

Chapter

**453. Fees ..... 45301**

SUBPART IV—ENFORCEMENT AND PENALTIES

**461. Investigations and Proceedings ..... 46101**

**463. Penalties ..... 46301**

**465. Special Aircraft Jurisdiction of the United States ..... 46501**

PART B—AIRPORT DEVELOPMENT AND NOISE

**471. Airport Development ..... 47101**

**473. International Airport Facilities ..... 47301**

**475. Noise ..... 47501**

PART C—FINANCING

**481. Airport and Airway Trust Fund Authorizations ..... 48101**

**482. Advance Appropriations for Airport and Airway Trust Facilities 48201**

**483. Aviation Security Funding ..... 48301**

PART D—PUBLIC AIRPORTS

**491. METROPOLITAN WASHINGTON AIRPORTS ..... 49101**

PART E—MISCELLANEOUS

**501. Buy-American Preferences ..... 50101**

AMENDMENTS

2001—Pub. L. 107-71, title I, §118(c)(2), Nov. 19, 2001, 115 Stat. 628, added item for chapter 483.

1997—Pub. L. 105-102, §2(20), Nov. 20, 1997, 111 Stat. 2205, substituted “PUBLIC AIRPORTS” for “RESERVED” in item for part D and added item for chapter 491.

1996—Pub. L. 104-287, §5(64), Oct. 11, 1996, 110 Stat. 3395, substituted “RESERVED” for “MISCELLANEOUS” in item for part D, struck out item for chapter 491 “Buy-American Preferences”, and added items for part E and chapter 501.

Pub. L. 104-264, title II, §277(b), Oct. 9, 1996, 110 Stat. 3248, added item for chapter 482.

PART A—AIR COMMERCE AND SAFETY

SUBPART I—GENERAL

CHAPTER 401—GENERAL PROVISIONS

Sec.

40101. Policy.

40102. Definitions.

40103. Sovereignty and use of airspace.

40104. Promotion of civil aeronautics and safety of air commerce.

40105. International negotiations, agreements, and obligations.

40106. Emergency powers.

40107. Presidential transfers.

40108. Training schools.

40109. Authority to exempt.

40110. General procurement authority.

40111. Multiyear procurement contracts for services and related items.

40112. Multiyear procurement contracts for property.

40113. Administrative.

40114. Reports and records.

40115. Withholding information.

40116. State taxation.

40117. Passenger facility fees.

40118. Government-financed air transportation.

40119. Security and research and development activities.

40120. Relationship to other laws.

40121. Air traffic control modernization reviews.

40122. Federal Aviation Administration personnel management system.

40123. Protection of voluntarily submitted information.

Sec.

40124. Interstate agreements for airport facilities.

40125. Qualifications for public aircraft status.

40126. Severable services contracts for periods crossing fiscal years.

40127. Prohibitions on discrimination.

40128. Overflights of national parks.

40129. Collaborative decisionmaking pilot program.

AMENDMENTS

2003—Pub. L. 108-176, title IV, §423(b), Dec. 12, 2003, 117 Stat. 2554, added item 40129.

2000—Pub. L. 106-181, title VII, §§702(b)(2), 705(b), 706(b), title VIII, §803(b), Apr. 5, 2000, 114 Stat. 156-158, 192, added items 40125 to 40128.

1997—Pub. L. 105-102, §3(d)(1)(B), Nov. 20, 1997, 111 Stat. 2215, amended Pub. L. 104-287, §5(69)(B). See 1996 Amendment note below.

1996—Pub. L. 104-287, §5(69)(B), Oct. 11, 1996, 110 Stat. 3396, as amended by Pub. L. 105-102, §3(d)(1)(B), Nov. 20, 1997, 111 Stat. 2215, added item 40124.

Pub. L. 104-264, title II, §254, title IV, §§401(b)(2), 402(b), Oct. 9, 1996, 110 Stat. 3238, 3255, 3256, inserted “safety of” before “air commerce” in item 40104 and added item 40121 “Air traffic control modernization reviews” and items 40122 and 40123.

§ 40101. Policy

(a) ECONOMIC REGULATION.—In carrying out subpart II of this part and those provisions of subpart IV applicable in carrying out subpart II, the Secretary of Transportation shall consider the following matters, among others, as being in the public interest and consistent with public convenience and necessity:

- (1) assigning and maintaining safety as the highest priority in air commerce.
- (2) before authorizing new air transportation services, evaluating the safety implications of those services.
- (3) preventing deterioration in established safety procedures, recognizing the clear intent, encouragement, and dedication of Congress to further the highest degree of safety in air transportation and air commerce, and to maintain the safety vigilance that has evolved in air transportation and air commerce and has come to be expected by the traveling and shipping public.
- (4) the availability of a variety of adequate, economic, efficient, and low-priced services without unreasonable discrimination or unfair or deceptive practices.
- (5) coordinating transportation by, and improving relations among, air carriers, and encouraging fair wages and working conditions.
- (6) placing maximum reliance on competitive market forces and on actual and potential competition—
  - (A) to provide the needed air transportation system; and
  - (B) to encourage efficient and well-managed air carriers to earn adequate profits and attract capital, considering any material differences between interstate air transportation and foreign air transportation.
- (7) developing and maintaining a sound regulatory system that is responsive to the needs of the public and in which decisions are reached promptly to make it easier to adapt the air transportation system to the present and future needs of—
  - (A) the commerce of the United States;

- (B) the United States Postal Service; and
- (C) the national defense.

(8) encouraging air transportation at major urban areas through secondary or satellite airports if consistent with regional airport plans of regional and local authorities, and if endorsed by appropriate State authorities—

(A) encouraging the transportation by air carriers that provide, in a specific market, transportation exclusively at those airports; and

(B) fostering an environment that allows those carriers to establish themselves and develop secondary or satellite airport services.

(9) preventing unfair, deceptive, predatory, or anticompetitive practices in air transportation.

(10) avoiding unreasonable industry concentration, excessive market domination, monopoly powers, and other conditions that would tend to allow at least one air carrier or foreign air carrier unreasonably to increase prices, reduce services, or exclude competition in air transportation.

(11) maintaining a complete and convenient system of continuous scheduled interstate air transportation for small communities and isolated areas with direct financial assistance from the United States Government when appropriate.

(12) encouraging, developing, and maintaining an air transportation system relying on actual and potential competition—

(A) to provide efficiency, innovation, and low prices; and

(B) to decide on the variety and quality of, and determine prices for, air transportation services.

(13) encouraging entry into air transportation markets by new and existing air carriers and the continued strengthening of small air carriers to ensure a more effective and competitive airline industry.

(14) promoting, encouraging, and developing civil aeronautics and a viable, privately-owned United States air transport industry.

(15) strengthening the competitive position of air carriers to at least ensure equality with foreign air carriers, including the attainment of the opportunity for air carriers to maintain and increase their profitability in foreign air transportation.

(16) ensuring that consumers in all regions of the United States, including those in small communities and rural and remote areas, have access to affordable, regularly scheduled air service.

(b) ALL-CARGO AIR TRANSPORTATION CONSIDERATIONS.—In carrying out subpart II of this part and those provisions of subpart IV applicable in carrying out subpart II, the Secretary of Transportation shall consider the following matters, among others and in addition to the matters referred to in subsection (a) of this section, as being in the public interest for all-cargo air transportation:

(1) encouraging and developing an expedited all-cargo air transportation system provided by private enterprise and responsive to—

(A) the present and future needs of shippers;

(B) the commerce of the United States; and

(C) the national defense.

(2) encouraging and developing an integrated transportation system relying on competitive market forces to decide the extent, variety, quality, and price of services provided.

(3) providing services without unreasonable discrimination, unfair or deceptive practices, or predatory pricing.

(c) GENERAL SAFETY CONSIDERATIONS.—In carrying out subpart III of this part and those provisions of subpart IV applicable in carrying out subpart III, the Administrator of the Federal Aviation Administration shall consider the following matters:

(1) the requirements of national defense and commercial and general aviation.

(2) the public right of freedom of transit through the navigable airspace.

(d) SAFETY CONSIDERATIONS IN PUBLIC INTEREST.—In carrying out subpart III of this part and those provisions of subpart IV applicable in carrying out subpart III, the Administrator shall consider the following matters, among others, as being in the public interest:

(1) assigning, maintaining, and enhancing safety and security as the highest priorities in air commerce.

(2) regulating air commerce in a way that best promotes safety and fulfills national defense requirements.

(3) encouraging and developing civil aeronautics, including new aviation technology.

(4) controlling the use of the navigable airspace and regulating civil and military operations in that airspace in the interest of the safety and efficiency of both of those operations.

(5) consolidating research and development for air navigation facilities and the installation and operation of those facilities.

(6) developing and operating a common system of air traffic control and navigation for military and civil aircraft.

(7) providing assistance to law enforcement agencies in the enforcement of laws related to regulation of controlled substances, to the extent consistent with aviation safety.

(e) INTERNATIONAL AIR TRANSPORTATION.—In formulating United States international air transportation policy, the Secretaries of State and Transportation shall develop a negotiating policy emphasizing the greatest degree of competition compatible with a well-functioning international air transportation system, including the following:

(1) strengthening the competitive position of air carriers to ensure at least equality with foreign air carriers, including the attainment of the opportunity for air carriers to maintain and increase their profitability in foreign air transportation.

(2) freedom of air carriers and foreign air carriers to offer prices that correspond to consumer demand.

(3) the fewest possible restrictions on charter air transportation.

(4) the maximum degree of multiple and permissive international authority for air carriers so that they will be able to respond quickly to a shift in market demand.

(5) eliminating operational and marketing restrictions to the greatest extent possible.

(6) integrating domestic and international air transportation.

(7) increasing the number of nonstop United States gateway cities.

(8) opportunities for carriers of foreign countries to increase their access to places in the United States if exchanged for benefits of similar magnitude for air carriers or the traveling public with permanent linkage between rights granted and rights given away.

(9) eliminating discrimination and unfair competitive practices faced by United States airlines in foreign air transportation, including—

- (A) excessive landing and user fees;
- (B) unreasonable ground handling requirements;
- (C) unreasonable restrictions on operations;
- (D) prohibitions against change of gauge; and
- (E) similar restrictive practices.

(10) promoting, encouraging, and developing civil aeronautics and a viable, privately-owned United States air transport industry.

(f) **STRENGTHENING COMPETITION.**—In selecting an air carrier to provide foreign air transportation from among competing applicants, the Secretary of Transportation shall consider, in addition to the matters specified in subsections (a) and (b) of this section, the strengthening of competition among air carriers operating in the United States to prevent unreasonable concentration in the air carrier industry.

(Pub. L. 103-272, §1(e), July 5, 1994, 108 Stat. 1094; Pub. L. 104-264, title IV, §401(a), Oct. 9, 1996, 110 Stat. 3255; Pub. L. 106-181, title II, §201, Apr. 5, 2000, 114 Stat. 91.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
40101(a) .....	49 App.:1302(a).	Aug. 23, 1958, Pub. L. 85-726, §102(a), 72 Stat. 740; Nov. 9, 1977, Pub. L. 95-163, §16(b)(1), (2), 91 Stat. 1284; Oct. 24, 1978, Pub. L. 95-504, §3(a), 92 Stat. 1705; restated Feb. 15, 1980, Pub. L. 96-192, §2, 94 Stat. 35.
	49 App.:1551(b)(1)(E).	Aug. 23, 1958, Pub. L. 85-726, 72 Stat. 731, §1601(b)(1)(E); added Oct. 4, 1984, Pub. L. 98-443, §3(e), 98 Stat. 1704.
40101(b) .....	49 App.:1302(b).	Aug. 23, 1958, Pub. L. 85-726, 72 Stat. 731, §102(b); added Nov. 9, 1977, Pub. L. 95-163, §16(b)(3), 91 Stat. 1284.
	49 App.:1551(b)(1)(E).	Aug. 23, 1958, Pub. L. 85-726, §306, 72 Stat. 749.
40101(c) .....	49 App.:1347.	Oct. 15, 1966, Pub. L. 89-670, §6(c)(1), 80 Stat. 938; Jan. 12, 1983, Pub. L. 97-449, §7(b), 96 Stat. 2444.
	49 App.:1655(c)(1).	Aug. 23, 1958, Pub. L. 85-726, §103, 72 Stat. 740; Nov. 18, 1988, Pub. L. 100-690, §7202(b), 102 Stat. 4424.
40101(d) .....	49 App.:1303.	Aug. 23, 1958, Pub. L. 85-726, 72 Stat. 731, §1102(b); added Feb. 15, 1980, Pub. L. 96-192, §17, 94 Stat. 42.
	49 App.:1655(c)(1).	
40101(e) .....	49 App.:1502(b).	

HISTORICAL AND REVISION NOTES—CONTINUED

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
40101(f) .....	49 App.:1551(b)(1)(E). 49 App.:1302(c).	Aug. 23, 1958, Pub. L. 85-726, 72 Stat. 731, §102(c); added Oct. 31, 1992, Pub. L. 102-581, §205, 106 Stat. 4894.

In this part, the words “overseas air commerce” and “overseas air transportation” are omitted as obsolete because there no longer is a distinction in economic or safety regulation between “interstate” and “overseas” air commerce or air transportation.

In this section, the words “In carrying out . . . this part” are substituted for “In the exercise and performance of its powers and duties under this chapter” in 49 App.:1302(a), “In the exercise and performance of his powers and duties under this chapter” in 49 App.:1303, and “In exercising the authority granted in, and discharging the duties imposed by, this chapter” in 49 App.:1347 for consistency in the revised title and to eliminate unnecessary words.

In subsections (a) and (b), the reference to subpart II is added because the policy applies only to economic issues, and under the Federal Aviation Act of 1958 (Public Law 85-726, 72 Stat. 731), the Civil Aeronautics Board was given responsibility for economic issues.

In subsection (a)(2), the word “full” is omitted as surplus. The words “the recommendations of the Secretary of Transportation on” are omitted as obsolete because the Secretary carries out 49 App.:1302(a). The words “and full evaluation of any report or recommendation submitted under section 1307 of this Appendix” are omitted as obsolete because the report and recommendations are no longer required.

In subsection (a)(4), the words “by air carriers and foreign air carriers” are omitted as surplus. The words “unreasonable discrimination” are substituted for “unjust discriminations, undue preferences or advantages” for consistency in the revised title and to eliminate unnecessary words.

In subsection (a)(6)(B), the words “nevertheless”, “on the one hand”, and “on the other” are omitted as surplus.

In subsection (a)(8), before subclause (A), the word “authorities” is substituted for “entities” for consistency in the revised title and with other titles of the Code. In subclause (A), the words “sole responsibility” are omitted as unnecessary because of the restatement.

In subsection (a)(15), the words “United States” are omitted as surplus because of the definition of “air carrier” in section 40102(a) of the revised title.

In subsection (b)(3), the words “unreasonable discrimination” are substituted for “unjust discriminations, undue preferences or advantages” for consistency in the revised title and to eliminate unnecessary words.

In subsections (c) and (d), the reference to subpart III is added because the policies apply only to safety issues, and under the Federal Aviation Act of 1958 (Public Law 85-726, 72 Stat. 731), the Federal Aviation Administration was given responsibility for safety issues.

In subsection (c), before clause (1), the word “Administrator” in section 306 of the Federal Aviation Act of 1958 (Public Law 85-726, 72 Stat. 749) is retained on authority of 49:106(g). The words “consider the following matters” are substituted for “give full consideration to” for consistency in this section.

