title 14 of the Code of Federal Regulations.

17 “(I) The issuance of a certificate to a large foreign repair station under part
18 145 of title 14 of the Code of Federal Regulations.

19 “(J) The issuance of a certificate to a medium foreign repair station under
20 part 145 of title 14 of the Code of Federal Regulations.

21 “(K) The issuance of a certificate to a small foreign repair station under
22 part 145 of title 14 of the Code of Federal Regulations.

23 “(L) The issuance of a certificate to a maintenance technical school under
24 part 147 of title 14 of the Code of Federal Regulations.

25 “(M) Training provided to foreign aviation authorities.

26 “(2) RELATION TO COSTS.—The fees that the Administrator establishes and
27 assesses under this section, shall be based on the costs to the Administration of providing
28 such activities and services using the available data derived from the agency’s cost
29 accounting system and cost allocation system to users. For purposes of this section, the
30 term ‘costs’ shall mean those costs associated with capital, operation and maintenance,

1 and overhead, including the projected costs for the period during which the services are
2 provided.

3 “(c) FEES FOR OTHER SERVICES.--The Administrator may establish and
4 collect such additional fees as may be necessary to cover the cost of aviation certification,
5 regulation, and related services not enumerated in subsection (b), including any
6 additional cost of providing services outside the United States.

7 “(d) FEES CREDITED AS OFFSETTING COLLECTIONS.—(1) Any fee
8 authorized to be collected under this section shall, subject to appropriation made in
9 advance—

10 “(A) be credited as offsetting collections to the account established under
11 section 48202(a) of this title; and

12 “(B) be available for expenditure only to pay the costs of activities and services
13 for which the fee is imposed, including the costs to determine, assess, review and
14 collect the fee.

15 “(2) The Administrator may continue to assess and collect and spend fees
16 established under this section during any period in which the agency’s funding is
17 provided under an Act providing continuing appropriations in lieu of the agency’s
18 regular appropriations.

19 “(e) ADJUSTMENTS.—The Administrator shall periodically adjust the fees
20 established by subsections (a) or (b) in the following circumstances--

21 “(1) to account for changes in the Consumer Price Index of All Urban Consumers
22 published by the Secretary of Labor;

23 “(2) when data reveal that the cost of providing the service is higher or lower than
24 the cost data that was used to establish the fee then in effect; or

25 “(3) when the Board recommends an adjustment in the fees, in accordance with
26 the procedures under subsection (g).

27 “(f) ADMINISTRATIVE PROVISIONS. –

28 “(1) FEES PAYABLE TO THE ADMINISTRATOR.--All fees assessed and
29 amounts collected under this section are payable to the Administrator. The Administrator
30 may refund any fee, or portion thereof, paid by mistake in excess of the amount required.

1 “(2) COLLECTION PROCEDURES.--The Administrator shall establish
2 procedures for the collection of fees. These procedures shall establish the frequency of
3 payment, deadlines for payment, a maximum amount of fees that may be outstanding on
4 the account of any person, and such other limitations and conditions as the Administrator
5 determines are necessary to obtain prompt payment of fees.

6 “(3) FAILURE TO PAY REQUIRED FEES.--If the Administrator determines
7 that any person has failed to pay fees when due under this section or to comply with any
8 limitation or condition on payment under this section, the Administrator may--

9 “(A) assess interest charges, using a rate equal to 150 percent of a rate
10 determined by the Secretary of the Treasury based on the average of bond
11 equivalent yields on 13-week Treasury bills auctioned during the previous
12 calendar quarter, to be redetermined quarterly, on amounts that have not been paid
13 by the deadline;

14 “(B) change the required payment schedule for such person;

15 “(C) upon 24 hours notice to the person, terminate, reduce or withhold
16 non-emergency services or in any case involving a foreign air carrier, the
17 Administrator shall take such actions as are necessary to comply with applicable
18 international agreements; or

19 “(D) impose a civil penalty for each day amounts remain unpaid, or take
20 other appropriate enforcement action under this subtitle.

21 “(4) ACTION WHEN FUTURE PAYMENT IN JEOPARDY.—If the
22 Administrator reasonably determines that a person will not pay its required fees when
23 due, the Administrator may—

24 “(A) change the required payment schedule for such person; or

25 “(B) upon 24 hours notice, terminate, reduce, or withhold non-emergency
26 services to such person, except that, in any case involving a foreign air carrier, the
27 Administrator shall take such actions as are necessary to comply with applicable
28 international agreements.

29 “(5) PAYMENT NOT STAYED PENDING REVIEW.--In any case where a
30 person seeks administrative review of the Administrator’s action under this section, the
31 collection of fees from that person may not be stayed pending resolution of the case.

1 “(g) PROCEDURE FOR IMPOSITION OF FEES.—In establishing or modifying
2 fees under this section, the procedures and requirements of section 45305(e) of this title
3 shall apply.

4 “(h) EXEMPTION FROM RULEMAKING.-- The requirements applicable to
5 developing and issuing rules under title 5, United States Code, shall not apply to the
6 actions of the Secretary, Administrator, or Board under this section.

7
8 **“§ 45307. Rules of construction**

9 Notwithstanding any other law, the fees computed, established, assessed,
10 modified or approved under this chapter shall be governed by the provisions of this
11 chapter and not the provisions of section 9701 of title 31.

12
13 **“§ 45308. Borrowing authority.**

14 “(a) IN GENERAL.—(1) In order to support the transition to the Next Generation
15 Air Transportation System, in fiscal years 2013 through 2017 the Secretary of
16 Transportation is authorized to issue obligations to the Secretary of the Treasury to
17 finance capital investments in the facilities and equipment of the air traffic control system
18 to be owned and operated by the Federal Aviation Administration. The Secretary of the
19 Treasury, in the Secretary’s discretion, may purchase any such obligations, provided that
20 the Secretary first determines that there is reasonable assurance of repayment of such
21 obligations.

22 “(2) The Secretary shall not issue any obligations under paragraph (1) without
23 first obtaining approval by the Director of the Office of Management and Budget of the
24 issuance of such obligations and proposed investments to be financed.

