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Airport Improvement Program Reauthorization Legislation in the 106th Congress

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ABSTRACT

The Airport Improvement Program (AIP) provides federal grants to airports for capital development. This report displays, in side-by-side format, the AIP provisions of House and Senate proposals for multi-year Federal Aviation Administration reauthorization and the provisions of the enacted bill, the Wendell H. Ford Aviation Investment and Reform for the 21st Century Act (P.L. 106-181). This report will not be updated.

Airport Improvement Program Reauthorization Legislation In the 106th Congress

Summary

The Airport Improvement Program (AIP) provides federal grants to airports for capital development. The April 5, 2000 enactment of the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (P.L. 106-181) was the culmination of two years of legislative effort to pass a multi-year Federal Aviation Administration (FAA) reauthorization, including authorization for AIP. The length of the struggle was an outgrowth of the difficulty of the issues Congress faced.

During the 106th Congress, the House and the Senate passed two very different FAA reauthorization bills. It took until March 8, 2000 for conferees to come to agreement and the bill was not signed into law until April 5, 2000. This meant that the AIP was in abeyance for six months starting October 1, 1999.

The House multi-year FAA reauthorization act, the Aviation Investment and Reform Act for the 21st Century (H.R. 1000), also referred to as AIR21, passed the House on June 15, 1999. It proposed a five-year AIP authorization at the following annual levels; \$2.475 billion for FY2000, \$4.0 billion for FY2001, \$4.1 billion for FY2002, \$4.25 billion for FY2003, and \$4.35 billion for FY2004. It also included provisions for doubling the ceiling on Passenger Facility Charges (PFCs) under certain conditions. The increase of annual AIP spending and many of the formula changes in the bill were dependent on passage of provisions in H.R. 1000 that would have taken the Airport and Airway Trust Fund (hereafter, the aviation trust fund).

The Senate version of H.R. 1000 (as amended by S. 82) the Air Transportation Improvement Act passed on October 5, 1999. It includes AIP authorization levels of \$2.41 billion for FY1999, \$2.475 billion for FY2000, and \$2.41 billion annually for FY2001 and FY2002. It also included program changes affecting aspects of funding distribution, PFC waivers, and project eligibility criteria. Although the floor debate focused on non-AIP issues, some changes to AIP were included in the Senate-passed version including a new 5% apportionment for states that include a General Aviation Metropolitan Access and Reliever Airport, as defined in the bill.

On April 5, 2000, the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (FAIR21, P.L. 106-181) was signed by the President. This \$40 billion FAA reauthorization Act includes AIP authorizations of \$2.475 billion for FY2000, \$3.2 billion for FY2001, \$3.3 billion for FY2002, and \$3.4 billion for FY2003. The Act also Raises the PFC ceiling to \$4.50. The new law includes so-called "guarantees" that all of each year's receipts and interest credited to the aviation trust fund will be made available annually for aviation purposes. One of the enforcement provisions makes it out-of-order in either the House or Senate to consider legislation for funding FAA's Operations and Maintenance or its Research, Engineering and Development budgets if the AIP and the Facilities and Equipment Budgets are funded below authorized levels. Supporters of AIP hope that this will assure AIP funding at the fully authorized level.

This report will not be updated.

Contents

Introduction	1
Authorization Levels	1
PFC Cap	2
Aviation Trust Fund Treatment	2
AIP Funding Distribution Changes	3
Side-by Side Comparison of AIP Provisions in FAA Reauthorization Legislation, 106 th Congress	4
Appendix	11
Airport Definitions	11

Airport Improvement Program Reauthorization Legislation in the 106th Congress

Introduction

The Airport Improvement Program (AIP) provides federal grants for airport development and planning.¹ AIP funding is usually spent on capital projects that support airport operations including runways, taxiways, aprons, and noise abatement. The funds obligated for the AIP are drawn from the Airport and Airway Trust Fund (hereafter referred to as the aviation trust fund), which is supported by a combination of user fees, mostly airline ticket taxes, and fuel taxes.