In subsection (d)(3), the word “both” in 49 App.:1303(c) is omitted as surplus the first time it appears. The words “of the United States” are omitted for consistency in the revised title and because of the definition of “navigable airspace” in section 40102(a) of the revised title. The words “of those operations” are added for clarity.

In subsection (d)(5), the word “both” in 49 App.:1303(e) is omitted as surplus.

In subsection (e), before clause (1), the words “the Congress intends that” are omitted as surplus. In

clauses (1) and (4), the words “United States” are omitted as surplus because of the definition of “air carrier” in section 40102(a) of the revised title. In clause (2), the word “prices” is substituted for “fares and rates” because of the definition of “price” in section 40102(a). In clause (8), the words “places in the United States” are substituted for “United States points” for consistency in this chapter. The word “air” is added for clarity and consistency in this subtitle. In clause (9)(C), the word “unreasonable” is substituted for “undue” for consistency in the revised title and with other titles of the United States Code.

#### AMENDMENTS

2000—Subsec. (a)(16). Pub. L. 106-181 added par. (16).

1996—Subsec. (d)(1). Pub. L. 104-264, §401(a)(1)(B), added par. (1). Former par. (1) redesignated (2).

Subsec. (d)(2). Pub. L. 104-264, §401(a)(1)(A), (2)(A), redesignated par. (1) as (2) and struck out “its development and” after “best promotes”. Former par. (2) redesignated (3).

Subsec. (d)(3). Pub. L. 104-264, §401(a)(1)(A), (2)(B), redesignated par. (2) as (3) and substituted “encouraging and developing civil aeronautics, including new aviation technology” for “promoting, encouraging, and developing civil aeronautics”. Former par. (3) redesignated (4).

Subsec. (d)(4) to (7). Pub. L. 104-264, §401(a)(1)(A), redesignated pars. (3) to (6) as (4) to (7), respectively.

#### EFFECTIVE DATE OF 2000 AMENDMENT

Amendment by Pub. L. 106-181 applicable only to fiscal years beginning after Sept. 30, 1999, see section 3 of Pub. L. 106-181, set out as a note under section 106 of this title.

#### EFFECTIVE DATE OF 1996 AMENDMENT

Except as otherwise specifically provided, amendment by Pub. L. 104-264 applicable only to fiscal years beginning after Sept. 30, 1996, and not to be construed as affecting funds made available for a fiscal year ending before Oct. 1, 1996, see section 3 of Pub. L. 104-264, set out as a note under section 106 of this title.

#### SHORT TITLE OF 2012 AMENDMENT

Pub. L. 112-86, §1, Jan. 3, 2012, 125 Stat. 1874, provided that: “This Act [amending section 44903 of this title and enacting provisions set out as a note under section 44903 of this title] may be cited as the ‘Risk-Based Security Screening for Members of the Armed Forces Act.’”

#### SHORT TITLE OF 2010 AMENDMENT

Pub. L. 111-216, §1, Aug. 1, 2010, 124 Stat. 2348, provided that: “This Act [amending sections 106, 1135, 40117, 41712, 44302, 44303, 44703, 47104, 47107, 47115, 47141, 48101, 48102, and 49108 of this title and sections 4081, 4261, 4271, and 9502 of Title 26, Internal Revenue Code, enacting provisions set out as notes under sections 40117 and 44701 of this title and sections 4081 and 9502 of Title 26, and amending provisions set out as a note under section 47109 of this title] may be cited as the ‘Airline Safety and Federal Aviation Administration Extension Act of 2010.’”

#### SHORT TITLE OF 2007 AMENDMENT

Pub. L. 110-135, §1, Dec. 13, 2007, 121 Stat. 1450, provided that: “This Act [enacting section 44729 of this title] may be cited as the ‘Fair Treatment for Experienced Pilots Act.’”

Pub. L. 110-113, §1, Nov. 8, 2007, 121 Stat. 1039, provided that: “This Act [enacting and amending provisions set out as notes under this section] may be cited as the ‘Procedural Fairness for September 11 Victims Act of 2007.’”

#### SHORT TITLE OF 2004 AMENDMENT

Pub. L. 108-297, §1, Aug. 9, 2004, 118 Stat. 1095, provided that: “This Act [enacting section 44113 of this

title, amending sections 44107 and 44108 of this title, and enacting provisions set out as notes under section 44101 of this title] may be cited as ‘Cape Town Treaty Implementation Act of 2004.’”

#### SHORT TITLE OF 2003 AMENDMENT

Pub. L. 108-176, §1(a), Dec. 12, 2003, 117 Stat. 2490, provided that: “This Act [see Tables for classification] may be cited as the ‘Vision 100—Century of Aviation Reauthorization Act.’”

Pub. L. 108-176, title III, §301, Dec. 12, 2003, 117 Stat. 2533, provided that: “This title [enacting subchapter III of chapter 471 of this title, amending sections 40104, 40128, 47106, 47503, and 47504 of this title, and enacting provisions set out as notes under this section and sections 40128, 47171, 47503, and 47508 of this title] may be cited as ‘Aviation Streamlining Approval Process Act of 2003.’”

#### SHORT TITLE OF 2002 AMENDMENT

Pub. L. 107-296, title XIV, §1401, Nov. 25, 2002, 116 Stat. 2300, provided that: “This title [enacting section 44921 of this title and section 513 of Title 6, Domestic Security, amending sections 44903 and 44918 of this title, amending provisions set out as a note under section 114 of this title, and repealing provisions set out as a note under section 44903 of this title] may be cited as the ‘Arming Pilots Against Terrorism Act.’”

#### SHORT TITLE OF 2001 AMENDMENT

Pub. L. 107-71, §1, Nov. 19, 2001, 115 Stat. 597, provided that: “This Act [see Tables for classification] may be cited as the ‘Aviation and Transportation Security Act.’”

#### SHORT TITLE OF 2000 AMENDMENTS

Pub. L. 106-528, §1, Nov. 22, 2000, 114 Stat. 2517, provided that: “This Act [amending sections 106, 41104, 44903, 44935, and 44936 of this title, enacting provisions set out as notes under sections 106, 44903, and 44936 of this title, and amending provisions set out as notes under sections 40128 and 47501 of this title] may be cited as the ‘Airport Security Improvement Act of 2000.’”

Pub. L. 106-181, §1(a), Apr. 5, 2000, 114 Stat. 61, provided that: “This Act [see Tables for classification] may be cited as the ‘Wendell H. Ford Aviation Investment and Reform Act for the 21st Century.’”

#### SHORT TITLE OF 1999 AMENDMENT

Pub. L. 106-6, §1, Mar. 31, 1999, 113 Stat. 10, provided that: “This Act [amending sections 106, 44310, 47104, 47115 to 47117, 48101, and 48103 of this title] may be cited as the ‘Interim Federal Aviation Administration Authorization Act.’”

#### SHORT TITLE OF 1998 AMENDMENT

Pub. L. 105-155, §1, Feb. 11, 1998, 112 Stat. 5, provided that: “This Act [amending section 48102 of this title and enacting provisions set out as a note under section 48102 of this title] may be cited as the ‘FAA Research, Engineering, and Development Authorization Act of 1998.’”

#### SHORT TITLE OF 1997 AMENDMENT

Pub. L. 105-137, §1, Dec. 2, 1997, 111 Stat. 2640, provided that: “This Act [amending sections 40102, 44302, 44305, 44306, 44308, and 44310 of this title and enacting provisions set out as a note under section 44310 of this title] may be cited as the ‘Aviation Insurance Reauthorization Act of 1997.’”

#### SHORT TITLE OF 1996 AMENDMENT

Section 1(a) of Pub. L. 104-264 provided that: “This Act [see Tables for classification] may be cited as the ‘Federal Aviation Reauthorization Act of 1996.’”

Section 201 of title II of Pub. L. 104-264 provided that: “This title [enacting sections 40121, 40122, 45301, 45303, 48111, and 48201 of this title, amending sections 106 and

41742 of this title, renumbering section 45303 of this title as section 45304, repealing former section 45301 of this title, and enacting provisions set out as notes under this section and sections 106, 40110, and 41742 of this title] may be cited as the 'Air Traffic Management System Performance Improvement Act of 1996'."

Section 278(a) of Pub. L. 104-264 provided that: "This section [amending section 41742 of this title and enacting provisions set out as a note under section 41742 of this title] may be cited as the 'Rural Air Service Survival Act'."

Section 501 of title V of Pub. L. 104-264 provided that: "This title [amending sections 30305, 44936, and 46301 of this title and enacting provisions set out as notes under sections 30305 and 44935 of this title] may be cited as the 'Pilot Records Improvement Act of 1996'."

Section 601 of title VI of Pub. L. 104-264 provided that: "This title [enacting section 44724 of this title] may be cited as the 'Child Pilot Safety Act'."

Section 701 of title VII of Pub. L. 104-264 provided that: "This title [enacting sections 1136 and 41113 of this title and provisions set out as notes under section 41113 of this title] may be cited as the 'Aviation Disaster Family Assistance Act of 1996'."

Section 801 of title VIII of Pub. L. 104-264 provided that: "This title [enacting section 47133 of this title, amending sections 46301 and 47107 of this title and section 9502 of Title 26, Internal Revenue Code, and enacting provisions set out as notes under section 47107 of this title] may be cited as the 'Airport Revenue Protection Act of 1996'."

Section 1101 of title XI of Pub. L. 104-264 provided that: "This title [amending sections 44501, 44508, and 48102 of this title] may be cited as the 'FAA Research, Engineering, and Development Management Reform Act of 1996'."

#### SHORT TITLE OF 1994 AMENDMENT

Pub. L. 103-305, §1(a), Aug. 23, 1994, 108 Stat. 1569, provided that: "This Act [enacting sections 41311, 41714, 41715, 47129, 47130, and 47509 of this title, amending sections 106, 10521, 11501, 40102, 40113, 40116, 40117, 41713, 41734, 44502, 44505, 44938, 45301, 46301, 47101, 47102, 47104 to 47107, 47109 to 47111, 47115, 47117 to 47119, 47504, 48101 to 48104, and 48108 of this title and section 9502 of Title 26, Internal Revenue Code, renumbering former section 47129 of this title as section 47131 of this title, enacting provisions set out as notes under this section and sections 10521, 11501, 40102, 40105, 40117, 41311, 41715, 44502, 45102, 47101, 47107, 47124, and 49101 of this title, and repealing provisions set out as a note under section 1348 of former Title 49, Transportation] may be cited as the 'Federal Aviation Administration Authorization Act of 1994'."

Pub. L. 103-305, title III, §301, Aug. 23, 1994, 108 Stat. 1589, provided that: "This title [enacting section 47509 of this title, amending sections 44505 and 48102 of this title, and enacting provisions set out as notes under this section and section 49101 of this title] may be cited as the 'Federal Aviation Administration Research, Engineering, and Development Authorization Act of 1994'."

#### UNMANNED AERIAL SYSTEMS AND NATIONAL AIRSPACE

Pub. L. 112-81, div. A, title X, §1097, Dec. 31, 2011, 125 Stat. 1608, provided that:

"(a) ESTABLISHMENT.—Not later than 180 days after the date of the enactment of this Act [Dec. 31, 2011], the Administrator of the Federal Aviation Administration shall establish a program to integrate unmanned aircraft systems into the national airspace system at six test ranges.

"(b) PROGRAM REQUIREMENTS.—In establishing the program under subsection (a), the Administrator shall—

"(1) safely designate nonexclusionary airspace for integrated manned and unmanned flight operations in the national airspace system;

"(2) develop certification standards and air traffic requirements for unmanned flight operations at test ranges;

"(3) coordinate with and leverage the resources of the Department of Defense and the National Aeronautics and Space Administration;

"(4) address both civil and public unmanned aircraft systems;

"(5) ensure that the program is coordinated with the Next Generation Air Transportation System; and

"(6) provide for verification of the safety of unmanned aircraft systems and related navigation procedures before integration into the national airspace system.

"(c) LOCATIONS.—In determining the location of a test range for the program under subsection (a), the Administrator shall—

"(1) take into consideration geographic and climatic diversity;

"(2) take into consideration the location of ground infrastructure and research needs; and

"(3) consult with the Department of Defense and the National Aeronautics and Space Administration.

"(d) TEST RANGE OPERATION.—A project at a test range shall be operational not later than 180 days after the date on which the project is established.

"(e) REPORT.—Not later than 90 days after the date of completing each of the pilot projects, the Administrator shall submit to the appropriate congressional committees a report setting forth the Administrator's findings and conclusions concerning the projects that includes a description and assessment of the progress being made in establishing special use airspace to fill the immediate need of the Department of Defense to develop detection techniques for small unmanned aircraft systems and to validate sensor integration and operation of unmanned aircraft systems.

"(f) DURATION.—The program under subsection (a) shall terminate on the date that is five years after the date of the enactment of this Act [Dec. 31, 2011].

"(g) DEFINITION.—In this section:

"(1) The term 'appropriate congressional committees' means—

"(A) the Committee on Armed Services, the Committee on Transportation and Infrastructure, and the Committee on Science, Space, and Technology of the House of Representatives; and

"(B) the Committee on Armed Services and the Committee on Commerce, Science, and Transportation of the Senate.

"(2) The term 'test range' means a defined geographic area where research and development are conducted."

#### FINDINGS

Pub. L. 110-113, §2, Nov. 8, 2007, 121 Stat. 1039, provided that: "Congress finds the following:

"(1) The September 11th Victims Compensation Fund of 2001 [title IV of Pub. L. 107-42] (49 U.S.C. 40101 note) establishes a Federal cause of action in the United States District Court for the Southern District of New York as the exclusive remedy for damages arising out of the hijacking and subsequent crash of American Airlines flights 11 and 77, and United Airlines flights 93 and 175, on September 11, 2001.

"(2) Rules 45(b)(2) and 45(c)(3)(A)(ii) of the Federal Rules of Civil Procedure [28 U.S.C. App.] effectively limit service of a subpoena to any place within, or within 100 miles of, the district of the court by which it is issued, unless a statute of the United States expressly provides that the court, upon proper application and cause shown, may authorize the service of a subpoena at any other place.

"(3) Litigating a Federal cause of action under the September 11 Victims Compensation Fund of 2001 is likely to involve the testimony and the production of other documents and tangible things by a substantial number of witnesses, many of whom may not reside, be employed, or regularly transact business in, or within 100 miles of, the Southern District of New York."

## REVITALIZATION OF AVIATION AND AERONAUTICS

Pub. L. 108-176, § 4, Dec. 12, 2003, 117 Stat. 2493, provided that: "Congress finds the following:

"(1) The United States has revolutionized the way people travel, developing new technologies and aircraft to move people more efficiently and more safely.

"(2) Past Federal investment in aeronautics research and development has benefited the economy and national security of the United States and the quality of life of its citizens.

"(3) The total impact of civil aviation on the United States economy exceeds \$900,000,000,000 annually and accounts for 9 percent of the gross national product and 11,000,000 jobs in the national workforce. Civil aviation products and services generate a significant surplus for United States trade accounts, and amount to significant numbers of the Nation's highly skilled, technologically qualified work force.

"(4) Aerospace technologies, products, and services underpin the advanced capabilities of our men and women in uniform and those charged with homeland security.

"(5) Future growth in civil aviation increasingly will be constrained by concerns related to aviation system safety and security, aviation system capabilities, aircraft noise, emissions, and fuel consumption.