25 “(b) CONDITIONS AND LIMIT ON INDEBTEDNESS.--Obligations issued
26 under this section shall be in such forms and denominations, bear such maturities, and
27 shall be subject to such terms and conditions as may be prescribed by the Secretary of the
28 Treasury. The aggregate amount of all such obligations shall not exceed \$5,000,000,000
29 and all obligations shall be repaid by the Secretary of Transportation by the end of fiscal
30 year 2017.

1 “(c) USER FEE INCREASE.--Upon the issuance of obligations under paragraph
2 (1), the Secretary of Transportation shall increase the user fees authorized in sections
3 45305 and 45306 in each of the fiscal years 2013 to 2017 in the amounts required to
4 repay such obligations with interest, and such payments shall have first priority in the use
5 of fees collected during this period. This increase in user fees shall not be treated as
6 discretionary offsetting collections and shall only be used to repay the obligations
7 incurred under paragraph (1).

8 “(d) INTEREST RATE.--The interest rate on obligations issued under this section
9 shall be a rate determined by the Secretary of the Treasury, taking into consideration the
10 current market yields on outstanding marketable obligations of the United States of
11 comparable maturity, plus a surcharge, determined by the Secretary of the Treasury, to be
12 sufficient to cover any potential losses and the administrative costs associated with the
13 obligations. Any surcharges for administrative costs collected by the Secretary of the
14 Treasury shall be credited to the appropriation account which incurred the cost.

15 “(e) PURCHASE OF OBLIGATIONS.--For the purposes of purchasing
16 obligations under subsection (a), the Secretary of the Treasury may use as a public debt
17 transaction the proceeds from the sale of any securities issued under chapter 31 of title
18 31, United States Code, and the purposes for which securities may be issued under such
19 chapter are extended to include any purchase of such obligations under this subsection.”.

20
21 (b) CONFORMING AMENDMENT.—(1) The analysis of chapter 453 is
22 amended—

23 (A) by inserting in the title after “FEES”, “AND FINANCING”;

24 (B) by adding at the end the following:

25 “45305. Air traffic control and related fees.

26 “45306. Certification, registration, and related fees.

27 “45307. Rules of construction.

28 “45308. Borrowing authority.”.

29 (2) The analysis of Part A of subtitle VII is amended by revising the entry for
30 chapter 453 to read as follows:

31 “453. FEES AND FINANCING45301 (reserved)”.

1
2 **SEC. 202. CONFORMING AMENDMENTS.**

3 (a) CIVIL PENALTIES.--Section 46301 is amended—

4 (1) in paragraph (a)(1)(A), by inserting “chapter 453,” before “section
5 47107(b)”;

6 (2) in paragraph (a)(5), by

7 (A) striking “or chapter 449” and inserting “chapter 449”; and

8 (B) striking “44907-44909” and inserting “44907-44909), or

9 chapter 453”.

10 (b) FEES FOR OVERFLIGHTS, FOREIGN SERVICES AND SERVICES TO
11 GENERAL AVIATION.—Effective October 1, 2008, sections 45301 and 45302 are
12 repealed.

13 (c) ADMINISTRATIVE PROVISIONS.—Effective October 1, 2008, in section
14 45303—

15 (1) subsections (a), (b) and (c) are repealed; and

16 (2) subsections (d), (e) and (f) are redesignated as (a), (b) and (c)
17 respectively.

18
19
20 Title III--AIRPORT IMPROVEMENT PROGRAM AMENDMENTS

21
22 **SEC. 301. REFORM OF PASSENGER FACILITY CHARGE AUTHORITY.**

23 (a) BROADENING ELIGIBILITY.—(1) Section 40117 is amended—

24 (A) in the title, by striking “fees” and inserting “charges”;

25 (B) in subsection (a)(3), by striking paragraphs (A) through (G) and inserting:

26 “(A) A project for capital costs of the airport or local airport system under section
27 47107(b)(1)(A) and (B).

28 “(B) A project for capital costs of a local facility that is directly and substantially
29 related to air transportation of passengers or property and that is available for public use
30 under section 47107(b)(1)(C).”;

31 (C) by revising paragraph (a)(4) to read as follows:

1 “(4) INTERMODAL GROUND ACCESS PROJECT.—The term “intermodal
2 ground access project” means a local facility that is directly and substantially related to
3 the movement of passengers or property in the form of a fixed guideway system (as
4 defined in section 5302 of this title), that is a component of a fixed guideway system that
5 provides transportation services to the general public or that connects to such a fixed
6 guideway system.”;

7 (D) in paragraph (a)(5), by striking “FEE” or “fee” each time it appears and
8 inserting “CHARGE” or “charge”, respectively;

9 (E) in paragraph (a)(6), by striking “fee.” and inserting “charge.”.

10 (2) CONFORMING AMENDMENTS.—(A) Section 47107(b)(1)(C) is amended
11 to read as follows:

12 “(C) any other local facility that is directly and substantially related to air
13 transportation of passengers or property and that is available for public use.”.

14 (B) Section 47133(a)(3) is amended to read as follows:

15 “(3) any other local facility that is directly and substantially related to air
16 transportation of passengers or property and that is available for public use.”.

17 (b) INCREASE IN PFC MAXIMUM LEVEL.—Section 40117(b) is amended—
18 (1) in paragraph (1)—

19 (A) by striking “The Secretary of Transportation may authorize
20 under this section an eligible agency to” and inserting “An eligible agency
21 may”;

22 (B) by striking “fee” both times it appears and inserting “charge”;

23 (C) by striking “or \$3” and inserting “\$3, \$4, \$4.50, \$5, \$6”; and

24 (D) by inserting at the end, “An eligible agency that is approved by
25 the Administrator to participate in the pilot program established under
26 section 44518 of this title may impose a passenger facility charge of \$7.”;

27 (2) in paragraph (2), by inserting “directly or indirectly” before “regulate”;

28 (3) in paragraph (3), by striking “fee” and inserting “charge”; and

29 (4) by striking paragraphs (4), (5) and (6).