On April 5, 2000, President Clinton signed the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (FAIR21, P.L. 106-181). The bill's enactment was the culmination of a two year effort in Congress to come to agreement on a multi-year reauthorization of the Federal Aviation Administration (FAA), which includes the AIP's authorization.

During the the 106th Congress, both the House and Senate set forth very different FAA reauthorization proposals. Many of the provisions in both versions concerned narrowly focused changes in grant distribution and eligibility criteria. However, the two versions also reflected differences in broader policy areas, including the AIP funding level, and the length of the reauthorization period, the passenger facility charge (PFC) ceiling, and the budgetary treatment of the aviation trust fund. The most difficult issue was formed by the House proposals to take the aviation trust fund off budget and erect budgetary "firewalls" to ensure that all trust fund revenue would be spent annually for aviation purposes, while at the same time mandating that FAA Operations and Maintenance spending also be supported from general fund revenues. Members in both houses and many appropriations and budget committee members opposed these changes.

The House, Senate, and enacted versions of the FAA reauthorization bills had major differences regarding AIP.

Authorization Levels. The Senate version of H.R. 1000 (S. 82 as amended), the Air Transportation Improvement Act, that passed in the Senate on October 5, 1999 and included AIP authorization levels of \$2.41 billion for FY1999; \$2.475 billion for FY2000; and \$2.41 billion annually for FY2001 and FY2002. The House

¹ For more information on the AIP and related policy issues see, U.S. Library of Congress. Congressional Research Service. Airport Improvement Program: Airport Finance Issues for Congress. CRS Report 98-593 E; and Airport Improvement Program: Issue Brief. CRS Issue Brief IB10026.

version, the Aviation Investment and Reform Act for the 21st Century, or AIR 21, which passed in the House on June 15, 1999, set annual AIP authorizations as follows: \$2.475 billion for FY2000, \$4.0 billion for FY2001, \$4.1 billion for FY2002, \$4.25 billion for FY2003, and \$4.35 billion for FY2004. Beginning in FY2001, the House-passed spending levels would more than double current spending. The enacted bill, FAIR21, authorizes AIP at \$2.475 billion for FY2000, \$3.2 billion for FY2001, \$3.3 billion for FY2002, and \$3.4 billion for FY2003.

PFC Cap. Raising the cap on the Passenger Facility Charge (PFC) is one of the most contentious policy issues related to the AIP. Meant to be a source of funds for capital development that would complement AIP, the PFC is a local tax that may be levied at an airport with FAA approval.² The Senate version of H.R. 1000 would have left the cap at its current \$3 level. AIR21 would have doubled the fee, but set special conditions on PFCs above the \$3 level. At the \$4 through \$6 levels large and medium hub airports would forego 75% of their AIP funds. The FAIR21 splits the difference, setting the cap at \$4.50. PFCs have been extremely popular with airports because they allow for a broader range of improvement projects than AIP, and also because PFCs give airports more freedom from airline involvement in the project decision making process. Airports also argue that PFCs are pro-competitive allowing airports to build gates and facilities that can encourage new entrant carriers without incumbent airline approval (although some would deny this has been done). The airlines argue that the PFC is just another tax on air travelers and is anti-consumer because it raises travel costs. Airlines also argue that airports are using PFCs to fund projects of marginal value instead of projects that offer meaningful safety or capacity enhancements.³

Aviation Trust Fund Treatment. Only AIR21 included provisions that alter the budgetary treatment of the aviation trust fund. AIR21, in its initial version, included two legislative approaches to assure that all aviation trust fund monies would be spent each year for aviation purposes.⁴ The first would have taken the fund off budget. The second would have created discretionary spending guarantees or “fire walls,” an arrangement similar to that created for the Highway Trust Fund by the Transportation Equity Act for the 21st Century (P.L. 105-178)(TEA21). The bill would have guaranteed the spending of aviation revenues that flow into the aviation

² Because of the complementary relationship between AIP and PFCs, PFC legislation is generally folded into the AIP provisions of FAA reauthorization legislation. The legislative origin of the PFC is Title IX of the Omnibus Budget Reconciliation Act of 1990 (P.L. 101-508).