"(6) Revitalization and coordination of the United States efforts to maintain its leadership in aviation and aeronautics are critical and must begin now.

"(7) A recent report by the Commission on the Future of the United States Aerospace Industry outlined the scope of the problems confronting the aerospace and aviation industries in the United States and found that—

"(A) aerospace will be at the core of the Nation's leadership and strength throughout the 21st century;

"(B) aerospace will play an integral role in the Nation's economy, security, and mobility; and

"(C) global leadership in aerospace is a national imperative.

"(8) Despite the downturn in the global economy, projections of the Federal Aviation Administration indicate that upwards of 1,000,000,000 people will fly annually by 2013. Efforts must begin now to prepare for future growth in the number of airline passengers.

"(9) The United States must increase its investment in research and development to revitalize the aviation and aerospace industries, to create jobs, and to provide educational assistance and training to prepare workers in those industries for the future."

## REPORT ON LONG-TERM ENVIRONMENTAL IMPROVEMENTS

Pub. L. 108-176, title III, § 321, Dec. 12, 2003, 117 Stat. 2540, provided that:

"(a) IN GENERAL.—The Secretary of Transportation, in consultation with the Administrator of the National Aeronautics and Space Administration, shall conduct a study of ways to reduce aircraft noise and emissions and to increase aircraft fuel efficiency. The study shall—

"(1) explore new operational procedures for aircraft to achieve those goals;

"(2) identify both near-term and long-term options to achieve those goals;

"(3) identify infrastructure changes that would contribute to attainment of those goals;

"(4) identify emerging technologies that might contribute to attainment of those goals;

"(5) develop a research plan for application of such emerging technologies, including new combustor and engine design concepts and methodologies for designing high bypass ratio turbofan engines so as to minimize the effects on climate change per unit of production of thrust and flight speed; and

"(6) develop an implementation plan for exploiting such emerging technologies to attain those goals.

"(b) REPORT.—The Secretary shall transmit a report on the study to the Senate Committee on Commerce,

Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 1 year after the date of enactment of this Act [Dec. 12, 2003].

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary \$500,000 for fiscal year 2004 to carry out this section."

## REDUCTION OF NOISE AND EMISSIONS FROM CIVILIAN AIRCRAFT

Pub. L. 108-176, title III, § 326, Dec. 12, 2003, 117 Stat. 2542, provided that:

"(a) ESTABLISHMENT OF RESEARCH PROGRAM.—From amounts made available under section 48102(a) of title 49, United States Code, the Secretary of Transportation shall establish a research program related to reducing community exposure to civilian aircraft noise or emissions through grants or other measures authorized under section 106(l)(6) of such title, including reimbursable agreements with other Federal agencies. The program shall include participation by educational and research institutions that have existing facilities for developing and testing noise reduction engine technology.

"(b) DESIGNATION OF INSTITUTE AS A CENTER OF EXCELLENCE.—The Administrator of the Federal Aviation Administration shall designate an institution described in subsection (a) as a Center of Excellence for Noise and Emission Research."

## AIR TRANSPORTATION SYSTEM JOINT PLANNING AND DEVELOPMENT OFFICE

Pub. L. 108-176, title VII, § 709, Dec. 12, 2003, 117 Stat. 2582, provided that:

"(a) ESTABLISHMENT.—(1) The Secretary of Transportation shall establish in the Federal Aviation Administration a joint planning and development office to manage work related to the Next Generation Air Transportation System. The office shall be known as the Next Generation Air Transportation System Joint Planning and Development Office (in this section referred to as the 'Office').

"(2) The responsibilities of the Office shall include—

"(A) creating and carrying out an integrated plan for a Next Generation Air Transportation System pursuant to subsection (b);

"(B) overseeing research and development on that system;

"(C) creating a transition plan for the implementation of that system;

"(D) coordinating aviation and aeronautics research programs to achieve the goal of more effective and directed programs that will result in applicable research;

"(E) coordinating goals and priorities and coordinating research activities within the Federal Government with United States aviation and aeronautical firms;

"(F) coordinating the development and utilization of new technologies to ensure that when available, they may be used to their fullest potential in aircraft and in the air traffic control system;

"(G) facilitating the transfer of technology from research programs such as the National Aeronautics and Space Administration program and the Department of Defense Advanced Research Projects Agency program to Federal agencies with operational responsibilities and to the private sector; and

"(H) reviewing activities relating to noise, emissions, fuel consumption, and safety conducted by Federal agencies, including the Federal Aviation Administration, the National Aeronautics and Space Administration, the Department of Commerce, and the Department of Defense.

"(3) The Office shall operate in conjunction with relevant programs in the Department of Defense, the National Aeronautics and Space Administration, the Department of Commerce and the Department of Homeland Security. The Secretary of Transportation may re-

quest assistance from staff from those Departments and other Federal agencies.

“(4) In developing and carrying out its plans, the Office shall consult with the public and ensure the participation of experts from the private sector including representatives of commercial aviation, general aviation, aviation labor groups, aviation research and development entities, aircraft and air traffic control suppliers, and the space industry.

“(b) INTEGRATED PLAN.—The integrated plan shall be designed to ensure that the Next Generation Air Transportation System meets air transportation safety, security, mobility, efficiency, and capacity needs beyond those currently included in the Federal Aviation Administration’s operational evolution plan and accomplishes the goals under subsection (c). The integrated plan shall include—

“(1) a national vision statement for an air transportation system capable of meeting potential air traffic demand by 2025;

“(2) a description of the demand and the performance characteristics that will be required of the Nation’s future air transportation system, and an explanation of how those characteristics were derived, including the national goals, objectives, and policies the system is designed to further, and the underlying socioeconomic determinants, and associated models and analyses;

“(3) a multiagency research and development roadmap for creating the Next Generation Air Transportation System with the characteristics outlined under clause (ii) [(2)], including—

“(A) the most significant technical obstacles and the research and development activities necessary to overcome them, including for each project, the role of each Federal agency, corporations, and universities;

“(B) the annual anticipated cost of carrying out the research and development activities; and

“(C) the technical milestones that will be used to evaluate the activities; and

“(4) a description of the operational concepts to meet the system performance requirements for all system users and a timeline and anticipated expenditures needed to develop and deploy the system to meet the vision for 2025.

“(c) GOALS.—The Next Generation Air Transportation System shall—

“(1) improve the level of safety, security, efficiency, quality, and affordability of the National Airspace System and aviation services;

“(2) take advantage of data from emerging ground-based and space-based communications, navigation, and surveillance technologies;

“(3) integrate data streams from multiple agencies and sources to enable situational awareness and seamless global operations for all appropriate users of the system, including users responsible for civil aviation, homeland security, and national security;

“(4) leverage investments in civil aviation, homeland security, and national security and build upon current air traffic management and infrastructure initiatives to meet system performance requirements for all system users;

“(5) be scalable to accommodate and encourage substantial growth in domestic and international transportation and anticipate and accommodate continuing technology upgrades and advances;

“(6) accommodate a wide range of aircraft operations, including airlines, air taxis, helicopters, general aviation, and unmanned aerial vehicles; and

“(7) take into consideration, to the greatest extent practicable, design of airport approach and departure flight paths to reduce exposure of noise and emissions pollution on affected residents.

“(d) REPORTS.—The Administrator of the Federal Aviation Administration shall transmit to the Committee on Commerce, Science, and Transportation in the Senate and the Committee on Transportation and Infrastructure and the Committee on Science [now Com-

mittee on Science, Space, and Technology] in the House of Representatives—

“(1) not later than 1 year after the date of enactment of this Act [Dec. 12, 2003], the integrated plan required in subsection (b); and

“(2) annually at the time of the President’s budget request, a report describing the progress in carrying out the plan required under subsection (b) and any changes to that plan.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Office \$50,000,000 for each of the fiscal years 2004 through 2010.”

#### NEXT GENERATION AIR TRANSPORTATION SENIOR POLICY COMMITTEE

Pub. L. 108–176, title VII, §710, Dec. 12, 2003, 117 Stat. 2584, provided that:

“(a) IN GENERAL.—The Secretary of Transportation shall establish a senior policy committee to work with the Next Generation Air Transportation System Joint Planning and Development Office. The senior policy committee shall be chaired by the Secretary.

“(b) MEMBERSHIP.—In addition to the Secretary, the senior policy committee shall be composed of—

“(1) the Administrator of the Federal Aviation Administration (or the Administrator’s designee);

“(2) the Administrator of the National Aeronautics and Space Administration (or the Administrator’s designee);

“(3) the Secretary of Defense (or the Secretary’s designee);

“(4) the Secretary of Homeland Security (or the Secretary’s designee);

“(5) the Secretary of Commerce (or the Secretary’s designee);

“(6) the Director of the Office of Science and Technology Policy (or the Director’s designee); and

“(7) designees from other Federal agencies determined by the Secretary of Transportation to have an important interest in, or responsibility for, other aspects of the system.

“(c) FUNCTION.—The senior policy committee shall—

“(1) advise the Secretary of Transportation regarding the national goals and strategic objectives for the transformation of the Nation’s air transportation system to meet its future needs;

“(2) provide policy guidance for the integrated plan for the air transportation system to be developed by the Next Generation Air Transportation System Joint Planning and Development Office;

“(3) provide ongoing policy review for the transformation of the air transportation system;

“(4) identify resource needs and make recommendations to their respective agencies for necessary funding for planning, research, and development activities; and

“(5) make legislative recommendations, as appropriate, for the future air transportation system.

“(d) CONSULTATION.—In carrying out its functions under this section, the senior policy committee shall consult with, and ensure participation by, the private sector (including representatives of general aviation, commercial aviation, aviation labor, and the space industry), members of the public, and other interested parties and may do so through a special advisory committee composed of such representatives.”

#### REIMBURSEMENT FOR LOSSES INCURRED BY GENERAL AVIATION ENTITIES

Pub. L. 108–176, title VIII, §817, Dec. 12, 2003, 117 Stat. 2592, provided that:

“(a) IN GENERAL.—The Secretary of Transportation may make grants to reimburse the following general aviation entities for the security costs incurred and revenue foregone as a result of the restrictions imposed by the Federal Government following the terrorist attacks on the United States that occurred on September 11, 2001:

“(1) General aviation entities that operate at Ronald Reagan Washington National Airport.

“(2) Airports that are located within 15 miles of Ronald Reagan Washington National Airport and were operating under security restrictions on the date of enactment of this Act [Dec. 12, 2003] and general aviation entities operating at those airports.

“(3) General aviation entities affected by implementation of section 44939 of title 49, United States Code.

“(4) General aviation entities that were affected by Federal Aviation Administration Notices to Airmen FDC 2/1099 and 3/1862 or section 352 of the Department of Transportation and Related Agencies Appropriations Act, 2003 (Public Law 108-7, division I) [117 Stat. 420], or both.

“(5) Sightseeing operations that were not authorized to resume in enhanced class B air space under Federal Aviation Administration notice to airmen 1/1225.

“(b) DOCUMENTATION.—Reimbursement under this section shall be made in accordance with sworn financial statements or other appropriate data submitted by each general aviation entity demonstrating the costs incurred and revenue foregone to the satisfaction of the Secretary.

“(c) GENERAL AVIATION ENTITY DEFINED.—In this section, the term ‘general aviation entity’ means any person (other than a scheduled air carrier or foreign air carrier, as such terms are defined in section 40102 of title 49, United States Code) that—

“(1) operates nonmilitary aircraft under part 91 of title 14, Code of Federal Regulations, for the purpose of conducting its primary business;

“(2) manufactures nonmilitary aircraft with a maximum seating capacity of fewer than 20 passengers or aircraft parts to be used in such aircraft;

“(3) provides services necessary for nonmilitary operations under such part 91; or

“(4) operates an airport, other than a primary airport (as such terms are defined in such section 40102), that—

“(A) is listed in the national plan of integrated airport systems developed by the Federal Aviation Administration under section 47103 of such title; or

“(B) is normally open to the public, is located within the confines of enhanced class B airspace (as defined by the Federal Aviation Administration in Notice to Airmen FDC 1/0618), and was closed as a result of an order issued by the Federal Aviation Administration in the period beginning September 11, 2001, and ending January 1, 2002, and remained closed as a result of that order on January 1, 2002. Such term includes fixed based operators, flight schools, manufacturers of general aviation aircraft and products, persons engaged in nonscheduled aviation enterprises, and general aviation independent contractors.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$100,000,000. Such sums shall remain available until expended.”

#### GAO REPORT ON AIRLINES’ ACTIONS TO IMPROVE FINANCES AND ON EXECUTIVE COMPENSATION

Pub. L. 108-176, title VIII, §826, Dec. 12, 2003, 117 Stat. 2596, provided that:

“(a) FINDING.—Congress finds that the United States Government has by law provided substantial financial assistance to United States commercial airlines in the form of war risk insurance and reinsurance and other economic benefits and has imposed substantial economic and regulatory burdens on those airlines. In order to determine the economic viability of the domestic commercial airline industry and to evaluate the need for additional measures or the modification of existing laws, Congress needs more frequent information and independently verified information about the financial condition of these airlines.

“(b) GAO REPORT.—Not later than one year after the date of enactment of this Act [Dec. 12, 2003], the Comptroller General shall prepare a report for Congress ana-

lyzing the financial condition of the United States airline industry in its efforts to reduce the costs, improve the earnings and profits and balances of each individual air carrier. The report shall recommend steps that the industry should take to become financially self-sufficient.

“(c) GAO AUTHORITY.—In order to compile the report required by subsection (b), the Comptroller General, or any of the Comptroller General’s duly authorized representatives, shall have access for the purpose of audit and examination to any books, accounts, documents, papers, and records of such air carriers that relate to the information required to compile the report. The Comptroller General shall submit with the report a certification as to whether the Comptroller General has had access to sufficient information to make informed judgments on the matters covered by the report.

“(d) REPORTS TO CONGRESS.—The Comptroller General shall transmit the report required by subsection (b) to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.”

#### MAIL AND FREIGHT WAIVERS

Pub. L. 107-71, title I, §127, Nov. 19, 2001, 115 Stat. 632, provided that:

“(a) IN GENERAL.—During a national emergency affecting air transportation or intrastate air transportation, the Secretary of Transportation, after consultation with the Transportation Security Oversight Board, may grant a complete or partial waiver of any restrictions on the carriage by aircraft of freight, mail, emergency medical supplies, personnel, or patients on aircraft, imposed by the Department of Transportation (or other Federal agency or department) that would permit such carriage of freight, mail, emergency medical supplies, personnel, or patients on flights, to, from, or within a State if the Secretary determines that—

“(1) extraordinary air transportation needs or concerns exist; and

“(2) the waiver is in the public interest, taking into consideration the isolation of and dependence on air transportation of the State.

“(b) LIMITATIONS.—The Secretary may impose reasonable limitations on any such waiver.”

#### AIR CARRIERS REQUIRED TO HONOR TICKETS FOR SUSPENDED SERVICE

Pub. L. 107-71, title I, §145, Nov. 19, 2001, 115 Stat. 645, as amended by Pub. L. 108-7, div. I, title III, §372, Feb. 20, 2003, 117 Stat. 427; Pub. L. 108-176, title IV, §428, Dec. 12, 2003, 117 Stat. 2556; Pub. L. 108-458, title VIII, §8404, Dec. 17, 2004, 118 Stat. 3872; Pub. L. 109-115, div. A, title I, §178, Nov. 30, 2005, 119 Stat. 2427, required each air carrier providing scheduled air transportation on a route to provide, to the extent practicable, air transportation to passengers ticketed for air transportation on that route by any other air carrier that suspended, interrupted, or discontinued air passenger service on the route by reason of insolvency or bankruptcy of the other air carrier occurring on or before Nov. 30, 2006.