30 (c) PASSENGER FACILITY CHARGE STREAMLINING.—Section 40117(c)
31 is revised to read as follows:

1 “(c) PROCEDURAL REQUIREMENTS FOR IMPOSITION OF PASSENGER
2 FACILITY CHARGE.—(1) An eligible agency must submit to those air carriers and
3 foreign air carriers operating at the airport with a significant business interest, as defined
4 in paragraph (3), and to the Secretary and make available to the public annually a report,
5 in the form required by the Secretary, on the status of the eligible agency’s passenger
6 facility fee program, including the following:

7 “(A) the total amount of program revenue held by the agency at the
8 beginning of the twelve months covered by the report;

9 “(B) the total amount of program revenue collected by the agency during
10 the period covered by the report;

11 “(C) the amount of expenditures with program revenue made by the
12 agency on each eligible airport-related project during the period covered by the
13 report;

14 “(D) each airport-related project for which the agency plans to collect and
15 use program revenue during the next twelve-month period covered by the report,
16 including the amount of revenue projected to be used for such project;

17 “(E) the level of program revenue the agency plans to collect during the
18 next twelve-month period covered by the report;

19 “(F) a description of the notice and consultation process with air carriers
20 and foreign air carriers under paragraph (3), and with the public under paragraph
21 (4), including a copies of any adverse comments received and how the agency
22 responded; and

23 “(G) any other information on the program that the Secretary may require.

24 “(2) IMPLEMENTATION.—Subject to the requirements of paragraphs (3) and
25 (4), (5) and (6), the eligible agency may implement the planned collection and use of
26 passenger facility charges in accordance with its report upon filing the report as required
27 in paragraph (1).

28 “(3) CONSULTATION WITH CARRIERS FOR NEW PROJECTS.—(A) An
29 eligible agency proposing to collect or use passenger facility charge revenue for a project
30 not previously approved by the Secretary or not included in a report required by
31 paragraph (1) that was submitted in a prior year, or an eligible agency proposing to

1 increase the level of the passenger facility charge to be collected at the airport, must
2 provide to air carriers and foreign air carriers operating at the airport reasonable notice,
3 and an opportunity to comment on the planned collection and use of program revenue
4 before providing the report required under paragraph (1). The Secretary shall prescribe
5 by regulation what constitutes reasonable notice under this paragraph, which shall at a
6 minimum include--

7 “(i) that the eligible agency provide to air carriers and foreign air
8 carriers operating at the airport written notice of the planned collection and
9 use of passenger facility charge revenue;

10 “(ii) that the notice include a full description and justification for a
11 proposed project;

12 “(iii) a detailed financial plan for the proposed project; and

13 “(iv) the proposed level for the passenger facility charge.

14 “(B) An eligible agency providing notice and an opportunity for comment
15 shall be deemed to have satisfied the requirements of this paragraph if the eligible
16 agency provides such notice to air carriers and foreign air carriers that have a
17 significant business interest at the airport. For purposes of this paragraph, the
18 term “significant business interest” means an air carrier or foreign air carrier
19 that—

20 “(i) had not less than 1.0 percent of passenger boardings at the
21 airport in the prior calendar year;

22 “(ii) had at least 25,000 passenger boardings at the airport in the
23 prior calendar year; or

24 “(iii) provides scheduled service at the airport.

25 (C) Not later than 45 days after written notice is provided under
26 subparagraph (A), each air carrier and foreign air carrier may provide written
27 comments to the eligible agency indicating its agreement or disagreement with the
28 project or, if applicable, the proposed level for a passenger facility charge.

29 “(D) The eligible agency may include, as part of the notice and comment
30 process, a consultation meeting to discuss the proposed project or, if applicable,
31 the proposed level for a passenger facility charge. If the agency provides a

1 consultation meeting, the written comments specified in subparagraph (C) shall be
2 due not later than 30 days after the meeting.

3 “(4) PUBLIC NOTICE AND COMMENT.--(A) An eligible agency proposing to
4 collect or use passenger facility charge revenue for a project not previously approved by
5 the Secretary or not included in a report required by paragraph (1) that was filed in a prior
6 year, or an eligible agency proposing to increase the level of the passenger facility charge
7 to be collected, must provide reasonable notice and an opportunity for public comment on
8 the planned collection and use of program revenue before providing the report required in
9 paragraph (1).

10 “(B) The Secretary shall prescribe by regulation what constitutes
11 reasonable notice under this paragraph, which shall at a minimum require--

12 “(i) that the eligible agency provide public notice of intent to collect
13 a passenger facility charge so as to inform those interested persons and
14 agencies that may be affected;

15 “(ii) appropriate methods of publication, which may include notice
16 in local newspapers of general circulation or other local media, or posting of
17 the notice on the agency’s internet website; and

18 “(iii) submission of public comments no later than 45 days after the
19 date of the publication of the notice.

20 “(5) OBJECTIONS.--(A) Any interested person may file with the Secretary a
21 written objection to a proposed project or to a proposed increase in the level of a
22 passenger facility charge included in a notice under this paragraph provided that the filing
23 is made within 30 days after submission of the report specified in paragraph (1).

24 “(B) The Secretary shall provide not less than 30 days for the eligible agency to
25 respond to any filed objection.

26 “(C) Not later than 90 days after receiving the eligible agency’s response to a filed
27 objection, the Secretary shall make a determination whether or not to terminate authority
28 to collect the passenger facility charge for the project or at the increased level, based on
29 the filed objection. The Secretary shall state the reasons for any determination. The
30 Secretary may only terminate authority if—

31 “(i) the project is not an eligible airport related project;

1 “(ii) the eligible agency has not complied with the requirements of this
2 section or the Secretary’s implementing regulations in proposing the project;

3 “(iii) the eligible agency has been found to be in violation of section
4 47107(b) of this title and has failed to take corrective action, prior to the filing of
5 the objection; or

6 “(iv) in the case of a proposed increase in the passenger facility charge
7 level, the level is not authorized by this section.

8 “(D) Upon issuance of a decision terminating authority, the public agency shall
9 prepare an accounting of passenger facility revenue collected under the terminated
10 authority and restore the funds for use on other authorized projects.

11 “(E) Except as provided in paragraph (C), the eligible agency may implement the
12 planned collection and use of a passenger facility charge in accordance with its report
13 upon filing the report as specified in paragraph (1)(A).