³ For a more extensive discussion of the PFC debate see, Kirk, Airport Improvement Program: Airport Finance Issues for Congress. CRS Report 98-593 E. pp. 13-15, 18-19.

⁴ See Fischer, John W. Airport and Airway Trust Fund Issues in the 106th Congress. CRS Report RS20177. For an explanation of the use of discretionary spending guarantees (firewalls) see: Fischer, John W. The Transportation Equity Act for the 21st Century (TEA21) and the Federal Budget. CRS Report 98-749 E. pp. 4-6. The on-budget off-budget debate concerning transportation trust funds have, at times, been controversial, for a discussion of these issues see, Fischer, John W. Transportation Trust Funds: Budgetary Treatment. CRS Report 98-63 E. pp. 4, 10-12.

account and also mandated that the Treasury fund 30% of the guaranteed FAA funding levels set forth in the bill from general tax revenues.

The amended version of H.R. 1000, that emerged from the second Transportation and Infrastructure Committee mark up on May 27, 1999, altered the original bill's treatment of the aviation trust fund. The newly reported bill kept provisions to take the trust fund off budget but eliminated the "firewall provisions" and in place of a guaranteed 30% general fund share, the amended bill, capped the general fund share at the 1998 level (\$3.351 billion). These provisions were included in the version of AIR21 that was passed by the House on June 15, 1999. Even the somewhat reduced funding levels in H.R. 1000, as amended in committee, would have been dependent on the off budget provisions being in the enacted legislation. The formula changes in H.R. 1000 were, in part, adjustments needed to deal with the allocations at the higher funding levels that the bill would authorize.

The Senate version of H.R. 1000 (as amended by S. 82) made no changes in the treatment of the aviation trust fund.

House proposals concerning the aviation trust fund failed to survive conference. Instead the enacted bill, (P.L. 106-181) included language that makes it "out of order" in the House or Senate to consider legislation that would not use all aviation trust fund receipts and interest annually. A second capital priority "point of order" provision makes it out of order to consider legislation for any fiscal year through FY2003 for Research and Development or Operations and Maintenance if the sum of the obligation limitation for AIP and the appropriation for Facilities and Equipment are below their authorized levels. Supporters of these provisions hope that these provisions will assure that AIP will be funded at the fully authorized level.

AIP Funding Distribution Changes. The main changes to AIP funding distribution in the House version of H.R. 1000 result from provisions that would have tripled most allocation formulas and minimums. While the Senate's version of the bill does not include as many formula changes it does include language establishing a 5% allocation of to states that include a General Aviation Metropolitan Access and Reliever Airport, as defined in the bill. FAIR21 calls distribution changes that result in a doubling of the primary airport formula funding and other changes.

The remainder of this report presents a side-by-side comparison of major AIP provisions in the Senate-passed Air Transportation Improvement Act, the House - passed Aviation Investment and Reform Act for the 21st Century, and the enacted version of H.R. 1000, the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (P.L. 106-181).

Side-by Side Comparison of AIP Provisions in FAA Reauthorization Legislation, 106th Congress