#### RELATIONSHIP OF ELIGIBLE CRIME VICTIM COMPENSATION PROGRAMS TO SEPTEMBER 11TH VICTIM COMPENSATION FUND

Pub. L. 107-56, title VI, §622(e)(2), Oct. 26, 2001, 115 Stat. 372, provided that: “With respect to any compensation payable under title IV of Public Law 107-42 [set out as a note below], the failure of a crime victim compensation program, after the effective date of final regulations issued pursuant to section 407 of Public Law 107-42, to provide compensation otherwise required pursuant to section 1403 of the Victims of Crime Act of 1984 (42 U.S.C. 10602) shall not render that program ineligible for future grants under the Victims of Crime Act of 1984 [42 U.S.C. 10601 et seq.]”

#### AIR TRANSPORTATION SAFETY AND SYSTEM STABILIZATION

Pub. L. 112-10, div. B, title III, §1347, Apr. 15, 2011, 125 Stat. 124, provided that: “Notwithstanding any other



provision of law, in fiscal year 2012 and thereafter payments for costs described in subsection (a) of section 404 of Public Law 107-42, as amended [set out below], shall be considered to be, and included in, payments for compensation for the purposes of sections 406(b) and (d)(1) of such Act.”

Pub. L. 107-42, Sept. 22, 2001, 115 Stat. 230, as amended by Pub. L. 107-71, title I, § 124(a), (c), (d), title II, § 201, Nov. 19, 2001, 115 Stat. 631, 645; Pub. L. 107-134, title I, § 114(a), Jan. 23, 2002, 115 Stat. 2435; Pub. L. 107-296, title VIII, § 890, title XII, § 1201(2), Nov. 25, 2002, 116 Stat. 2251, 2286; Pub. L. 110-113, § 3, Nov. 8, 2007, 121 Stat. 1039; Pub. L. 110-161, div. D, title I, Dec. 26, 2007, 121 Stat. 1974; Pub. L. 111-347, title II, Jan. 2, 2011, 124 Stat. 3659, provided that:

“SECTION 1. SHORT TITLE.

“This Act may be cited as the ‘Air Transportation Safety and System Stabilization Act’.

“TITLE I—AIRLINE STABILIZATION

“SEC. 101. AVIATION DISASTER RELIEF.

“(a) IN GENERAL.—Notwithstanding any other provision of law, the President shall take the following actions to compensate air carriers for losses incurred by the air carriers as a result of the terrorist attacks on the United States that occurred on September 11, 2001:

“(1) Repealed. Pub. L. 110-161, div. D, title I, Dec. 26, 2007, 121 Stat. 1974.]

“(2) Compensate air carriers in an aggregate amount equal to \$5,000,000,000 for—

“(A) direct losses incurred beginning on September 11, 2001, by air carriers as a result of any Federal ground stop order issued by the Secretary of Transportation or any subsequent order which continues or renews such a stoppage; and

“(B) the incremental losses incurred beginning September 11, 2001, and ending December 31, 2001, by air carriers as a direct result of such attacks.

“(b) EMERGENCY DESIGNATION.—Congress designates the amount of new budget authority and outlays in all fiscal years resulting from this title as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)). Such amount shall be available only to the extent that a request, that includes designation of such amount as an emergency requirement as defined in such Act [see Short Title note set out under section 900 of Title 2, The Congress], is transmitted by the President to Congress.

“[SEC. 102. Repealed. Pub. L. 110-161, div. D, title I, Dec. 26, 2007, 121 Stat. 1974.]

“SEC. 103. SPECIAL RULES FOR COMPENSATION.

“(a) DOCUMENTATION.—Subject to subsection (b), the amount of compensation payable to an air carrier under section 101(a)(2) may not exceed the amount of losses described in section 101(a)(2) that the air carrier demonstrates to the satisfaction of the President, using sworn financial statements or other appropriate data, that the air carrier incurred. The Secretary of Transportation and the Comptroller General of the United States may audit such statements and may request any information that the Secretary and the Comptroller General deems necessary to conduct such audit.

“(b) MAXIMUM AMOUNT OF COMPENSATION PAYABLE PER AIR CARRIER.—The maximum total amount of compensation payable to an air carrier under section 101(a)(2) may not exceed the lesser of—

“(1) the amount of such air carrier’s direct and incremental losses described in section 101(a)(2); or

“(2) in the case of—

“(A) flights involving passenger-only or combined passenger and cargo transportation, the product of—

“(i) \$4,500,000,000; and

“(ii) the ratio of—

“(I) the available seat miles of the air carrier for the month of August 2001 as reported to the Secretary; to

“(II) the total available seat miles of all such air carriers for such month as reported to the Secretary; and

“(B) flights involving cargo-only transportation, the product of—

“(i) \$500,000,000; and

“(ii) the ratio of—

“(I) the revenue ton miles or other auditable measure of the air carrier for cargo for the latest quarter for which data is available as reported to the Secretary; to

“(II) the total revenue ton miles or other auditable measure of all such air carriers for cargo for such quarter as reported to the Secretary.

“(c) PAYMENTS.—The President may provide compensation to air carriers under section 101(a)(2) in 1 or more payments up to the amount authorized by this title.

“(d) COMPENSATION FOR CERTAIN AIR CARRIERS.—

“(1) SET-ASIDE.—The President may set aside a portion of the amount of compensation payable to air carriers under section 101(a)(2) to provide compensation to classes of air carriers, such as air tour operators and air ambulances (including hospitals operating air ambulances) for whom the application of a distribution formula containing available seat miles as a factor would inadequately reflect their share of direct and incremental losses. The President shall reduce the \$4,500,000,000 specified in subsection (b)(2)(A)(i) by the amount set aside under this subsection.

“(2) DISTRIBUTION OF AMOUNTS.—The President shall distribute the amount set aside under this subsection proportionally among such air carriers based on an appropriate auditable measure, as determined by the President.

“[SEC. 104. Repealed. Pub. L. 110-161, div. D, title I, Dec. 26, 2007, 121 Stat. 1974.]

“SEC. 105. CONTINUATION OF CERTAIN AIR SERVICE.

“(a) ACTION OF SECRETARY.—The Secretary of Transportation should take appropriate action to ensure that all communities that had scheduled air service before September 11, 2001, continue to receive adequate air transportation service and that essential air service to small communities continues without interruption.

“(b) ESSENTIAL AIR SERVICE.—There is authorized to be appropriated to the Secretary to carry out the essential air service program under subchapter II of chapter 417 of title 49, United States Code, \$120,000,000 for fiscal year 2002.

“(c) SECRETARIAL OVERSIGHT.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary is authorized to require an air carrier receiving direct financial assistance under this Act to maintain scheduled air service to any point served by that carrier before September 11, 2001.

“(2) AGREEMENTS.—In applying paragraph (1), the Secretary may require air carriers receiving direct financial assistance under this Act to enter into agreements which will ensure, to the maximum extent practicable, that all communities that had scheduled air service before September 11, 2001, continue to receive adequate air transportation service.

“SEC. 106. REPORTS.

“(a) REPORT.—Not later than February 1, 2002, the President shall transmit to the Committee on Transportation and Infrastructure, the Committee on Appropriations, and the Committee on the Budget of the House of Representatives and the Committee on Commerce, Science, and Transportation, the Committee on Appropriations, and the Committee on the Budget of the Senate a report on the financial status of the air carrier industry and the amounts of assistance provided under this title to each air carrier.

“(b) UPDATE.—Not later than the last day of the 7-month period following the date of enactment of this

Act [Sept. 22, 2001], the President shall update and transmit the report to the Committees.

“SEC. 107. DEFINITIONS.

“In this title, the following definitions apply:

“(1) AIR CARRIER.—The term ‘air carrier’ has the meaning such term has under section 40102 of title 49, United States Code.

“(2) Repealed. Pub. L. 110-161, div. D, title I, Dec. 26, 2007, 121 Stat. 1974.]

“(3) INCREMENTAL LOSS.—The term ‘incremental loss’ does not include any loss that the President determines would have been incurred if the terrorist attacks on the United States that occurred on September 11, 2001, had not occurred.

“TITLE II—AVIATION INSURANCE

“SEC. 201. DOMESTIC INSURANCE AND REIMBURSEMENT OF INSURANCE COSTS.

“(a) IN GENERAL.—[Amended section 44302 of this title.]

“(b) COVERAGE.—

“(1) IN GENERAL.—[Amended section 44303 of this title.]

“(2) [Transferred to section 44303(b) of this title.]

“(c) REINSURANCE.—[Amended section 44304 of this title.]

“(d) PREMIUMS.—[Amended section 44306 of this title.]

“(e) CONFORMING AMENDMENT.—[Amended section 44305(b) of this title.]

“SEC. 202. EXTENSION OF PROVISIONS TO VENDORS, AGENTS, AND SUBCONTRACTORS OF AIR CARRIERS.

“Notwithstanding any other provision of this title, the Secretary may extend any provision of chapter 443 of title 49, United States Code, as amended by this title, and the provisions of this title, to vendors, agents, and subcontractors of air carriers. For the 180-day period beginning on the date of enactment of this Act [Sept. 22, 2001], the Secretary may extend or amend any such provisions so as to ensure that the entities referred to in the preceding sentence are not responsible in cases of acts of terrorism for losses suffered by third parties that exceed the amount of such entities’ liability coverage, as determined by the Secretary.

“TITLE III—TAX PROVISIONS

“SEC. 301. EXTENSION OF DUE DATE FOR EXCISE TAX DEPOSITS; TREATMENT OF LOSS COMPENSATION.

“(a) EXTENSION OF DUE DATE FOR EXCISE TAX DEPOSITS.—

“(1) IN GENERAL.—In the case of an eligible air carrier, any airline-related deposit required under section 6302 of the Internal Revenue Code of 1986 [26 U.S.C. 6302] to be made after September 10, 2001, and before November 15, 2001, shall be treated for purposes of such Code [26 U.S.C. 1 et seq.] as timely made if such deposit is made on or before November 15, 2001. If the Secretary of the Treasury so prescribes, the preceding sentence shall be applied by substituting for ‘November 15, 2001’ each place it appears—

“(A) ‘January 15, 2002’; or

“(B) such earlier date after November 15, 2001, as such Secretary may prescribe.

“(2) ELIGIBLE AIR CARRIER.—For purposes of this subsection, the term ‘eligible air carrier’ means any domestic corporation engaged in the trade or business of transporting (for hire) persons by air if such transportation is available to the general public.

“(3) AIRLINE-RELATED DEPOSIT.—For purposes of this subsection, the term ‘airline-related deposit’ means any deposit of taxes imposed by subchapter C of chapter 33 of such Code [26 U.S.C. 4261 et seq.] (relating to transportation by air).

“(b) TREATMENT OF LOSS COMPENSATION.—Nothing in any provision of law shall be construed to exclude from gross income under the Internal Revenue Code of 1986 any compensation received under section 101(a)(2) of this Act.

“TITLE IV—VICTIM COMPENSATION

“SEC. 401. SHORT TITLE.

“This title may be cited as the ‘September 11th Victim Compensation Fund of 2001’.

“SEC. 402. DEFINITIONS.

“In this title, the following definitions apply:

“(1) AIR CARRIER.—The term ‘air carrier’ means a citizen of the United States undertaking by any means, directly or indirectly, to provide air transportation and includes employees and agents (including persons engaged in the business of providing air transportation security and their affiliates) of such citizen. For purposes of the preceding sentence, the term ‘agent’, as applied to persons engaged in the business of providing air transportation security, shall only include persons that have contracted directly with the Federal Aviation Administration on or after and commenced services no later than February 17, 2002, to provide such security, and had not been or are not debarred for any period within 6 months from that date.

“(2) AIR TRANSPORTATION.—The term ‘air transportation’ means foreign air transportation, interstate air transportation, or the transportation of mail by aircraft.

“(3) AIRCRAFT MANUFACTURER.—The term ‘aircraft manufacturer’ means any entity that manufactured the aircraft or any parts or components of the aircraft involved in the terrorist related aircraft crashes of September 11, 2001, including employees and agents of that entity.

“(4) AIRPORT SPONSOR.—The term ‘airport sponsor’ means the owner or operator of an airport (as defined in section 40102 of title 49, United States Code).

“(5) CLAIMANT.—The term ‘claimant’ means an individual filing a claim for compensation under section 405(a)(1).

“(6) COLLATERAL SOURCE.—The term ‘collateral source’ means all collateral sources, including life insurance, pension funds, death benefit programs, and payments by Federal, State, or local governments related to the terrorist-related aircraft crashes of September 11, 2001, or debris removal, including under the World Trade Center Health Program established under section 3001 of the Public Health Service Act [probably means section 3301 of the Public Health Service Act, 42 U.S.C. 300mm], and payments made pursuant to the settlement of a civil action described in section 405(c)(3)(C)(iii).

“(7) CONTRACTOR AND SUBCONTRACTOR.—The term ‘contractor and subcontractor’ means any contractor or subcontractor (at any tier of a subcontracting relationship), including any general contractor, construction manager, prime contractor, consultant, or any parent, subsidiary, associated or allied company, affiliated company, corporation, firm, organization, or joint venture thereof that participated in debris removal at any 9/11 crash site. Such term shall not include any entity, including the Port Authority of New York and New Jersey, with a property interest in the World Trade Center, on September 11, 2001, whether fee simple, leasehold or easement, direct or indirect.

“(8) DEBRIS REMOVAL.—The term ‘debris removal’ means rescue and recovery efforts, removal of debris, cleanup, remediation, and response during the immediate aftermath of the terrorist-related aircraft crashes of September 11, 2001, with respect to a 9/11 crash site.

“(9) ECONOMIC LOSS.—The term ‘economic loss’ means any pecuniary loss resulting from harm (including the loss of earnings or other benefits related to employment, medical expense loss, replacement services loss, loss due to death, burial costs, and loss of business or employment opportunities) to the extent recovery for such loss is allowed under applicable State law.

“(10) ELIGIBLE INDIVIDUAL.—The term ‘eligible individual’ means an individual determined to be eligible for compensation under section 405(c).

“(11) IMMEDIATE AFTERMATH.—The term ‘immediate aftermath’ means any period beginning with the terrorist-related aircraft crashes of September 11, 2001, and ending on May 30, 2002.

“(12) NONECONOMIC LOSSES.—The term ‘noneconomic losses’ means losses for physical and emotional pain, suffering, inconvenience, physical impairment, mental anguish, disfigurement, loss of enjoyment of life, loss of society and companionship, loss of consortium (other than loss of domestic service), hedonic damages, injury to reputation, and all other nonpecuniary losses of any kind or nature.

“(13) SPECIAL MASTER.—The term ‘Special Master’ means the Special Master appointed under section 404(a).

“(14) 9/11 CRASH SITE.—The term ‘9/11 crash site’ means—

“(A) the World Trade Center site, Pentagon site, and Shanksville, Pennsylvania site;

“(B) the buildings or portions of buildings that were destroyed as a result of the terrorist-related aircraft crashes of September 11, 2001;

“(C) any area contiguous to a site of such crashes that the Special Master determines was sufficiently close to the site that there was a demonstrable risk of physical harm resulting from the impact of the aircraft or any subsequent fire, explosions, or building collapses (including the immediate area in which the impact occurred, fire occurred, portions of buildings fell, or debris fell upon and injured individuals); and

“(D) any area related to, or along, routes of debris removal, such as barges and Fresh Kills.