14 “(6) APPROVAL REQUIREMENT FOR INTERMODAL GROUND ACCESS
15 PROJECT.—(A) An eligible agency may not collect or use a passenger facility charge to
16 finance an intermodal ground access project, unless the project is first approved by the
17 Secretary in accordance with this paragraph.

18 “(B) The eligible agency may submit to the Secretary an application for
19 authority to impose a passenger facility charge for an intermodal ground access
20 project. The application shall contain information and be in the form that the
21 Secretary may require by regulation but, at a minimum, must include copies of
22 any comments received by the agency during the comment period described by
23 subparagraph (C).

24 “(C) Before submitting an application under this paragraph, an eligible
25 agency must provide air carriers and foreign air carriers operating at the airport,
26 and the public, reasonable notice of and an opportunity to comment on a proposed
27 intermodal ground access project. Such notice and opportunity to comment shall
28 conform to the requirements of paragraphs (3) and (4).

29 “(D) After receiving an application, the Secretary may provide air carriers,
30 foreign air carriers and other interested persons notice and an opportunity to

1 comment on the application. The Secretary shall make a final decision on the
2 application not later than 120 days after receiving it.”.

3 (d) CONFORMING CHANGES.—(1) CORRECTION.--In subsections (d)
4 through (m) of section 40117, by—

5 (A) striking “fee” or “fees” wherever the terms appear and inserting
6 “charge” or “charges”, respectively; and

7 (B) striking “FEE” or “FEES” wherever the terms appear and inserting
8 “CHARGE” or “CHARGES”, respectively.

9 (2) LIMITATIONS ON APPROVING APPLICATIONS.--Section 40117(d) is
10 amended—

11 (A) in the first sentence, by striking “subsection (c) of this section to
12 finance a specific” and inserting “subsection (c)(6) of this section to finance an
13 intermodal ground access”;

14 (B) in paragraph (1), by—

15 (i) striking “fee” and inserting “charge”; and

16 (ii) striking “specific”;

17 (C) by revising paragraph (2) to read as follows:

18 “(2) the project is an eligible airport-related project; and”;

19 (E) in paragraph (3), by striking “each of the specific projects; and” and
20 inserting “the project.”; and

21 (F) by striking paragraph (4).

22 (3) LIMITATIONS ON IMPOSING FEES.—Section 40117(e)(1) is amended to
23 read as follows:

24 “An eligible agency may impose a passenger facility charge only subject to terms
25 the Secretary may prescribe to carry out the objectives of this section.”.

26 (4) LIMITATIONS ON CONTRACTS, LEASES, AND USE AGREEMENTS.—
27 Section 40117(f)(2) is amended—

28 (A) by striking “long-term”; and

29 (B) by striking “Secretary.” and inserting “Secretary, except a project for
30 replacement of baggage conveyer systems and reconfiguration of terminal

1 baggage areas that the Secretary determines are necessary to install bulk explosive
2 detection devices.”.

3 (5) COMPLIANCE.—Section 40117(h) is amended—

4 (A) by inserting a new paragraph (3) as follows:

5 “(3) The Secretary may, on complaint of an interested person or on the
6 Secretary’s own initiative, conduct an investigation into an eligible agency’s
7 collection and use of passenger facility charge revenue to determine whether a
8 passenger facility charge is excessive or that passenger facility revenue is not
9 being used as provided in this section. The Secretary shall prescribe regulations
10 establishing procedures for complaints and investigations. The regulations may
11 provide for the issuance of a final agency decision without resort to an oral
12 evidentiary hearing. The Secretary shall not accept complaints filed under this
13 paragraph until after the issuance of regulations establishing complaint
14 procedures.”; and

15 (B) by redesignating paragraph (3) as paragraph (4).

16 (6) PILOT PROGRAM FOR PFC AT NONHUB AIRPORTS.—Section 40117(l)
17 is amended—

18 (A) in paragraph (2), by striking “(c)(2)” and inserting “(c)(3)”; and

19 (B) in paragraph (7), by striking “date that is 3 years after the date of
20 issuance of regulations to carry out this subsection.” and inserting “date of
21 issuance of regulations to carry out subsection (c) of this section, as amended by
22 the Next Generation Air Transportation System Financing Reform Act of 2007.”.

23 (7) PROHIBITION ON APPROVING PFC APPLICATIONS FOR AIRPORT
24 REVENUE DIVERSION.—Section 47111(e) is amended in the first sentence by striking
25 from “sponsor, and withhold approval of any new application to impose a fee under
26 section 40117.” through the end of the subsection, and inserting “ sponsor. A sponsor
27 shall not propose collection or use of passenger facility charges for any new projects
28 under section 40117(c)(3)-(6) unless the Secretary determines that the sponsor has taken
29 corrective action to address the violation and the violation no longer exists.”.

30
31 **SEC. 302. AMENDMENTS TO AIP DEFINITIONS.**

1 Section 47102 is amended—

2 (1) in subsection (3),

3 (A) in clause (B)(iv), by striking “20” and inserting “9”; and

4 (B) by adding at the end, the following:

5 “(M) construction of mobile refueler parking within a fuel farm at
6 a nonprimary airport meeting the requirements of section 112.8 of title 40
7 of the Code of Federal Regulations.

8 “(N) terminal development subject to the provisions of section
9 47119.”;

10 (2) by inserting the following new paragraph (8) and redesignating
11 paragraphs (8) through (22) as paragraphs (9) through (23), respectively:

12 “(8) a “general aviation airport” means a public airport in a State that the
13 Secretary determines—

14 “(A) does not have scheduled service; or

15 “(B) has scheduled service with less than 2,500 passenger
16 boardings each year.”;

17 (3) by inserting the following new paragraph (24) and redesignating
18 paragraphs (23) through (25) as (25) through (27), respectively:

19 “(24) “revenue producing aeronautical support facilities” means new fuel
20 farms, new hangar buildings, self-service credit card aeronautical fueling systems,
21 airplane wash racks, major rehabilitation of a hangar owned by a sponsor, or other
22 aeronautical support facilities that the Secretary determines will increase the
23 revenue producing ability of the airport.”; and

24 (4) by inserting at the end the following new paragraph (28):

25 “(28) “terminal development” means--

26 “(A) development of an airport passenger terminal building, including
27 terminal gates, access roads servicing exclusively airport traffic that leads
28 directly to or from a terminal building, and walkways that lead directly to or
29 from a terminal building; and

30 “(B) the cost of a vehicle under section 47119(a) of this title.”.