Provision	Law Prior to Enactment of H.R. 1000	Aviation Investment and Reform for the 21 st Century, H.R. 1000-House (Passed on June 15, 1999)	Air Transportation Improvement Act, H.R. 1000-Senate (Passed on Oct. 5, 1999 with the text of S. 82 inserted)	The Wendell H. Ford Aviation Investment and Reform Act for the 21 st Century-P.L. 106-181 (Enacted April 5, 2000)
Authorization Period	FY2000 not authorized	5 year: FY2000 through FY2004 [Sec. 101]	Three year: FY2000 through FY2002 [Sec. 103]	Four year: FY2000 through FY2003 [Sec. 101]
AIP Authorization Levels	No authorization (AIP in abeyance since Oct. 1, 1999)	\$2.475 billion for FY2000 \$4.0 billion for FY2001 \$4.1 billion for FY2002 \$4.25 billion for FY2003 \$4.35 billion for FY2004 [Sec. 101]	\$2.475 billion for FY2000 \$2.410 billion for FY2001 \$2.410 billion for FY2002 [Sec. 103]	\$2.475 billion for FY2000 \$3.2 billion for FY2001 \$3.3 billion for FY2002 \$3.4 billion for FY2003 [Sec. 101]
Passenger Facility Charge (PFC) Limits	PFC is limited to a maximum of \$3 per boarding passenger.	PFCs of \$4, \$5, and \$6 may be imposed to fund projects that 1) make significant improvements in air safety, increase competition, reduce congestion or noise impacts on communities and 2) cannot be paid for out of AIP funds. Also, large and medium hub airports would forgo 75% of their AIP formula funds at the \$4,\$5, and \$6 levels [Sec. 109]. These airports must file a competition plan starting in 2001. [Sec. 105]	No provision	PFC cap raised to \$4.50. To charge above \$3, large and medium hub airports with dominant carriers must submit a competition plan. At a \$4 or \$4.50 levels these airports forgo 75% of AIP formula funds. [Sec. 105]
Primary Airports' Funding Formulas	\$7.80 for each of the first 50,000 passenger boardings \$5.20 for each of the next 50,000 passenger boardings \$2.60 for the next 400,000 passenger boardings \$0.65 for the next 500,000 passenger boardings \$0.50 for each passenger boarding in excess of 1 million	Beginning in FY2001: \$23.40 for the each of the first 50,000 passenger boardings \$15.60 for the next 50,000 passenger boardings \$7.80 for the next 400,000 passenger boardings \$1.95 for the next 500,000 passenger boardings \$1.50 for each passenger boarding in excess of 1 million [Sec 104(b)]	No provision	Beginning in FY2001 doubles the amount that would be apportioned (i.e. twice what would be provided by the formulas set forth in the "Prior to passage" column) [Sec. 104(a)]
New Commercial Airport Apportionment	No provision	No provision	No provision	New commercial airports get minimum formula funds during first year of operation. [Sec. 104(d)]
Competition Plans	No provision	For large and medium airports with 1 or 2 dominant carriers no PFC or grant may be approved unless the airport has filed a competition plan with DOT. [Sec. 125]	No provision.	For large and medium airports with 1 or 2 dominant carriers no PFC or grant may be approved unless the airport has filed a competition plan with DOT. [Sec. 155]

CRS-5

Provision	Prior to Enactment of H.R. 1000	H.R. 1000 (House)	H.R. 1000/S. 82 (Senate)	P.L. 106-181 (Enacted)
Discretionary Funding Cap and Minimum	Currently \$300 million (Note: P.L. 106-6, which extends AIP authorization to May 31, 1999, included a provision that removes the cap but does not change the treatment of LOIs.)	Cap and minimum are removed. Letters of intent (LOIs) are to be met with discretionary funds and, if necessary also with funds drawn on a pro rata basis from formula fund categories [Sec. 104 (a)]	Cap is removed. [Sec. 201]	No provision
Small Airport Fund Set-Aside for Meeting Safety Terms in Airport Operating Certificates	No provision	Sets-aside the lesser of \$15 million or 20% of the non-hub amount in the Small Airport Fund to help airports meet new terms of small airport certification. [Sec. 128(a)]	No provision	Sets-aside the lesser of \$15 million or 20% of the non-hub amount in the Small Airport Fund to help airports meet new terms of small airport certification. [Sec. 128(e)]
Noise Program Discretionary Fund Set-Aside	31% of discretionary funds	34% of discretionary funds. [Sec. 104 (h)] These funds may also be used to mitigate noise caused primarily by military aircraft. [Sec. 157]	35% of discretionary funds [Sec. 204]	34% of discretionary funds. [Sec.104(e)] These funds may also be used to mitigate noise caused primarily by military aircraft. [Sec. 154]
Unexpended Discretionary Funds for Noise Abatement	No provision	No provision	Discretionary funds made available but not expended by the end of the fiscal year may be used to make additional grants for noise abatement. [Sec. 212]	No provision
Military Airport Program	12 airports may participate	15 airports may participate in FY2000 then 20 beginning in FY2001. In FY2000 one airport and then beginning in FY2001 three of the airports must be General Aviation Airports. [Sec. 130]	15 airports may participate. One of the airports may be a General Aviation Airport. [Sec. 453]	15 airports may participate, may only consider former military airports if the grant would reduce delays at an airport with more than 20,000 hours of annual delays or would enhance air traffic control at a metropolitan airport or reduce delays. [Sec. 130]
General Aviation Metropolitan Access and Reliever Airport Fund	No provision	No provision	5% of funds subject to apportionment to be apportioned to states with reliever airports near congested commercial airports. [Sec. 460]	No provision
Reliever Airport Set-Aside	No provision	No provision	No provision	Beginning in FY2001, grants equal to at least two-thirds of 1% of discretionary funds will be for grants to reliever airports near congested metropolitan airports. [Sec. 104(f)]

