



# Federal Aviation Administration

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## Memorandum

Date: December 1, 2009

To: All Regional Airports Division Managers and AMA-620  
Attention: PFC Contacts

From: Manager, Financial Analysis and Passenger Facility Charge Branch, APP-510

Subject: PFC Update, PFC 61-10

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**PFC 10-61.1. Common Use Terminal Equipment Eligibility.** The Federal Aviation Administration's Office of Airports has reexamined the eligibility of common use kiosk equipment in PFC Update 59-09 issued July 30. In that update, we concluded that the common use equipment at issue for a terminal development project was not PFC eligible based on the revenue restrictions. There exists, however, an alternative basis of statutory eligibility that results in this equipment being PFC eligible.

The common use kiosk equipment at issue (regardless of acronym used or generation) is a hardware and software system whereby multiple airlines can use the same equipment for passenger check-in, baggage check, and other actions on a single station screen or kiosk. This kiosk allows for check-in at the ticket counter area as well as other areas at the airport but away from traditional terminal ticket counters. Many of these kiosks allow passengers to check in for flights, print boarding passes, change tickets, and pay for services and upgrades for flights at or near ticket counters and in areas throughout the airport.

The prior discussion in PFC Update 59-09 concluded that the common use equipment was a terminal development project and revenue producing because the equipment permitted airlines to collect fees for tickets, upgrades and other services. Common use, revenue producing terminal equipment is not AIP eligible, and thus not PFC eligible under the terminal development eligibility provisions in 49 USC 40117(a)(3)(B).

There exists, however, an alternative statutory basis for eligibility for such common use equipment. Such equipment could be considered under the "Gates and related areas" provisions found at 49 U.S.C. 40117(a)(3)(F). "Gates and related areas" eligibility - like "terminal development" eligibility - requires that the common use equipment be directly related to the movement of passengers or baggage in air commerce within the boundaries of the airport. [14 CFR Part 158.15(b)(6) and FAA Order 5500.1, Paragraph 4-6 (d)(1)] However, "gates and related areas" eligibility does not contain the prohibition on revenue production. In the past, FAA has based PFC eligibility of inbound and outbound baggage handling equipment (baggage belts, sorting, and automated delivery systems) on gates and related areas eligibility regardless of

whether such equipment is part of an air carrier leasehold. Examples of such projects approved by the FAA include baggage systems at Las Vegas, Baltimore-Washington International, and Orlando. Accordingly, we have concluded that this equipment is PFC eligible under the gates and related areas eligibility provisions in 49 USC 40117(a)(3)(F).

In keeping with the framework of “gates and related activities” eligibility, the following conditions must be met by common use kiosks in order to be PFC eligible. Because the common use kiosks must relate directly to the movement of passengers or baggage at the airport, it cannot incorporate non-passenger or non-baggage related payment capabilities. Thus any common use terminal equipment that allows for the payment of parking fees, airport food service fees, or other similar fees, would not be PFC eligible. Further, the common use kiosk must be located on the airport and clearly functioning to facilitate passenger and baggage processing to be PFC eligible.

It should be noted that common use “terminal” equipment that does not produce revenue may be eligible under both statutory bases of eligibility mentioned above.

For all of these reasons the section of PFC Update 59-09 on common use terminal equipment (PFC 09-59.3) is rescinded and is replaced with this discussion.