31

1 **SEC. 303. AMENDMENTS TO GRANT ASSURANCES.**

2 Section 47107 is amended—

3 (1) in clause (a)(16)(D)(ii), by striking “made;” and inserting “made,
4 except that, if there is a change in airport design standards that the Secretary
5 determines is beyond the owner or operator’s control that requires the relocation
6 or replacement of an existing airport facility, the Secretary, upon the request of
7 the owner or operator, may grant funds available under section 47114 to pay the
8 cost of relocating or replacing such facility.”; and

9 (2) in clause (c)(2)(A)(iii), by striking from “paid to the Secretary”
10 through the end of the clause, and inserting:

11 “reinvested in another project at the airport or transferred to another
12 airport as the Secretary prescribes. In approving the reinvestment or transfer of
13 such proceeds, the Secretary shall give preference, in descending order, to the
14 following actions:

15 “(I) reinvestment in an approved noise compatibility project;

16 “(II) reinvestment in an approved project that is eligible for funding under
17 section 47117(e);

18 “(III) reinvestment in an airport development project that is eligible for
19 funding under sections 47114, 47115 or 47117 and meets the requirements of this
20 chapter;

21 “(IV) transfer to another an sponsor of another public airport to be
22 reinvested in an approved noise compatibility project at such airport; and

23 “(V) payment to the Secretary for deposit in the Airport and Airway Trust
24 Fund established under section 9502 of the Internal Revenue Code of 1986 (26
25 U.S.C. 9502);”.

26
27 **SEC. 304. GOVERNMENT SHARE OF PROJECT COSTS.**

28 Section 47109 is amended—

29 (1) in subsection (a) by—

30 (A) by striking “subsection (b) or subsection (c)” and inserting
31 “subsections (b), (c) or (e)”;

1 (B) by striking “is—” and inserting “may not exceed—”;

2 (C) by striking paragraphs (1) and (2) and adding the following
3 new paragraphs:

4 “(1) 50 percent for an airfield pavement rehabilitation project for runways,
5 taxiways or aircraft aprons at a large hub or medium hub primary airport, as defined in
6 section 47102;

7 “(2) 75 percent for other approved airport development projects at a large hub or
8 medium hub primary airport, as defined in section 47102;

9 “(3) 95 percent for a project funded by a grant issued to a nonprimary airport that
10 is not apportioned funds under section 47114 of this title;”;

11 (D) by redesignating paragraphs (3), (4) and (5) as paragraphs (4),
12 (5), and (6); and

13 (2) in subsection (f), by striking “47118(f)” and inserting “47118(e)”; and

14 (3) by adding at the end the following:

15 “(e) SPECIAL RULE FOR TRANSITION FROM SMALL HUB TO MEDIUM
16 HUB STATUS.—If the status of a small hub primary airport changes to a medium hub
17 primary airport, the United States Government’s share of allowable project costs for the
18 airport may not exceed 90 percent for two fiscal years following such change in hub
19 status.”.

21 **SEC. 305. AMENDMENTS TO ALLOWABLE COSTS.**

22 Section 47110 is amended—

23 (1) by revising subsection (d) to read as follows:

24 “(d) RELOCATION OF AIRPORT-OWNED FACILITIES.—The Secretary may
25 determine that the costs of relocating or replacing an airport-owned facility are allowable
26 for an airport development project at an airport only if—

27 “(1) the Government’s share of such costs is paid with funds apportioned to the
28 airport sponsor under sections 47114(c)(1) or 47114(d)(2);

29 “(2) the Secretary determines that the relocation or replacement is required due to
30 a change in the Secretary’s design standards; and

1 “(3) the Secretary determines that the change is beyond the control of the airport
2 sponsor.”;

3 (2) in subsection (h) by striking “facilities, including fuel farms and
4 hangars,” and inserting “facilities, as defined by section 47102.”.

5
6 **SEC. 306. SIMPLIFICATION AND REFORM OF APPORTIONMENT**
7 **FORMULAS.**

8 Section 47114 is amended—

9 (1) in subsection (c)(1)--

10 (A) in subparagraph (A), by striking “primary airport” and inserting
11 “small hub and nonhub primary airport”;

12 (B) in clause (A)(i), by striking “\$7.80” and inserting “\$15.60”;

13 (C) in clause (A)(ii), by striking “\$5.20” and inserting “\$10.40”;

14 (D) in clause (A)(iii), by striking “\$2.60” and inserting “\$5.20”;

15 (E) in clause (A)(iv), by striking “\$.65” and inserting “\$1.30”;

16 (F) in clause (A)(v), by striking “\$.50” and inserting “\$1.00”;

17 (G) in subparagraph (B), by striking “\$650,000” and all that follows
18 through the end of the sentence and inserting “\$1,000,000 nor more than
19 \$26,000,000 may be apportioned under subparagraph (A) of this paragraph to an
20 airport sponsor of each large hub and medium hub primary airport for fiscal years
21 2008 and 2009, and to each airport sponsor for a small hub and nonhub primary
22 airport for each fiscal year.”