Provision	Prior to Enactment of H.R. 1000	H.R. 1000 (House)	H.R. 1000/S. 82 (Senate)	P.L. 106-181 (Enacted)
Airport Security Program (includes explosive detection device evaluation and testing)	No existing provision	Not less than one airport security project shall be carried out to evaluate innovative airport security systems and related technology. The federal share is 100%. \$5 million to be made available. [Sec. 133]	Not less than one airport security project shall be carried out to evaluate innovative airport security systems and related technology. The federal share is 100%. \$5 million is to be made available. [Sec. 105]	Not less than one airport security project shall be carried out to evaluate innovative airport security systems and related technology. The federal share is 100% and \$5 million will be made available. [Sec. 134]
Minimum annual Formula Funds Entitlement for Primary Airports	\$500,000	Raise minimum to \$1.5 million and eliminate \$22 million maximum [Sec. 106(b)]	\$650,000 [Sec. 205(i)]	Raises minimum to \$650,000 for FY2000 then to \$1 million annually for FY2001-FY2002. Raises maximum to \$26 million. [Sec. 104(b)]
Apportionment to States for General Aviation Airports	18.5% of the amount subject to apportionment	Beginning in FY2001, 20% of amount subject to apportionment. Renamed “General Aviation Airports” [104(d)]	No provision	For FY2001-FY2003, FY20% of amount subject to apportionment [Sec. 105(c)]
General Aviation Airports entitlement Formulas	No provision	Beginning in FY2001, each non-primary airport in states, shall receive the lesser of \$200,000 or one-fifth of the five-year improvement cost estimate as listed in the most recently published national plan of integrated airport systems (NPIAS). [Sec. 104(d)]	No provision	For FY2001-FY2003 , each non-primary airport in states, shall receive the lesser of \$200,000 or one-fifth of the five-year improvement cost estimate as listed in the most recently published national plan of integrated airport systems (NPIAS). [Sec. 104(d)]
Cargo Service Airport Formula	2.5% of AIP funds	3% of AIP funds [Sec. 104 (c)]	3% of AIP funds. Eliminates 8% cap of cargo funds that can go to a single airport. [Sec. 205(j)]	3% of AIP funds. Eliminates 8% cap in years when amounts available for AIP are under \$3.2 billion (i.e. FY2000). [Sec. 104(b)]
Alaska , Hawaii, and Puerto Rico use of state apportioned formula funds	Use restricted to non-primary airports	Allows use of state and insular area apportioned funds at any public airport in Alaska, Hawaii and Puerto Rico. [Sec. 104(e)]	Allows use of state and insular area apportioned funds at any public airport in Alaska, Hawaii and Puerto Rico. [Sec. 205(a)]	Allows use of state and insular area apportioned funds at any public airport in Alaska, Hawaii and Puerto Rico. [Sec. 104(c)]
Alaska Supplemental formula funds	Characterized as “alternative apportionment.” A grant to a commercial airport in Alaska is limited to a maximum of 110% of that airport’s Alaska supplemental fund apportionment. Funds are restricted to non-primary airports.	Beginning in FY2001, changes the name of the Alaska “alternative apportionment” to the Alaska “supplemental apportionment.” Repeals the 110% limitation. Allows Alaska supplemental funds to be used at any public airport in Alaska. As of FY2001, triples the funding. [Sec. 104(i) & (j)]	Changes the name of the Alaska “alternative apportionment” to the Alaska “supplemental apportionment.” Repeals the 110% limitation. Allows these funds to be used at any public airport in Alaska. [Sec. 205(b) & (c)]	Changes the name of the Alaska “alternative apportionment” to the Alaska “supplemental apportionment.” Repeals the 110% limitation. Allows these funds to be used at any public airport in Alaska. As of FY2001 doubles funding. [Sec. 104(d)]