#### “SEC. 403. PURPOSE.

“It is the purpose of this title to provide compensation to any individual (or relatives of a deceased individual) who was physically injured or killed as a result of the terrorist-related aircraft crashes of September 11, 2001.

#### “SEC. 404. ADMINISTRATION.

“(a) IN GENERAL.—The Attorney General, acting through a Special Master appointed by the Attorney General, shall—

“(1) administer the compensation program established under this title;

“(2) promulgate all procedural and substantive rules for the administration of this title; and

“(3) employ and supervise hearing officers and other administrative personnel to perform the duties of the Special Master under this title.

“(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to pay the administrative and support costs for the Special Master in carrying out this title.

#### “SEC. 405. DETERMINATION OF ELIGIBILITY FOR COMPENSATION.

“(a) FILING OF CLAIM.—

“(1) IN GENERAL.—A claimant may file a claim for compensation under this title with the Special Master. The claim shall be on the form developed under paragraph (2) and shall state the factual basis for eligibility for compensation and the amount of compensation sought.

“(2) CLAIM FORM.—

“(A) IN GENERAL.—The Special Master shall develop a claim form that claimants shall use when submitting claims under paragraph (1). The Special Master shall ensure that such form can be filed electronically, if determined to be practicable.

“(B) CONTENTS.—The form developed under subparagraph (A) shall request—

“(i) information from the claimant concerning the physical harm that the claimant suffered, or in the case of a claim filed on behalf of a decedent information confirming the decedent’s death, as a result of the terrorist-related aircraft crashes of September 11, 2001, or debris removal during the immediate aftermath;

“(ii) information from the claimant concerning any possible economic and noneconomic losses that the claimant suffered as a result of such crashes or debris removal during the immediate aftermath; and

“(iii) information regarding collateral sources of compensation the claimant has received or is entitled to receive as a result of such crashes or debris removal during the immediate aftermath.

“(3) LIMITATION.—

“(A) IN GENERAL.—Except as provided by subparagraph (B), no claim may be filed under paragraph (1) after the date that is 2 years after the date on which regulations are promulgated under section 407(a).

“(B) EXCEPTION.—A claim may be filed under paragraph (1), in accordance with subsection (c)(3)(A)(i), by an individual (or by a personal representative on behalf of a deceased individual) during the period beginning on the date on which the regulations are updated under section 407(b) and ending on the date that is 5 years after the date on which such regulations are updated.

“(b) REVIEW AND DETERMINATION.—

“(1) REVIEW.—The Special Master shall review a claim submitted under subsection (a) and determine—

“(A) whether the claimant is an eligible individual under subsection (c);

“(B) with respect to a claimant determined to be an eligible individual—

“(i) the extent of the harm to the claimant, including any economic and noneconomic losses; and

“(ii) the amount of compensation to which the claimant is entitled based on the harm to the claimant, the facts of the claim, and the individual circumstances of the claimant.

“(2) NEGLIGENCE.—With respect to a claimant, the Special Master shall not consider negligence or any other theory of liability.

“(3) DETERMINATION.—Not later than 120 days after that date on which a claim is filed under subsection (a), the Special Master shall complete a review, make a determination, and provide written notice to the claimant, with respect to the matters that were the subject of the claim under review. Such a determination shall be final and not subject to judicial review.

“(4) RIGHTS OF CLAIMANT.—A claimant in a review under paragraph (1) shall have—

“(A) the right to be represented by an attorney;

“(B) the right to present evidence, including the presentation of witnesses and documents; and

“(C) any other due process rights determined appropriate by the Special Master.

“(5) NO PUNITIVE DAMAGES.—The Special Master may not include amounts for punitive damages in any compensation paid under a claim under this title.

“(6) COLLATERAL COMPENSATION.—The Special Master shall reduce the amount of compensation determined under paragraph (1)(B)(ii) by the amount of the collateral source compensation the claimant has received or is entitled to receive as a result of the terrorist-related aircraft crashes of September 11, 2001.

“(c) ELIGIBILITY.—

“(1) IN GENERAL.—A claimant shall be determined to be an eligible individual for purposes of this subsection if the Special Master determines that such claimant—

“(A) is an individual described in paragraph (2); and

“(B) meets the requirements of paragraph (3).

“(2) INDIVIDUALS.—A claimant is an individual described in this paragraph if the claimant is—

“(A) an individual who—

“(i) was present at the World Trade Center, (New York, New York), the Pentagon (Arlington, Virginia), the site of the aircraft crash at Shanksville, Pennsylvania, or any other 9/11 crash site at the time, or in the immediate after-

math, of the terrorist-related aircraft crashes of September 11, 2001; and

“(i) suffered physical harm or death as a result of such an air crash or debris removal;

“(B) an individual who was a member of the flight crew or a passenger on American Airlines flight 11 or 77 or United Airlines flight 93 or 175, except that an individual identified by the Attorney General to have been a participant or conspirator in the terrorist-related aircraft crashes of September 11, 2001, or a representative of such individual shall not be eligible to receive compensation under this title; or

“(C) in the case of a decedent who is an individual described in subparagraph (A) or (B), the personal representative of the decedent who files a claim on behalf of the decedent.

“(3) REQUIREMENTS.—

“(A) REQUIREMENTS FOR FILING CLAIMS DURING EXTENDED FILING PERIOD.—

“(i) TIMING REQUIREMENTS FOR FILING CLAIMS.—

An individual (or a personal representative on behalf of a deceased individual) may file a claim during the period described in subsection (a)(3)(B) as follows:

“(I) In the case that the Special Master determines the individual knew (or reasonably should have known) before the date specified in clause (iii) that the individual suffered a physical harm at a 9/11 crash site as a result of the terrorist-related aircraft crashes of September 11, 2001, or as a result of debris removal, and that the individual knew (or should have known) before such specified date that the individual was eligible to file a claim under this title, the individual may file a claim not later than the date that is 2 years after such specified date.

“(II) In the case that the Special Master determines the individual first knew (or reasonably should have known) on or after the date specified in clause (iii) that the individual suffered such a physical harm or that the individual first knew (or should have known) on or after such specified date that the individual was eligible to file a claim under this title, the individual may file a claim not later than the last day of the 2-year period beginning on the date the Special Master determines the individual first knew (or should have known) that the individual both suffered from such harm and was eligible to file a claim under this title.

“(ii) OTHER ELIGIBILITY REQUIREMENTS FOR FILING CLAIMS.—An individual may file a claim during the period described in subsection (a)(3)(B) only if—

“(I) the individual was treated by a medical professional for suffering from a physical harm described in clause (i)(I) within a reasonable time from the date of discovering such harm; and

“(II) the individual’s physical harm is verified by contemporaneous medical records created by or at the direction of the medical professional who provided the medical care.

“(iii) DATE SPECIFIED.—The date specified in this clause is the date on which the regulations are updated under section 407(a).

“(B) Single claim.—Not more than one claim may be submitted under this title by an individual or on behalf of a deceased individual.

“(C) Limitation on civil action.—

“(i) IN GENERAL.—Upon the submission of a claim under this title, the claimant waives the right to file a civil action (or to be a party to an action) in any Federal or State court for damages sustained as a result of the terrorist-related aircraft crashes of September 11, 2001, or for damages arising from or related to debris removal. The preceding sentence does not apply to a civil action to recover collateral source obligations, or

to a civil action against any person who is a knowing participant in any conspiracy to hijack any aircraft or commit any terrorist act.

“(ii) PENDING ACTIONS.—In the case of an individual who is a party to a civil action described in clause (i), such individual may not submit a claim under this title—

“(I) during the period described in subsection (a)(3)(A) unless such individual withdraws from such action by the date that is 90 days after the date on which regulations are promulgated under section 407(a); and

“(II) during the period described in subsection (a)(3)(B) unless such individual withdraws from such action by the date that is 90 days after the date on which the regulations are updated under section 407(b).

“(iii) SETTLED ACTIONS.—In the case of an individual who settled a civil action described in clause (i), such individual may not submit a claim under this title unless such action was commenced after December 22, 2003, and a release of all claims in such action was tendered prior to the date on which the James Zadroga 9/11 Health and Compensation Act of 2010 [Pub. L. 111-347] was enacted [Jan. 2, 2011].

“SEC. 406. PAYMENTS TO ELIGIBLE INDIVIDUALS.

“(a) IN GENERAL.—Subject to the limitations under subsection (d), not later than 20 days after the date on which a determination is made by the Special Master regarding the amount of compensation due a claimant under this title, the Special Master shall authorize payment to such claimant of the amount determined with respect to the claimant.

“(b) PAYMENT AUTHORITY.—This title constitutes budget authority in advance of appropriations Acts in the amounts provided under subsection (d)(1) and represents the obligation of the Federal Government to provide for the payment of amounts for compensation under this title subject to the limitations under subsection (d).

“(c) ADDITIONAL FUNDING.—

“(1) IN GENERAL.—The Attorney General is authorized to accept such amounts as may be contributed by individuals, business concerns, or other entities to carry out this title, under such terms and conditions as the Attorney General may impose.

“(2) USE OF SEPARATE ACCOUNT.—In making payments under this section, amounts contained in any account containing funds provided under paragraph (1) shall be used prior to using appropriated amounts.

“(d) LIMITATION.—

“(1) IN GENERAL.—The total amount of Federal funds paid for compensation under this title, with respect to claims filed on or after the date on which the regulations are updated under section 407(b), shall not exceed \$2,775,000,000. Of such amounts, not to exceed \$875,000,000 shall be available to pay such claims during the 5-year period beginning on such date.

“(2) PRO-RATION AND PAYMENT OF REMAINING CLAIMS.—

“(A) IN GENERAL.—The Special Master shall ratably reduce the amount of compensation due claimants under this title in a manner to ensure, to the extent possible, that—

“(i) all claimants who, before application of the limitation under the second sentence of paragraph (1), would have been determined to be entitled to a payment under this title during such 5-year period, receive a payment during such period; and

“(ii) the total amount of all such payments made during such 5-year period do not exceed the amount available under the second sentence of paragraph (1) to pay claims during such period.

“(B) PAYMENT OF REMAINDER OF CLAIM AMOUNTS.—In any case in which the amount of a claim is ratably reduced pursuant to subparagraph (A), on or after the first day after the 5-year period described

in paragraph (1), but in no event later than 1 year after such 5-year period, the Special Master shall pay to the claimant the amount that is equal to the difference between—

“(i) the amount that the claimant would have been paid under this title during such period without regard to the limitation under the second sentence of paragraph (1) applicable to such period; and

“(ii) the amount the claimant was paid under this title during such period.

“(C) TERMINATION.—Upon completion of all payments pursuant to this subsection, the Victim’s Compensation Fund shall be permanently closed.

“(e) ATTORNEY FEES.—

“(1) IN GENERAL.—Notwithstanding any contract, the representative of an individual may not charge, for services rendered in connection with the claim of an individual under this title, more than 10 percent of an award made under this title on such claim.

“(2) LIMITATION.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), in the case of an individual who was charged a legal fee in connection with the settlement of a civil action described in section 405(c)(3)(C)(iii), the representative of the individual may not charge any amount for compensation for services rendered in connection with a claim filed under this title.

“(B) EXCEPTION.—If the legal fee charged in connection with the settlement of a civil action described in section 405(c)(3)(C)(iii) of an individual is less than 10 percent of the aggregate amount of compensation awarded to such individual through such settlement, the representative of such individual may charge an amount for compensation for services rendered to the extent that such amount charged is not more than—

“(i) 10 percent of such aggregate amount through the settlement, minus

“(ii) the total amount of all legal fees charged for services rendered in connection with such settlement.

“(3) DISCRETION TO LOWER FEE.—In the event that the special master [probably should be capitalized] finds that the fee limit set by paragraph (1) or (2) provides excessive compensation for services rendered in connection with such claim, the Special Master may, in the discretion of the Special Master, award as reasonable compensation for services rendered an amount lesser than that permitted for in paragraph (1).

“SEC. 407. REGULATIONS.

“(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act [Sept. 22, 2001], the Attorney General, in consultation with the Special Master, shall promulgate regulations to carry out this title, including regulations with respect to—

“(1) forms to be used in submitting claims under this title;

“(2) the information to be included in such forms;

“(3) procedures for hearing and the presentation of evidence;

“(4) procedures to assist an individual in filing and pursuing claims under this title; and

“(5) other matters determined appropriate by the Attorney General.

“(b) UPDATED REGULATIONS.—Not later than 180 days after the date of the enactment of the James Zadroga 9/11 Health and Compensation Act of 2010 [Jan. 2, 2011], the Special Master shall update the regulations promulgated under subsection (a) to the extent necessary to comply with the provisions of title II of such Act [title II of Pub. L. 111–347, amending this note].

“SEC. 408. LIMITATION ON LIABILITY.

“(a) IN GENERAL.—

“(1) LIABILITY LIMITED TO INSURANCE COVERAGE.—Notwithstanding any other provision of law, liability for all claims, whether for compensatory or punitive

damages or for contribution or indemnity, arising from the terrorist-related aircraft crashes of September 11, 2001, against an air carrier, aircraft manufacturer, airport sponsor, or person with a property interest in the World Trade Center, on September 11, 2001, whether fee simple, leasehold or easement, direct or indirect, or their directors, officers, employees, or agents, shall not be in an amount greater than the limits of liability insurance coverage maintained by that air carrier, aircraft manufacturer, airport sponsor, or person.

“(2) WILLFUL DEFAULTS ON REBUILDING OBLIGATION.—Paragraph (1) does not apply to any such person with a property interest in the World Trade Center if the Attorney General determines, after notice and an opportunity for a hearing on the record, that the person has defaulted willfully on a contractual obligation to rebuild, or assist in the rebuilding of, the World Trade Center.

“(3) LIMITATIONS ON LIABILITY FOR NEW YORK CITY.—Liability for all claims, whether for compensatory or punitive damages or for contribution or indemnity arising from the terrorist-related aircraft crashes of September 11, 2001, against the City of New York shall not exceed the greater of the city’s insurance coverage or \$350,000,000. If a claimant who is eligible to seek compensation under section 405 of this Act, submits a claim under section 405, the claimant waives the right to file a civil action (or to be a party to an action) in any Federal or State court for damages sustained as a result of the terrorist-related aircraft crashes of September 11, 2001, including any such action against the City of New York. The preceding sentence does not apply to a civil action to recover collateral source obligations.

“(4) LIABILITY FOR CERTAIN CLAIMS.—Notwithstanding any other provision of law, liability for all claims and actions (including claims or actions that have been previously resolved, that are currently pending, and that may be filed) for compensatory damages, contribution or indemnity, or any other form or type of relief, arising from or related to debris removal, against the City of New York, any entity (including the Port Authority of New York and New Jersey) with a property interest in the World Trade Center on September 11, 2001 (whether fee simple, leasehold or easement, or direct or indirect) and any contractors and subcontractors, shall not be in an amount that exceeds the sum of the following, as may be applicable:

“(A) The amount of funds of the WTC Captive Insurance Company, including the cumulative interest.

“(B) The amount of all available insurance identified in schedule 2 of the WTC Captive Insurance Company insurance policy.

“(C) As it relates to the limitation of liability of the City of New York, the amount that is the greater of the City of New York’s insurance coverage or \$350,000,000. In determining the amount of the City’s insurance coverage for purposes of the previous sentence, any amount described in subparagraphs (A) and (B) shall not be included.