23 (H) by amending subparagraph (C) to read as follows:

24 “(C) TRANSITIONAL RULE FOR LARGE AND MEDIUM HUB
25 AIRPORTS.—In fiscal years 2008 and 2009, the Secretary shall apportion to each
26 large and medium hub airport an amount equal to 50 percent of the amount that is
27 calculated using the formulas set forth in subparagraph (A).”;

28 (I) in subparagraph (D), by striking “(B) or (C), as appropriate,” and
29 inserting “(B)”;

30 (J) by striking subparagraph (F) and redesignating subparagraph (G) as
31 subparagraph (F);

1 (2) in subsection (c)(2)—

2 (A) in subparagraph (A), by striking “(D),” and inserting “(C),”; and

3 (B) by striking subparagraph (C) and redesignating subparagraphs (D) and
4 (E) as (C) and (D), respectively;

5 (3) in subsection (d)—

6 (A) in subparagraph (2), by—

7 (i) striking “18.5 percent” and inserting “10 percent”; and

8 (ii) adding a new paragraph at the end as follows:

9 “(D) MINIMUM APPORTIONMENT.—In any fiscal year in which the total
10 amount made available for apportionment under this subsection is less than
11 \$300,000,000, the Secretary shall reduce, on a prorated basis, the amount to be
12 apportioned under subparagraph (d)(3)(A) of this section, and make such reduction
13 available to be apportioned under this subsection, so as to meet a minimum
14 apportionment of \$300,000,000.”; and

15 (B) by revising subparagraph (3) to read as follows:

16 “(3) NONPRIMARY AIRPORTS.--Except as provided in subsection (2)(D), the
17 Secretary shall each fiscal year apportion—

18 “(A) to each airport, excluding primary airports but including reliever and
19 nonprimary commercial service airports—

20 “(i) \$400,000 to each airport that is either a nonprimary commercial
21 service airport or a reliever or that is a nonprimary airport having 100 or more
22 operational registered based aircraft;

23 “(ii) \$200,000 to each airport that is a nonprimary airport (other than a
24 nonprimary commercial service or reliever airport), having 50 and 99 operational
25 registered based aircraft, or three or more operational registered based jet aircraft;
26 and

27 “(iii) \$100,000 to each airport that is a nonprimary airport (other than a
28 nonprimary commercial service airport or a reliever airport), and has 10 to 49
29 operational, registered based aircraft.

30 “(B) For purposes of subparagraph (A), the terms “operational registered based
31 aircraft” or “operational registered based jet aircraft” shall be as defined in the Federal

1 Aviation Administration’s National Flight Data Center Airport Data Base or in a
2 comparable, updated agency database.”;

3 (4) subsection (e) is amended—

4 (A) in subparagraph (1)(B), by inserting “twice” before “the minimum”;
5 and

6 (B) by striking paragraph (4);

7 (5) in subsection (f)(1)—

8 (A) by striking “ in a fiscal year to the sponsor of an airport having at least
9 .25 percent of the total number of boardings each year in the United States” and
10 inserting “in fiscal years 2008 and 2009 to a sponsor of a large hub or medium
11 hub airport”;

12 (B) in subparagraph (B), by striking “\$3.00,” and inserting “\$3.00, but not
13 more than \$4.50,”; and

14 (C) by adding a new subparagraph at the end as follows:

15 “(C) in the case of a passenger facility charge of more than \$4.50, 100
16 percent of the projected revenues from the charge in the fiscal year but not by
17 more than 100 percent of the amount that otherwise would be apportioned under
18 this section.”;

19 (D) by striking “fee” each place it appears and inserting “charge”;

20 (6) in subsection (f)(2), by striking “fee” each time it appears and inserting
21 “charge”; and

22 (7) by adding at the end the following:

23 “(g) ENVIRONMENTAL SET-ASIDE.—(1) The Secretary may apportion at
24 least 8 percent of the amount subject to apportionment for each fiscal year for grants
25 for—

26 “(A) airport noise compatibility planning under section 47505(a)(2);

27 “(B) carrying out noise compatibility programs under section 47504(c);

28 “(C) noise mitigation projects approved in an environmental record of
29 decision for an airport development project under this title;

30 “(D) for compatible land use planning projects carried out by State and
31 local governments under section 47141;

1 “(E) for airport development described in section 47102(3)(F),
2 47102(3)(K) or 47102(3)(L) to comply with the Clean Air Act (42 U.S.C. 7401 et
3 seq.);

4 “(F) for water quality mitigation projects to comply with the Clean Water
5 Act (33 U.S.C. 1251 et seq.) approved in an environmental record of decision for
6 an airport development project under this title; and

7 “(G) for carrying out an environmental mitigation demonstration project
8 under section 47143 of this title.

9 (2) The Secretary may count the amount of grants made for such planning and
10 programs with funds apportioned under section 47114 in that fiscal year in determining
11 whether or not such 8 percent requirement is being met in that fiscal year.”.

12

13 **SEC. 307. MINIMUM AMOUNT FOR THE DISCRETIONARY FUND.**

14 Section 47115(g)(1) is amended by striking from “sum of—” through the end of
15 clause (B) and inserting “sum of \$520,000,000.”.

16

17 **SEC. 308. FUNDING OF SPACE TRANSPORTATION INFRASTRUCTURE** 18 **GRANTS PROGRAM.**

19 Section 47115 is amended by adding at the end the following new subsection:

20 “(k) FUNDING OF SPACE TRANSPORTATION INFRASTRUCTURE
21 MATCHING GRANTS.—Notwithstanding any other provision of this chapter, from
22 amounts made available under this section, the Secretary may issue a grant for a project
23 under section 70301 of this title, provided that, in issuing such a grant, the Secretary shall
24 follow the provisions of chapter 703 of this title. Not more than \$10,000,000 per fiscal
25 year shall be available for grants under this subsection.

26

27 **SEC. 309. REPEAL OF SMALL AIRPORT FUND.**

28 Section 47116 is repealed.

29

30 **SEC. 310. CREATION OF NEW SMALL AIRPORT SET-ASIDE, AND REPEAL** 31 **OF THE MILITARY AND RELIEVER AIRPORT SET-ASIDES.**

1 Section 47117(e) is amended to read as follows:

2 “(e) SMALL AIRPORT SET-ASIDE.—Each fiscal year, the Secretary shall
3 provide at least 20 percent of the amount available to the discretionary fund under section
4 47115 of this title to sponsors of small hub airports, nonhub airports, nonprimary
5 commercial service airports, reliever airports or general aviation airports, for any purpose
6 for which amounts are made available under section 48103. An airport in a State
7 participating in the State block grant program under section 47128 may receive a grant
8 under this section to the same extent the airport may receive a grant if the State were not
9 participating in such program.”.

10
11 **SEC. 311. MILITARY AIRPORT PROGRAM.**

12 Section 47118 is amended—

13 (1) in subsection (a), by striking “section 47117(e)(1)(B)” and inserting
14 “sections 47114(c)(1), (c)(2) and (d), 47115, or 47117(e)”;

15 (2) by striking subsection (c) and redesignating subsections (d) through (g)
16 as (c) through (f) respectively?];

17 (3) in subsection (c), as redesignated, by striking “section 47117(d)(1)(B)
18 of this title” and inserting “sections 47114, 47115 or 47117 of this title for
19 projects at airports designated under this section”;

20 (4) in subsection (d), as redesignated, by striking “section 47115,
21 \$10,000,000 for each of fiscal years 2004 and 2005, and \$7,000,000 for each
22 fiscal year thereafter,” and inserting “sections 47114, 47115 or 47117, \$7,000,000
23 for each fiscal year,”;

24 (5) in subsection (e), as redesignated—

25 (A) by striking “(1) CONSTRUCTION.—From” and inserting
26 “From”;

27 (B) by striking “section 47115, \$10,000,000 for each of fiscal
28 years 2004 and 2005, and \$7,000,000 for each fiscal year thereafter,” and
29 inserting “sections 47114, 47115 or 47117, \$7,000,000 for each fiscal
30 year,”; and

31 (C) by striking paragraph (2); and

1 (6) in subparagraph (f), as redesignated, by striking “one” and inserting
2 “up to three”.

3
4 **SEC. 312. SALE OF PRIVATE AIRPORT TO PUBLIC SPONSOR.**

5 Section 47133(b) is amended—

6 (1) by striking “apply if” and inserting: “apply—(1) if”;

7 (2) by striking “operator.” and inserting “operator; and”; and

8 (3) by adding at the end the following:

9 “(2) in the case of a privately owned airport, to the proceeds from the sale
10 of the airport to a public sponsor if—

11 “(A) the sale is approved by the Secretary;

12 “(B) funding is provided under this title for the public sponsor’s
13 acquisition; and

14 “(C) an amount equal to the remaining unamortized portion of the
15 original grant, amortized over a 20-year period, is repaid to the Secretary
16 by the private owner for deposit in the Trust Fund for airport acquisitions.

17 “(3) This subsection shall apply to grants issued on or after October 1,
18 1996.”.

19
20 **SEC. 313. SUNSET OF AIRPORT SECURITY PROGRAM.**

21 Section 47137 is amended by adding at the end the following:

22 “(h) SUNSET.—This section shall not be in effect after September 30, 2008.”.

23
24 **SEC. 314. SUNSET OF PILOT PROGRAM FOR PURCHASE OF AIRPORT
25 DEVELOPMENT RIGHTS.**

26 Section 47138 is amended by adding at the end the following:

27 “(f) SUNSET.—This section shall not be in effect after September 30, 2007.”.

28
29 **SEC. 315. EXTENSION OF GRANT AUTHORITY FOR COMPATIBLE LAND
30 USE PLANNING AND PROJECTS BY STATE AND LOCAL GOVERNMENTS.**

1 Section 47141(f) is amended by striking “September 30, 2007.” and inserting
2 “September 30, 2010.”.

3
4 **SEC. 316. MIDWAY ISLAND AIRPORT.**

5 Section 186(d) of the Vision 100—Century of Aviation Reauthorization Act (Pub.
6 L. No. 108-176, 117 Stat. 2490, 2518) is amended by striking “October 1, 2007” and
7 inserting “October 1, 2010”.

8
9 **Sec. 317. PILOT PROGRAM FOR AIRPORT TAKEOVER OF AIR NAVIGATION**
10 **FACILITIES.**

11 (a) IN GENERAL.--Chapter 445 is amended by adding at the end the following
12 new section:

13 **“§44518. Pilot program for airport takeover of terminal area air navigation**
14 **equipment**

15 “(a) IN GENERAL.—Subject to the requirements of this section, the Administrator
16 of the Federal Aviation Administrator may carry out a pilot program under which the
17 Administrator may transfer ownership, operating and maintenance responsibilities for
18 airport terminal area air navigation equipment to sponsors of not more than 10 medium or
19 large hub airports.

20 “(b) TERMS AND CONDITIONS OF TRANSFER FOR AIRPORT
21 SPONSORS.--As a condition of participating in this pilot program the sponsor shall
22 agree that the sponsor will--

23 “(1) operate and maintain all of the air navigation equipment that is
24 subject to this section at the airport in accordance with standards established by
25 the Administrator;

26 “(2) permit the Administrator or a person designated by the Administrator
27 to conduct inspections of the air navigation equipment under a schedule
28 established by the Administrator; and

29 “(3) acquire and maintain new air navigation equipment as needed to
30 replace facilities that have to be replaced at the end of their useful life or to meet
31 new standards established by the Administrator.

1 “(c) TERMS AND CONDITIONS OF TRANSFER FOR THE
2 ADMINISTRATOR.--When the Administrator approves a sponsor’s participation in this
3 pilot program, the Administrator shall--

4 “(1) transfer, at no cost to the sponsor, the title and ownership of the air
5 navigation equipment facilities approved for transfer under this program; and

6 “(2) transfer, at no cost to the sponsor, the government’s property interest
7 in the land on which the air navigation facilities transferred under subsection (1)
8 are located.

9 “(d) TREATMENT OF AIRPORT COSTS UNDER PILOT PROGRAM.--Upon
10 transfer by the Administrator, any costs incurred by the airport for ownership and
11 maintenance of the equipment transferred under this section shall be considered a cost of
12 providing airfield facilities and services under standards and guidelines issued by the
13 Secretary under section 47129(b)(2) and may be recovered in rates and charges assessed
14 for use of the airfield.

15 “(e) SPECIAL PASSENGER FACILITY CHARGE AUTHORITY.—
16 Notwithstanding the maximum amount for a passenger facility charge provided under
17 section 40117(b)(1), a participating sponsor in the pilot program under this section is
18 authorized to impose a passenger facility charge of \$7 provided that the sponsor meets
19 the otherwise applicable requirements of section 40117.