“(D) As it relates to the limitation of liability of any entity, including the Port Authority of New York and New Jersey, with a property interest in the World Trade Center on September 11, 2001 (whether fee simple, leasehold or easement, or direct or indirect), the amount of all available liability insurance coverage maintained by any such entity.

“(E) As it relates to the limitation of liability of any individual contractor or subcontractor, the amount of all available liability insurance coverage maintained by such contractor or subcontractor on September 11, 2001.

“(5) PRIORITY OF CLAIMS PAYMENTS.—Payments to plaintiffs who obtain a settlement or judgment with respect to a claim or action to which paragraph (4) applies, shall be paid solely from the following funds in the following order, as may be applicable:

“(A) The funds described in subparagraph (A) or (B) of paragraph (4).

“(B) If there are no funds available as described in subparagraph (A) or (B) of paragraph (4), the funds described in subparagraph (C) of such paragraph.

“(C) If there are no funds available as described in subparagraph (A), (B), or (C) of paragraph (4), the funds described in subparagraph (D) of such paragraph.

“(D) If there are no funds available as described in subparagraph (A), (B), (C), or (D) of paragraph (4), the funds described in subparagraph (E) of such paragraph.

“(6) DECLARATORY JUDGMENT ACTIONS AND DIRECT ACTION.—Any claimant to a claim or action to which paragraph (4) applies may, with respect to such claim or action, either file an action for a declaratory judgment for insurance coverage or bring a direct action against the insurance company involved, except that no such action for declaratory judgment or direct action may be commenced until after the funds available in subparagraph[s] (A), (B), (C), and (D) of paragraph (5) have been exhausted consistent with the order described in such paragraph for payment.

“(b) FEDERAL CAUSE OF ACTION.—

“(1) AVAILABILITY OF ACTION.—There shall exist a Federal cause of action for damages arising out of the hijacking and subsequent crashes of American Airlines flights 11 and 77, and United Airlines flights 93 and 175, on September 11, 2001. Notwithstanding section 40120(c) of title 49, United States Code, this cause of action shall be the exclusive remedy for damages arising out of the hijacking and subsequent crashes of such flights.

“(2) SUBSTANTIVE LAW.—The substantive law for decision in any such suit shall be derived from the law, including choice of law principles, of the State in which the crash occurred unless such law is inconsistent with or preempted by Federal law.

“(3) JURISDICTION.—The United States District Court for the Southern District of New York shall have original and exclusive jurisdiction over all actions brought for any claim (including any claim for loss of property, personal injury, or death) resulting from or relating to the terrorist-related aircraft crashes of September 11, 2001.

“(4) NATIONWIDE SUBPOENAS.—

“(A) IN GENERAL.—A subpoena requiring the attendance of a witness at trial or a hearing conducted under this section may be served at any place in the United States.

“(B) RULE OF CONSTRUCTION.—Nothing in this subsection is intended to diminish the authority of a court to quash or modify a subpoena for the reasons provided in clause (i), (iii), or (iv) of subparagraph (A) or subparagraph (B) of rule 45(c)(3) of the Federal Rules of Civil Procedure [28 U.S.C. App.].

“(c) EXCLUSION.—Nothing in this section shall in any way limit any liability of any person who is a knowing participant in any conspiracy to hijack any aircraft or commit any terrorist act. Subsections (a) and (b) do not apply to civil actions to recover collateral source obligations.

“SEC. 409. RIGHT OF SUBROGATION.

“The United States shall have the right of subrogation with respect to any claim paid by the United States under this title, subject to the limitations described in section 408.

“TITLE V—AIR TRANSPORTATION SAFETY

“SEC. 501. INCREASED AIR TRANSPORTATION SAFETY.

“Congress affirms the President’s decision to spend \$3,000,000,000 on airline safety and security in conjunction with this Act in order to restore public confidence in the airline industry.

“SEC. 502. CONGRESSIONAL COMMITMENT.

“Congress is committed to act expeditiously, in consultation with the Secretary of Transportation, to

strengthen airport security and take further measures to enhance the security of air travel.

“TITLE VI—SEPARABILITY

“SEC. 601. SEPARABILITY.

“If any provision of this Act (including any amendment made by this Act [amending sections 44302 to 44306 of this title]) or the application thereof to any person or circumstance is held invalid, the remainder of this Act (including any amendment made by this Act) and the application thereof to other persons or circumstances shall not be affected thereby.”

[Pub. L. 107–134, title I, § 114(b), Jan. 23, 2002, 115 Stat. 2436, provided that: “The amendment made by this section [amending Pub. L. 107–42, set out above] shall take effect as if included in section 301 of the Air Transportation Safety and System Stabilization Act (Public Law 107–42).”]

[Memorandum of President of the United States, Sept. 25, 2001, 66 F.R. 49507, delegated to the Secretary of Transportation the authority vested in the President under section 101(a)(2) of Pub. L. 107–42, set out above, to compensate air carriers for direct and incremental losses they incurred from the terrorist attacks of Sept. 11, 2001, and any resulting ground stop order.]

INDEPENDENT STUDY OF FAA COSTS AND ALLOCATIONS

Pub. L. 106–181, title III, § 309, Apr. 5, 2000, 114 Stat. 127, provided that:

“(a) INDEPENDENT ASSESSMENT.—

“(1) IN GENERAL.—The Inspector General of the Department of Transportation shall conduct the assessments described in this section. To conduct the assessments, the Inspector General may use the staff and resources of the Inspector General or contract with one or more independent entities.

“(2) ASSESSMENT OF ADEQUACY AND ACCURACY OF FAA COST DATA AND ATTRIBUTIONS.—

“(A) IN GENERAL.—The Inspector General shall conduct an assessment to ensure that the method for calculating the overall costs of the Federal Aviation Administration and attributing such costs to specific users is appropriate, reasonable, and understandable to the users.

“(B) COMPONENTS.—In conducting the assessment under this paragraph, the Inspector General shall assess the following:

“(i) The Administration’s cost input data, including the reliability of the Administration’s source documents and the integrity and reliability of the Administration’s data collection process.

“(ii) The Administration’s system for tracking assets.

“(iii) The Administration’s bases for establishing asset values and depreciation rates.

“(iv) The Administration’s system of internal controls for ensuring the consistency and reliability of reported data.

“(v) The Administration’s definition of the services to which the Administration ultimately attributes its costs.

“(vi) The cost pools used by the Administration and the rationale for and reliability of the bases which the Administration proposes to use in allocating costs of services to users.

“(C) REQUIREMENTS FOR ASSESSMENT OF COST POOLS.—In carrying out subparagraph (B)(vi), the Inspector General shall—

“(i) review costs that cannot reliably be attributed to specific Administration services or activities (called ‘common and fixed costs’ in the Administration Cost Allocation Study) and consider alternative methods for allocating such costs; and

“(ii) perform appropriate tests to assess relationships between costs in the various cost pools and activities and services to which the costs are attributed by the Administration.

“(3) COST EFFECTIVENESS.—

“(A) IN GENERAL.—The Inspector General shall assess the progress of the Administration in cost and performance management, including use of internal and external benchmarking in improving the performance and productivity of the Administration.

“(B) ANNUAL REPORTS.—Not later than December 31, 2000, and annually thereafter until December 31, 2004, the Inspector General shall transmit to Congress an updated report containing the results of the assessment conducted under this paragraph.

“(C) INFORMATION TO BE INCLUDED IN FAA FINANCIAL REPORT.—The Administrator [of the Federal Aviation Administration] shall include in the annual financial report of the Administration information on the performance of the Administration sufficient to permit users and others to make an informed evaluation of the progress of the Administration in increasing productivity.

“(b) FUNDING.—There are authorized to be appropriated such sums as may be necessary to carry out this section.”

#### OPERATIONS OF AIR TAXI INDUSTRY

Pub. L. 106-181, title VII, §735, Apr. 5, 2000, 114 Stat. 171, provided that:

“(a) STUDY.—The Administrator [of the Federal Aviation Administration], in consultation with the National Transportation Safety Board and other interested persons, shall conduct a study of air taxi operators regulated under part 135 of title 14, Code of Federal Regulations.

“(b) CONTENTS.—The study shall include an analysis of the size and type of the aircraft fleet, relevant aircraft equipment, hours flown, utilization rates, safety record by various categories of use and aircraft type, sales revenues, and airports served by the air taxi fleet.

“(c) REPORT.—Not later than 1 year after the date of the enactment of this Act [Apr. 5, 2000], the Administrator shall transmit to Congress a report on the results of the study.”

#### FINDINGS

Section 271 of Pub. L. 104-264 provided that: “Congress finds the following:

“(1) The Administration [Federal Aviation Administration] is recognized throughout the world as a leader in aviation safety.

“(2) The Administration certifies aircraft, engines, propellers, and other manufactured parts.

“(3) The Administration certifies more than 650 training schools for pilots and nonpilots, more than 4,858 repair stations, and more than 193 maintenance schools.

“(4) The Administration certifies pilot examiners, who are then qualified to determine if a person has the skills necessary to become a pilot.

“(5) The Administration certifies more than 6,000 medical examiners, each of whom is then qualified to medically certify the qualifications of pilots and nonpilots.

“(6) The Administration certifies more than 470 airports, and provides a limited certification for another 205 airports. Other airports in the United States are also reviewed by the Administration.

“(7) The Administration each year performs more than 355,000 inspections.

“(8) The Administration issues more than 655,000 pilot's licenses and more than 560,000 nonpilot's licenses (including mechanics).

“(9) The Administration's certification means that the product meets world-wide recognized standards of safety and reliability.

“(10) The Administration's certification means aviation-related equipment and services meet world-wide recognized standards.

“(11) The Administration's certification is recognized by governments and businesses throughout the world and as such may be a valuable element for any company desiring to sell aviation-related products throughout the world.

“(12) The Administration's certification may constitute a valuable license, franchise, privilege or benefits for the holders.

“(13) The Administration also is a major purchaser of computers, radars, and other systems needed to run the air traffic control system. The Administration's design, acceptance, commissioning, or certification of such equipment enables the private sector to market those products around the world, and as such confers a benefit on the manufacturer.

“(14) The Administration provides extensive services to public use aircraft.”

#### PURPOSES

Section 272 of title II of Pub. L. 104-264 provided that: “The purposes of this subtitle [subtitle C (§§271-278) of title II of Pub. L. 104-264, enacting sections 45301, 45303, 48111, and 48201 of this title, amending section 41742 of this title, renumbering section 45303 of this title as section 45304, repealing former section 45301 of this title, and enacting provisions set out as notes under this section and section 41742 of this title] are—

“(1) to provide a financial structure for the Administration [Federal Aviation Administration] so that it will be able to support the future growth in the national aviation and airport system;

“(2) to review existing and alternative funding options, including incentive-based fees for services, and establish a program to improve air traffic management system performance and to establish appropriate levels of cost accountability for air traffic management services provided by the Administration;

“(3) to ensure that any funding will be dedicated solely for the use of the Administration;

“(4) to authorize the Administration to recover the costs of its services from those who benefit from, but do not contribute to, the national aviation system and the services provided by the Administration;

“(5) to consider a fee system based on the cost or value of the services provided and other funding alternatives;

“(6) to develop funding options for Congress in order to provide for the long-term efficient and cost-effective support of the Administration and the aviation system; and

“(7) to achieve a more efficient and effective Administration for the benefit of the aviation transportation industry.”

#### INDEPENDENT ASSESSMENT OF FAA FINANCIAL REQUIREMENTS; ESTABLISHMENT OF NATIONAL CIVIL AVIATION REVIEW COMMISSION

Section 274 of Pub. L. 104-264, as amended by Pub. L. 106-181, title III, §307(c)(3), Apr. 5, 2000, 114 Stat. 126, provided that:

“(a) INDEPENDENT ASSESSMENT.—

“(1) INITIATION.—Not later than 30 days after the date of the enactment of this Act [Oct. 9, 1996], the Administrator [of the Federal Aviation Administration] shall contract with an entity independent of the Administration [Federal Aviation Administration] and the Department of Transportation to conduct a complete independent assessment of the financial requirements of the Administration through the year 2002.

“(2) ASSESSMENT CRITERIA.—The Administrator shall provide to the independent entity estimates of the financial requirements of the Administration for the period described in paragraph (1), using as a base the fiscal year 1997 appropriation levels established by Congress. The independent assessment shall be based on an objective analysis of agency funding needs.

“(3) CERTAIN FACTORS TO BE TAKEN INTO ACCOUNT.—The independent assessment shall take into account all relevant factors, including—

“(A) anticipated air traffic forecasts;

“(B) other workload measures;

“(C) estimated productivity gains, if any, which contribute to budgetary requirements;

“(D) the need for programs; and

“(E) the need to provide for continued improvements in all facets of aviation safety, along with operational improvements in air traffic control.

“(4) COST ALLOCATION.—The independent assessment shall also assess the costs to the Administration occasioned by the provision of services to each segment of the aviation system.

“(5) DEADLINE.—The independent assessment shall be completed no later than 90 days after the contract is awarded, and shall be submitted to the Commission established under subsection (b), the Secretary [of Transportation], the Secretary of the Treasury, the Committee on Commerce, Science, and Transportation and the Committee on Finance of the Senate, and the Committee on Transportation and Infrastructure and the Committee on Ways and Means of the House of Representatives.

“(b) NATIONAL CIVIL AVIATION REVIEW COMMISSION.—

“(1) ESTABLISHMENT.—There is established a commission to be known as the National Civil Aviation Review Commission (hereinafter in this section referred to as the ‘Commission’).

“(2) MEMBERSHIP.—The Commission shall consist of 21 members to be appointed as follows:

“(A) 13 members to be appointed by the Secretary, in consultation with the Secretary of the Treasury, from among individuals who have expertise in the aviation industry and who are able, collectively, to represent a balanced view of the issues important to general aviation, major air carriers, air cargo carriers, regional air carriers, business aviation, airports, aircraft manufacturers, the financial community, aviation industry workers, and airline passengers. At least one member appointed under this subparagraph shall have detailed knowledge of the congressional budgetary process.

“(B) Two members appointed by the Speaker of the House of Representatives.

“(C) Two members appointed by the minority leader of the House of Representatives.

“(D) Two members appointed by the majority leader of the Senate.

“(E) Two members appointed by the minority leader of the Senate.

“(3) TASK FORCES.—The Commission shall establish an aviation funding task force and an aviation safety task force to carry out the responsibilities of the Commission under this subsection.

“(4) FIRST MEETING.—The Commission may conduct its first meeting as soon as a majority of the members of the Commission are appointed.

“(5) HEARINGS AND CONSULTATION.—

“(A) HEARINGS.—The Commission shall take such testimony and solicit and receive such comments from the public and other interested parties as it considers appropriate, shall conduct 2 public hearings after affording adequate notice to the public thereof, and may conduct such additional hearings as may be necessary.

“(B) CONSULTATION.—The Commission shall consult on a regular and frequent basis with the Secretary, the Secretary of the Treasury, the Committee on Commerce, Science, and Transportation and the Committee on Finance of the Senate, and the Committee on Transportation and Infrastructure and the Committee on Ways and Means of the House of Representatives.

“(C) FACCA NOT TO APPLY.—The Commission shall not be considered an advisory committee for purposes of the Federal Advisory Committee Act (5 U.S.C. App.).