20 “(f) DEFINITIONS.--In this section --

21 “(1) “large hub airport” and medium hub airport” shall have the meaning set forth
22 in section 40102;

23 “(2) “sponsor” shall have the same meaning as in section 47102;

24 “(3) “terminal area air navigation equipment” means an air navigation facility
25 under section 40102, other than buildings used for air traffic control functions, that exists
26 to provide approach and landing guidance to aircraft.

27 “(g) GUIDELINES.--The Administrator shall issue advisory guidelines on the
28 implementation of the program. The guidelines shall not be subject to administrative
29 rulemaking requirements under subchapter II of Chapter 5 of title 5.”.

30 “(b) CONFORMING AMENDMENT.--The analysis of chapter 445 is amended by
31 inserting at the end:

1 “§44518. Pilot program for airport takeover of terminal area air navigation
2 equipment.”.

3
4 **SEC. 318. ADS-B SUPPORT PILOT PROGRAM.**

5 (a) IN GENERAL.—Chapter 445 is amended by adding at the end the following
6 new section:

7 **“§44519. ADS-B Support pilot program**

8 “(a) IN GENERAL.--The Secretary may carry out a pilot program to support non-
9 Federal acquisition of National Airspace System (NAS) compliant Automatic Dependant
10 Surveillance- Broadcast (ADS-B) ground stations if—

11 “(1) the Secretary determines that acquisition of the ground stations benefits the
12 improvement of safety or capacity in the National Airspace System;

13 “(2) the ground stations provide the required transmit and receive data formats
14 consistent with the National Airspace System architecture at the appropriate service
15 delivery point; and

16 “(3) the ground stations acquired under this program are supplemental to ground
17 stations established under programs administered by the Administrator of the Federal
18 Aviation Administration.

19 “(b) PROJECT GRANTS.—(1) For purposes of carrying out this pilot program
20 and notwithstanding the requirements of section 47114(d), the Secretary may make a
21 project grant out of funds apportioned under section 47114(d)(2) to not more than ten
22 eligible sponsors to acquire and install ADS-B ground stations in order to serve any
23 public-use airport.

24 “(2) The Secretary shall establish procurement procedures applicable to grants
25 issued under this section. The procedures shall permit the sponsor to carry out the project
26 using Federal Aviation Administration contracts. The procedures established by the
27 Secretary may provide for the direct reimbursement (including administrative costs) of
28 the Administrator by the sponsor using grant funds under this section, for the ordering of
29 such equipment and its installation, or for the direct ordering of such equipment and its
30 installation by the sponsor, using such grant funds, from the suppliers with which the
31 Administrator has contracted.

1 “(c) MATCHING REQUIREMENT.--The amount of a grant to an eligible
2 sponsor under subsection (b) may not exceed 90 percent of the costs of the acquisition
3 and installation of the ground support equipment.

4 “(d) DEFINITIONS.--In this section--

5 “(1) “ADS-B ground station” means electronic equipment that provides
6 for ADS-B reception and broadcast services.

7 “(2) “eligible sponsor” means a state, a metropolitan planning organization
8 in the area where the project is located, or any consortium of two or more state or
9 local governments meeting the definition of a sponsor under section 47102 of this
10 title.”.

11 (b) CONFORMING AMENDMENT.--The analysis of chapter 445 is amended by
12 inserting at the end:

13 “§44519. ADS-B support pilot program.”.

14
15 **SEC. 319. AIP ELIGIBILITY FOR METROPOLITAN WASHINGTON AIRPORTS**
16 **AUTHORITY.**

17 Section 49108 is amended by striking “October 1, 2008,” and inserting “October 1,
18 2010”.

19
20 **SEC. 320. MISCELLANEOUS AMENDMENTS.**

21 (a) TECHNICAL CHANGES TO NATIONAL PLAN OF INTEGRATED
22 AIRPORT SYSTEMS.--Section 47103 is amended—

23 (1) in subsection (a), by striking “each airport to—” and inserting “the
24 airport system to--”;

25 (2) in subsection (a)(1), by striking “system in the particular area;” and
26 inserting “system, including connection to the surface transportation network;
27 and”;

28 (3) in subsection (a)(2), by striking “aeronautics; and” and inserting
29 “aeronautics.”;

30 (4) by striking subsection (a)(3);

31 (5) by striking subsection (b)(2) and redesignating (b)(3) as (b)(2);

1 (6) in subsection (b)(2), as redesignated, by striking “operations, Short
2 Takeoff and Landing/Very Short Takeoff and Landing aircraft operations,” and
3 inserting “operations”; and

4 (7) in subsection (d), by striking “status of the”.

5 (b) CONFORMING CHANGE TO PROJECT GRANT AGREEMENTS.—

6 Section 47108(e)(3) is amended by striking “and the small airport fund”.

7 (c) UPDATE VETERANS PREFERENCE DEFINITION.—Section 47112(c) is
8 amended—

9 (1) in paragraph (1) by—

10 (A) in subparagraph (B), by striking “separated from” and inserting
11 “discharged or released from active duty in”; and

12 (B) inserting at the end the following:

13 “(C) “Afghanistan-Iraq war veteran” means an individual who served on
14 active duty, as defined by section 101(21) of title 38, at any time in the armed
15 forces for a period of more than 180 consecutive days, any part of which occurred
16 during the period beginning on September 11, 2001, and ending on the date
17 prescribed by Presidential proclamation or by law as the last date of Operation
18 Iraqi Freedom.”; and

19 (2) in paragraph (2), by striking “veterans and” and inserting “veterans,
20 Afghanistan-Iraq war veterans, and”.

21 (d) CONSOLIDATION OF TERMINAL DEVELOPMENT PROVISIONS.—

22 Section 47119 is amended—

23 (1) redesignating subsections (a), (b), (c) and (d) as subsections (b), (c), (d) and
24 (e) respectively, and by inserting a new subsection (a) as follows:

25 “(a) IN GENERAL.—(1) The Secretary may approve a project for terminal
26 development (including multimodal terminal development) in a nonrevenue-producing
27 public-use area of a commercial service airport—

28 “(A) if the sponsor certifies that the airport, on the date the grant
29 application is submitted to the Secretary, has—

30 “(i) all the safety equipment required for certification of the airport
31 under section 44706 of this title;