“(6) DUTIES OF AVIATION FUNDING TASK FORCE.—

“(A) REPORT TO SECRETARY.—

“(i) IN GENERAL.—The aviation funding task force established pursuant to paragraph (3) shall submit a report setting forth a comprehensive analysis of the Administration’s budgetary re-

quirements through fiscal year 2002, based upon the independent assessment under subsection (a), that analyzes alternative financing and funding means for meeting the needs of the aviation system through the year 2002. The task force shall submit a preliminary report of that analysis to the Secretary not later than 6 months after the independent assessment is completed under subsection (a). The Secretary shall provide comments on the preliminary report to the task force within 30 days after receiving the report. The task force shall issue a final report of such comprehensive analysis within 30 days after receiving the Secretary’s comments on its preliminary report.

“(ii) CONTENTS.—The report submitted by the aviation funding task force under clause (i)—

“(I) shall consider the independent assessment under subsection (a);

“(II) shall consider estimated cost savings, if any, resulting from the procurement and personnel reforms included in this Act [see Tables for classification] or in sections 40110(d) and 40122(g) of title 49, United States Code, and additional financial initiatives;

“(III) shall include specific recommendations to Congress on how the Administration can reduce costs, raise additional revenue for the support of agency operations, and accelerate modernization efforts; and

“(IV) shall include a draft bill containing the changes in law necessary to implement its recommendations.

“(B) RECOMMENDATIONS.—The aviation funding task force shall make such recommendations under subparagraph (A)(ii)(III) as the task force deems appropriate. Those recommendations may include—

“(i) proposals for off-budget treatment of the Airport and Airway Trust Fund;

“(ii) alternative financing and funding proposals, including linked financing proposals;

“(iii) modifications to existing levels of Airport and Airways Trust Fund receipts and taxes for each type of tax;

“(iv) establishment of a cost-based user fee system based on, but not limited to, criteria under subparagraph (F) and methods to ensure that costs are borne by users on a fair and equitable basis;

“(v) methods to ensure that funds collected from the aviation community are able to meet the needs of the agency;

“(vi) methods to ensure that funds collected from the aviation community and passengers are used to support the aviation system;

“(vii) means of meeting the airport infrastructure needs for large, medium, and small airports; and

“(viii) any other matter the task force deems appropriate to address the funding and needs of the Administration and the aviation system.

“(C) ADDITIONAL RECOMMENDATIONS.—The aviation funding task force report may also make recommendations concerning—

“(i) means of improving productivity by expanding and accelerating the use of automation and other technology;

“(ii) means of contracting out services consistent with this Act, other applicable law, and safety and national defense needs;

“(iii) methods to accelerate air traffic control modernization and improvements in aviation safety and safety services;

“(iv) the elimination of unneeded programs; and

“(v) a limited innovative program based on funding mechanisms such as loan guarantees, financial partnerships with for-profit private sector entities, government-sponsored enterprises, and revolving loan funds, as a means of funding specific facilities and equipment projects, and to pro-



vide limited additional funding alternatives for airport capacity development.

“(D) IMPACT ASSESSMENT FOR RECOMMENDATIONS.—For each recommendation contained in the aviation funding task force’s report, the report shall include a full analysis and assessment of the impact implementation of the recommendation would have on—

- “(i) safety;
- “(ii) administrative costs;
- “(iii) the congressional budget process;
- “(iv) the economics of the industry (including the proportionate share of all users);
- “(v) the ability of the Administration to utilize the sums collected; and
- “(vi) the funding needs of the Administration.

“(E) TRUST FUND TAX RECOMMENDATIONS.—If the task force’s report includes a recommendation that the existing Airport and Airways Trust Fund tax structure be modified, the report shall—

- “(i) state the specific rates for each group affected by the proposed modifications;
- “(ii) consider the impact such modifications shall have on specific users and the public (including passengers); and
- “(iii) state the basis for the recommendations.

“(F) FEE SYSTEM RECOMMENDATIONS.—If the task force’s report includes a recommendation that a fee system be established, including an air traffic control performance-based user fee system, the report shall consider—

- “(i) the impact such a recommendation would have on passengers, air fares (including low-fare, high frequency service), service, and competition;
- “(ii) existing contributions provided by individual air carriers toward funding the Administration and the air traffic control system through contributions to the Airport and Airways Trust Fund;
- “(iii) continuing the promotion of fair and competitive practices;
- “(iv) the unique circumstances associated with interisland air carrier service in Hawaii and rural air service in Alaska;
- “(v) the impact such a recommendation would have on service to small communities;
- “(vi) the impact such a recommendation would have on services provided by regional air carriers;
- “(vii) alternative methodologies for calculating fees so as to achieve a fair and reasonable distribution of costs of service among users;
- “(viii) the usefulness of phased-in approaches to implementing such a financing system;
- “(ix) means of assuring the provision of general fund contributions, as appropriate, toward the support of the Administration; and
- “(x) the provision of incentives to encourage greater efficiency in the provision of air traffic services by the Administration and greater efficiency in the use of air traffic services by aircraft operators.

“(7) DUTIES OF AVIATION SAFETY TASK FORCE.—

“(A) REPORT TO ADMINISTRATOR.—Not later than 1 year after the date of the enactment of this Act [Oct. 9, 1996], the aviation safety task force established pursuant to paragraph (3) shall submit to the Administrator a report setting forth a comprehensive analysis of aviation safety in the United States and emerging trends in the safety of particular sectors of the aviation industry.

“(B) CONTENTS.—The report to be submitted under subparagraph (A) shall include an assessment of—

- “(i) the adequacy of staffing and training resources for safety personnel of the Administration, including safety inspectors;
- “(ii) the Administration’s processes for ensuring the public safety from fraudulent parts in civil aviation and the extent to which use of suspected unapproved parts requires additional oversight or enforcement action; and

“(iii) the ability of the Administration to anticipate changes in the aviation industry and to develop policies and actions to ensure the highest level of aviation safety in the 21st century.

“(8) ACCESS TO DOCUMENTS AND STAFF.—The Administration may give the Commission appropriate access to relevant documents and personnel of the Administration, and the Administrator shall make available, consistent with the authority to withhold commercial and other proprietary information under section 552 of title 5, United States Code (commonly known as the ‘Freedom of Information Act’), cost data associated with the acquisition and operation of air traffic service systems. Any member of the Commission who receives commercial or other proprietary data from the Administrator shall be subject to the provisions of section 1905 of title 18, United States Code, pertaining to unauthorized disclosure of such information.

“(9) TRAVEL AND PER DIEM.—Each member of the Commission shall be paid actual travel expenses, and per diem in lieu of subsistence expenses when away from his or her usual place of residence, in accordance with section 5703 of title 5, United States Code.

“(10) DETAIL OF PERSONNEL FROM THE ADMINISTRATION.—The Administrator shall make available to the Commission such staff, information, and administrative services and assistance as may reasonably be required to enable the Commission to carry out its responsibilities under this subsection.

“(11) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

“(c) REPORTS TO CONGRESS.—

“(1) REPORT BY THE SECRETARY BASED ON FINAL REPORT OF AVIATION FUNDING TASK FORCE.—

“(A) CONSIDERATION OF TASK FORCE’S PRELIMINARY REPORT.—Not later than 30 days after receiving the preliminary report of the aviation funding task force, the Secretary, in consultation with the Secretary of the Treasury, shall furnish comments on the report to the task force.

“(B) REPORT TO CONGRESS.—Not later than 30 days after receiving the final report of the aviation funding task force, and in no event more than 1 year after the date of the enactment of this Act, the Secretary, after consulting the Secretary of the Treasury, shall transmit a report to the Committee on Commerce, Science, and Transportation and the Committee on Finance of the Senate, and the Committee on Transportation and Infrastructure and the Committee on Ways and Means of the House of Representatives. Such report shall be based upon the final report of the task force and shall contain the Secretary’s recommendations for funding the needs of the aviation system through the year 2002.

“(C) CONTENTS.—The Secretary shall include in the report to Congress under subparagraph (B)—

- “(i) a copy of the final report of the task force; and
- “(ii) a draft bill containing the changes in law necessary to implement the Secretary’s recommendations.

“(D) PUBLICATION.—The Secretary shall cause a copy of the report to be printed in the Federal Register upon its transmittal to Congress under subparagraph (B).

“(2) REPORT BY THE ADMINISTRATOR BASED ON FINAL REPORT OF AVIATION SAFETY TASK FORCE.—Not later than 30 days after receiving the report of the aviation safety task force, the Administrator shall transmit the report to Congress, together with the Administrator’s recommendations for improving aviation safety in the United States.

“(d) GAO AUDIT OF COST ALLOCATION.—The Comptroller General shall conduct an assessment of the manner in which costs for air traffic control services are allocated between the Administration and the Department of Defense. The Comptroller General shall report the

results of the assessment, together with any recommendations the Comptroller General may have for reallocation of costs and for opportunities to increase the efficiency of air traffic control services provided by the Administration and by the Department of Defense, to the Commission, the Administrator, the Secretary of Defense, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate not later than 180 days after the date of the enactment of this Act.

“(e) GAO ASSESSMENT.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall transmit to the Commission and Congress an independent assessment of airport development needs.”

JOINT AVIATION RESEARCH AND DEVELOPMENT PROGRAM

Pub. L. 103-305, title III, §303, Aug. 23, 1994, 108 Stat. 1590, provided that:

“(a) ESTABLISHMENT.—The Administrator [of the Federal Aviation Administration], in consultation with the heads of other appropriate Federal agencies, shall jointly establish a program to conduct research on aviation technologies that enhance United States competitiveness. The program shall include—

- “(1) next-generation satellite communications, including global positioning satellites;
- “(2) advanced airport and airplane security;
- “(3) environmentally compatible technologies, including technologies that limit or reduce noise and air pollution;
- “(4) advanced aviation safety programs; and
- “(5) technologies and procedures to enhance and improve airport and airway capacity.

“(b) PROCEDURES FOR CONTRACTS AND GRANTS.—The Administrator and the heads of the other appropriate Federal agencies shall administer contracts and grants entered into under the program established under subsection (a) in accordance with procedures developed jointly by the Administrator and the heads of the other appropriate Federal agencies. The procedures should include an integrated acquisition policy for contract and grant requirements and for technical data rights that are not an impediment to joint programs among the Federal Aviation Administration, the other Federal agencies involved, and industry.

“(c) PROGRAM ELEMENTS.—The program established under subsection (a) shall include—

- “(1) selected programs that jointly enhance public and private aviation technology development;
- “(2) an opportunity for private contractors to be involved in such technology research and development; and
- “(3) the transfer of Government-developed technologies to the private sector to promote economic strength and competitiveness.

“(d) AUTHORIZATION OF APPROPRIATIONS.—Of amounts authorized to be appropriated for fiscal years 1995 and 1996 under section 48102(a) of title 49, United States Code, as amended by section 302 of this title, there are authorized to be appropriated for fiscal years 1995 and 1996, respectively, such sums as may be necessary to carry out this section.”

AIR QUALITY IN AIRCRAFT CABINS

Pub. L. 108-176, title VIII, §815, Dec. 12, 2003, 117 Stat. 2592, provided that:

“(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall undertake the studies and analysis called for in the report of the National Research Council entitled ‘The Airliner Cabin Environment and the Health of Passengers and Crew’.

“(b) REQUIRED ACTIVITIES.—In carrying out this section, the Administrator, at a minimum, shall—

- “(1) conduct surveillance to monitor ozone in the cabin on a representative number of flights and aircraft to determine compliance with existing Federal Aviation Regulations for ozone;

“(2) collect pesticide exposure data to determine exposures of passengers and crew;

“(3) analyze samples of residue from aircraft ventilation ducts and filters after air quality incidents to identify the contaminants to which passengers and crew were exposed;

“(4) analyze and study cabin air pressure and altitude; and

“(5) establish an air quality incident reporting system.

“(c) REPORT.—Not later than 30 months after the date of enactment of this Act [Dec. 12, 2003], the Administrator shall transmit to Congress a report on the findings of the Administrator under this section.”

Pub. L. 106-181, title VII, §725, Apr. 5, 2000, 114 Stat. 166, provided that:

“(a) STUDY OF AIR QUALITY IN PASSENGER CABINS IN COMMERCIAL AIRCRAFT.—

“(1) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act [Apr. 5, 2000], the Administrator [of the Federal Aviation Administration] shall arrange for and provide necessary data to the National Academy of Sciences to conduct a 12-month, independent study of air quality in passenger cabins of aircraft used in air transportation and foreign air transportation, including the collection of new data, in coordination with the Federal Aviation Administration, to identify contaminants in the aircraft air and develop recommendations for means of reducing such contaminants.

“(2) ALTERNATIVE AIR SUPPLY.—The study should examine whether contaminants would be reduced by the replacement of engine and auxiliary power unit bleed air with an alternative supply of air for the aircraft passengers and crew.

“(3) SCOPE.—The study shall include an assessment and quantitative analysis of each of the following:

“(A) Contaminants of concern, as determined by the National Academy of Sciences.

“(B) The systems of air supply on aircraft, including the identification of means by which contaminants may enter such systems.

“(C) The toxicological and health effects of the contaminants of concern, their byproducts, and the products of their degradation.

“(D) Any contaminant used in the maintenance, operation, or treatment of aircraft, if a passenger or a member of the air crew may be directly exposed to the contaminant.

“(E) Actual measurements of the contaminants of concern in the air of passenger cabins during actual flights in air transportation or foreign air transportation, along with comparisons of such measurements to actual measurements taken in public buildings.

“(4) PROVISION OF CURRENT DATA.—The Administrator shall collect all data of the Federal Aviation Administration that is relevant to the study and make the data available to the National Academy of Sciences in order to complete the study.

“(b) COLLECTION OF AIRCRAFT AIR QUALITY DATA.—

“(1) IN GENERAL.—The Administrator may consider the feasibility of using the flight data recording system on aircraft to monitor and record appropriate data related to air inflow quality, including measurements of the exposure of persons aboard the aircraft to contaminants during normal aircraft operation and during incidents involving air quality problems.

“(2) PASSENGER CABINS.—The Administrator may also consider the feasibility of using the flight data recording system to monitor and record data related to the air quality in passengers cabins of aircraft.”

Pub. L. 103-305, title III, §304, Aug. 23, 1994, 108 Stat. 1591, provided that:

“(a) ESTABLISHMENT.—The Administrator [of the Federal Aviation Administration], in consultation with the heads of other appropriate Federal agencies, shall establish a research program to determine—

- “(1) what, if any, aircraft cabin air conditions, including pressure altitude systems, on flights within

the United States are harmful to the health of airline passengers and crew, as indicated by physical symptoms such as headaches, nausea, fatigue, and light-headedness; and

“(2) the risk of airline passengers and crew contracting infectious diseases during flight.

“(b) CONTRACT WITH CENTER FOR DISEASE CONTROL.—In carrying out the research program established under subsection (a), the Administrator and the heads of the other appropriate Federal agencies shall contract with the Center for Disease Control [now Centers for Disease Control and Prevention] and other appropriate agencies to carry out any studies necessary to meet the goals of the program set forth in subsection (c).

“(c) GOALS.—The goals of the research program established under subsection (a) shall be—

“(1) to determine what, if any, cabin air conditions currently exist on domestic aircraft used for flights within the United States that could be harmful to the health of airline passengers and crew, as indicated by physical symptoms such as headaches, nausea, fatigue, and light-headedness, and including the risk of infection by bacteria and viruses;

“(2) to determine to what extent, changes in, cabin air pressure, temperature, rate of cabin air circulation, the quantity of fresh air per occupant, and humidity on current domestic aircraft would reduce or eliminate the risk of illness or discomfort to airline passengers and crew; and

“(3) to establish a long-term research program to examine potential health problems to airline passengers and crew that may arise in an airplane cabin on a flight within the United States because of cabin air quality as a result of the conditions and changes described in paragraphs (1) and (2).

“(d) PARTICIPATION.—In carrying out the research program established under subsection (a), the Administrator shall encourage participation in the program by representatives of aircraft manufacturers, air carriers, aviation employee organizations, airline passengers, and academia.

“(e) REPORT.—(1) Within six months after the date of enactment of this Act [Aug. 23, 1994], the Administrator shall submit to the Congress a plan for implementation of the research program established under subsection (a).

“(2) The Administrator shall annually submit to the Congress a report on the progress made during the year for which the report is submitted toward meeting the goals set forth in subsection (c).

“(f) AUTHORIZATION OF APPROPRIATIONS.—Of amounts authorized to be appropriated for fiscal years 1995 and 1996 under section 48102(a) of title 49, United States Code, as amended by section 302 of this title, there are authorized to be appropriated for fiscal years 1995 and 1996, respectively, such sums as may be necessary to carry out this section.”

#### INFORMATION ON DISINSECTION OF AIRCRAFT

Pub. L. 103-305, title V, §507, Aug. 23, 1994, 108 Stat. 1595, provided that:

“(a) AVAILABILITY OF INFORMATION.—In the interest of protecting the health of air travelers, the Secretary shall publish a list of the countries (as determined by the Secretary) that require disinsection of aircraft landing in such countries while passengers and crew are on board such aircraft.

“(b) REVISION.—The Secretary shall revise the list required under subsection (a) on a periodic basis.

“(c) PUBLICATION.—The Secretary shall publish the list required under subsection (a) not later than 30 days after the date of the enactment of this Act [Aug. 23, 1994]. The Secretary shall publish a revision to the list not later than 30 days after completing the revision under subsection (b).”

#### GENERAL AVIATION REVITALIZATION ACT OF 1994

Pub. L. 103-298, Aug. 17, 1994, 108 Stat. 1552, as amended by Pub. L. 105-102, §3(e), Nov. 20, 1997, 111 Stat. 2215, provided that:

#### “SECTION 1. SHORT TITLE.

“This Act may be cited as the ‘General Aviation Revitalization Act of 1994’.

#### “SEC. 2. TIME LIMITATIONS ON CIVIL ACTIONS AGAINST AIRCRAFT MANUFACTURERS.

“(a) IN GENERAL.—Except as provided in subsection (b), no civil action for damages for death or injury to persons or damage to property arising out of an accident involving a general aviation aircraft may be brought against the manufacturer of the aircraft or the manufacturer of any new component, system, subassembly, or other part of the aircraft, in its capacity as a manufacturer if the accident occurred—

“(1) after the applicable limitation period beginning on—

“(A) the date of delivery of the aircraft to its first purchaser or lessee, if delivered directly from the manufacturer; or

“(B) the date of first delivery of the aircraft to a person engaged in the business of selling or leasing such aircraft; or

“(2) with respect to any new component, system, subassembly, or other part which replaced another component, system, subassembly, or other part originally in, or which was added to, the aircraft, and which is alleged to have caused such death, injury, or damage, after the applicable limitation period beginning on the date of completion of the replacement or addition.

“(b) EXCEPTIONS.—Subsection (a) does not apply—

“(1) if the claimant pleads with specificity the facts necessary to prove, and proves, that the manufacturer with respect to a type certificate or airworthiness certificate for, or obligations with respect to continuing airworthiness of, an aircraft or a component, system, subassembly, or other part of an aircraft knowingly misrepresented to the Federal Aviation Administration, or concealed or withheld from the Federal Aviation Administration, required information that is material and relevant to the performance or the maintenance or operation of such aircraft, or the component, system, subassembly, or other part, that is causally related to the harm which the claimant allegedly suffered;

“(2) if the person for whose injury or death the claim is being made is a passenger for purposes of receiving treatment for a medical or other emergency;

“(3) if the person for whose injury or death the claim is being made was not aboard the aircraft at the time of the accident; or

“(4) to an action brought under a written warranty enforceable under law but for the operation of this Act.

“(c) GENERAL AVIATION AIRCRAFT DEFINED.—For the purposes of this Act, the term ‘general aviation aircraft’ means any aircraft for which a type certificate or an airworthiness certificate has been issued by the Administrator of the Federal Aviation Administration, which, at the time such certificate was originally issued, had a maximum seating capacity of fewer than 20 passengers, and which was not, at the time of the accident, engaged in scheduled passenger-carrying operations as defined under regulations in effect under part A of subtitle VII of title 49, United States Code, at the time of the accident.

“(d) RELATIONSHIP TO OTHER LAWS.—This section supersedes any State law to the extent that such law permits a civil action described in subsection (a) to be brought after the applicable limitation period for such civil action established by subsection (a).

#### “SEC. 3. OTHER DEFINITIONS.

“For purposes of this Act—

“(1) the term ‘aircraft’ has the meaning given such term in section 40102(a)(6) of title 49, United States Code;

“(2) the term ‘airworthiness certificate’ means an airworthiness certificate issued under section 44704(c)(1) of title 49, United States Code, or under any predecessor Federal statute;

“(3) the term ‘limitation period’ means 18 years with respect to general aviation aircraft and the components, systems, subassemblies, and other parts of such aircraft; and

“(4) the term ‘type certificate’ means a type certificate issued under section 44704(a) of title 49, United States Code, or under any predecessor Federal statute.

“SEC. 4. EFFECTIVE DATE; APPLICATION OF ACT.

“(a) EFFECTIVE DATE.—Except as provided in subsection (b), this Act shall take effect on the date of the enactment of this Act [Aug. 17, 1994].

“(b) APPLICATION OF ACT.—This Act shall not apply with respect to civil actions commenced before the date of the enactment of this Act.”

NATIONAL COMMISSION TO ENSURE A STRONG  
COMPETITIVE AIRLINE INDUSTRY

Pub. L. 102-581, title II, §204, Oct. 31, 1992, 106 Stat. 4891, as amended Pub. L. 103-13, §1, Apr. 7, 1993, 107 Stat. 43, provided for establishment of National Commission to Ensure a Strong Competitive Airline Industry to make a complete investigation and study of financial condition of the airline industry, adequacy of competition in the airline industry, and legal impediments to a financially strong and competitive airline industry, to report to President and Congress not later than 90 days after the date on which initial appointments of members to the Commission were completed, and to terminate on the 30th day following transmission of report.

EX. ORD. NO. 13479. TRANSFORMATION OF THE NATIONAL  
AIR TRANSPORTATION SYSTEM

Ex. Ord. No. 13479, Nov. 18, 2008, 73 F.R. 70241, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1. *Policy.* It is the policy of the United States to establish and maintain a national air transportation system that meets the present and future civil aviation, homeland security, economic, environmental protection, and national defense needs of the United States, including through effective implementation of the Next Generation Air Transportation System (NextGen).

SEC. 2. *Definitions.* As used in this order the term “Next Generation Air Transportation System” means the system to which section 709 of the Vision 100—Century of Aviation Reauthorization Act (Public Law 108-176) (Act) refers.

SEC. 3. *Functions of the Secretary of Transportation.* Consistent with sections 709 and 710 of the Act and the policy set forth in section 1 of this order, the Secretary of Transportation shall:

(a) take such action within the authority of the Secretary, and recommend as appropriate to the President such action as is within the authority of the President, to implement the policy set forth in section 1 of this order and in particular to implement the NextGen in a safe, secure, timely, environmentally sound, efficient, and effective manner;

(b) convene quarterly, unless the Secretary determines that meeting less often is consistent with effective implementation of the policy set forth in section 1 of this order, the Senior Policy Committee established pursuant to section 710 of the Act (Committee);

(c) not later than 60 days after the date of this order, establish within the Department of Transportation a support staff (Staff), including employees from departments and agencies assigned pursuant to subsection 4(e) of this order, to support, as directed by the Secretary, the Secretary and the Committee in the performance of their duties relating to the policy set forth in section 1 of this order; and

(d) not later than 180 days after the date of this order, establish an advisory committee to provide advice to the Secretary and, through the Secretary, the Commit-

tee concerning the implementation of the policy set forth in section 1 of this order, including aviation-related subjects and any related performance measures specified by the Secretary, pursuant to section 710 of the Act.

SEC. 4. *Functions of Other Heads of Executive Departments and Agencies.* Consistent with the policy set forth in section 1 of this order:

(a) the Secretary of Defense shall assist the Secretary of Transportation by:

(i) collaborating, as appropriate, and verifying that the NextGen meets the national defense needs of the United States consistent with the policies and plans established under applicable Presidential guidance; and

(ii) furnishing, as appropriate, data streams to integrate national defense capabilities of the United States civil and military systems relating to the national air transportation system, and coordinating the development of requirements and capabilities to address tracking and other activities relating to non-cooperative aircraft in consultation with the Secretary of Homeland Security, as appropriate;

(b) the Secretary of Commerce shall:

(i) develop and make available, as appropriate, the capabilities of the Department of Commerce, including those relating to aviation weather and spectrum management, to support the NextGen; and

(ii) take appropriate account of the needs of the NextGen in the trade, commerce, and other activities of the Department of Commerce, including those relating to the development and setting of standards;

(c) the Secretary of Homeland Security shall assist the Secretary of Transportation by ensuring that:

(i) the NextGen includes the aviation-related security capabilities necessary to ensure the security of persons, property, and activities within the national air transportation system consistent with the policies and plans established under applicable Presidential guidance; and

(ii) the Department of Homeland Security shall continue to carry out all statutory and assigned responsibilities relating to aviation security, border security, and critical infrastructure protection in consultation with the Secretary of Defense, as appropriate;

(d) the Administrator of the National Aeronautics and Space Administration shall carry out the Administrator’s duties under Executive Order 13419 of December 20, 2006, in a manner consistent with that order and the policy set forth in section 1 of this order;

(e) the heads of executive departments and agencies shall provide to the Secretary of Transportation such information and assistance, including personnel and other resources for the Staff to which subsection 3(c) of this order refers, as may be necessary and appropriate to implement this order as agreed to by the heads of the departments and agencies involved; and

(f) the Director of the Office of Management and Budget may issue such instructions as may be necessary to implement subsection 5(b) of this order.

SEC. 5. *Additional Functions of the Senior Policy Committee.* In addition to performing the functions specified in section 710 of the Act, the Committee shall:

(a) report not less often than every 2 years to the President, through the Secretary of Transportation, on progress made and projected to implement the policy set forth in section 1 of this order, together with such recommendations including performance measures for administrative or other action as the Committee determines appropriate;

(b) review the proposals by the heads of executive departments and agencies to the Director of the Office of Management and Budget with respect to programs affecting the policy set forth in section 1 of this order, and make recommendations including performance measures thereon, through the Secretary of Transportation, to the Director; and

(c) advise the Secretary of Transportation and, through the Secretary of Transportation, the Secretar-

ies of Defense, Commerce, and Homeland Security, and the Administrator of the National Aeronautics and Space Administration, with respect to the activities of their departments and agencies in the implementation of the policy set forth in section 1 of this order.

SEC. 6. *General Provisions.* (a) Nothing in this order shall be construed to impair or otherwise affect:

- (i) authority granted by law to a department or agency, or the head thereof; or
  - (ii) functions of the Director of the Office of Management and Budget relating to budget, administrative, or legislative proposals.
- (b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.
- (c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity, by any party against the United States, its departments, agencies, instrumentalities, or entities, its officers, employees, or agents, or any other person.

GEORGE W. BUSH.

DEFINITIONS OF TERMS IN PUB. L. 107-71

For definitions of terms used in sections 127 and 145 of Pub. L. 107-71, set out above, see section 133 of Pub. L. 107-71, set out as a note under section 40102 of this title.

**§ 40102. Definitions**

(a) GENERAL DEFINITIONS.—In this part—

(1) “aeronautics” means the science and art of flight.

(2) “air carrier” means a citizen of the United States undertaking by any means, directly or indirectly, to provide air transportation.

(3) “air commerce” means foreign air commerce, interstate air commerce, the transportation of mail by aircraft, the operation of aircraft within the limits of a Federal airway, or the operation of aircraft that directly affects, or may endanger safety in, foreign or interstate air commerce.

(4) “air navigation facility” means a facility used, available for use, or designed for use, in aid of air navigation, including—

(A) a landing area;

(B) a light;

(C) apparatus or equipment for distributing weather information, signaling, radio-directional finding, or radio or other electromagnetic communication; and

(D) another structure or mechanism for guiding or controlling flight in the air or the landing and takeoff of aircraft.

(5) “air transportation” means foreign air transportation, interstate air transportation, or the transportation of mail by aircraft.

(6) “aircraft” means any contrivance invented, used, or designed to navigate, or fly in, the air.

(7) “aircraft engine” means an engine used, or intended to be used, to propel an aircraft, including a part, appurtenance, and accessory of the engine, except a propeller.

(8) “airman” means an individual—

(A) in command, or as pilot, mechanic, or member of the crew, who navigates aircraft when under way;

(B) except to the extent the Administrator of the Federal Aviation Administration may provide otherwise for individuals employed

outside the United States, who is directly in charge of inspecting, maintaining, overhauling, or repairing aircraft, aircraft engines, propellers, or appliances; or

(C) who serves as an aircraft dispatcher or air traffic control-tower operator.

(9) “airport” means a landing area used regularly by aircraft for receiving or discharging passengers or cargo.

(10) “all-cargo air transportation” means the transportation by aircraft in interstate air transportation of only property or only mail, or both.

(11) “appliance” means an instrument, equipment, apparatus, a part, an appurtenance, or an accessory used, capable of being used, or intended to be used, in operating or controlling aircraft in flight, including a parachute, communication equipment, and another mechanism installed in or attached to aircraft during flight, and not a part of an aircraft, aircraft engine, or propeller.

(12) “cargo” means property, mail, or both.

(13) “charter air carrier” means an air carrier holding a certificate of public convenience and necessity that authorizes it to provide charter air transportation.

(14) “charter air transportation” means charter trips in air transportation authorized under this part.

(15) “citizen of the United States” means—

(A) an individual who is a citizen of the United States;

(B) a partnership each of whose partners is an individual who is a citizen of the United States; or

(C) a corporation or association organized under the laws of the United States or a State, the District of Columbia, or a territory or possession of the United States, of which the president and at least two-thirds of the board of directors and other managing officers are citizens of the United States, which is under the actual control of citizens of the United States, and in which at least 75 percent of the voting interest is owned or controlled by persons that are citizens of the United States.

(16) “civil aircraft” means an aircraft except a public aircraft.

(17) “civil aircraft of the United States” means an aircraft registered under chapter 441 of this title.

(18) “conditional sales contract” means a contract—

(A) for the sale of an aircraft, aircraft engine, propeller, appliance, or spare part, under which the buyer takes possession of the property but title to the property vests in the buyer at a later time on—

(i) paying any part of the purchase price;

(ii) performing another condition; or

(iii) the happening of a contingency; or

(B) to bail or lease an aircraft, aircraft engine, propeller, appliance, or spare part, under which the bailee or lessee—

(i) agrees to pay an amount substantially equal to the value of the property; and

(ii) is to become, or has the option of becoming, the owner of the property on complying with the contract.