CRS-7

Provision	Prior to Enactment of H.R. 1000	H.R. 1000 (House)	H.R. 1000/S. 82 (Senate)	P.L. 106-181 (Enacted)
Innovative Finance Demonstration Program	10 airports may participate in testing three techniques: interest payments using AIP funds; credit enhancements (e.g. bond insurance); and flexible matching grant requirements	25 airports, smaller than medium hub, may participate. Prohibits the use of this section to federally guarantee bonds. [Sec. 132]	20 airports may participate. [Sec. 202(a)] Subsection (c) prohibits the use of this section to federally guarantee bonds.	20 airports, smaller than medium hub, may participate. Adds technique allowing use for payment of principal and interest of terminal development for costs preceding enactment of this bill. Prohibits the use of this section to federally guarantee bonds. [Sec. 132]
State Block Grant Program	Nine States may participate	Ten states may participate [Sec. 138]	No provision	9 qualified states for FY2000 and FY2001 and 10 states for each fiscal year thereafter. [Sec. 138]
Matching Share Provisions	90% fixed as federal share for each project (for airports other than large and medium hub)	“Not more than 90%,” but limited to AIP grants issued to and administered by states participating in the state block grant program. For FY2001, 100% for non-primary airports and non-hub primary airports. [Sec. 126]	“Not more than 90%,” for airports other than large or medium hub. [Sec. 203]	“Not more than 90%” for state block grant states. [Sec. 126]
Reporting of each State’s Contribution to the Aviation Trust Fund and Airport Development Funds Received	No provision	No provision.	FAA must submit a report to Congress that provides each state’s contribution to the Aviation Trust Fund for the preceding fiscal year, and the amounts received by each state for airport development. [Sec. 428]	No provision
Terminal Building PFC Funds Eligibility	No provision	PFCs may fund a terminal building shell and adjacent fueling facilities at an airport if the PFC funds would help a carrier that has less than 40% of passengers at that airport to increase air service. [Sec. 152(a)]	PFCs may fund a terminal building shell and adjacent fueling facilities at an airport if the PFC funds would help a carrier that has less than 50% of passengers at that airport to increase air service. [Sec. 210]	PFCs may fund construction of gates and related areas. If the PFC funds would help a carrier that has less than 50% of passengers at that airport increase air service the gate projects may include certain other parts of the terminal structure and utilities and aircraft fueling facilities adjacent to the gate. [Sec. 151]
Reliever Airport Eligibility for Letters of Intent (LOIs)	Reliever airports eligible	No provision	No provision	No provision.

CRS-8

Provision	Prior to Enactment of H.R. 1000	H.R. 1000 (House)	H.R. 1000/S. 82 (Senate)	P.L. 106-181 (Enacted)
PFC as a Precondition for an LOI	PFC imposition requirement may not be written into an LOI.	FAA may not require an airport to impose a PFC to obtain an LOI. [Sec. 127]	FAA may not require an airport to impose a PFC to obtain an LOI. [Sec. 434]	FAA may not require an airport to impose a PFC to obtain an LOI. [Sec. 127]
“Enhance System-wide airport Capacity” requirement for LOIs	LOI project must enhance system-wide capacity significantly	No provision	No provision	Removes requirement for smaller than medium hub airports. [Sec. 127]
PFC Waiver for Airports in Isolated Communities and Small aircraft Passengers in Alaska	No provision	PFCs may be waived for: 1) passengers enplaned by any class of air carrier, if the total of these passengers enplaned is not more than 1% of total enplaned passengers at the airport charging the fee; 2) passengers enplaned on a flight to an airport that has fewer than 2,500 passengers per year; or 3) airports that serve communities that have fewer than 10,000 people and have no land connection to the National Highway System within a state. [Sec 135(b)]	PFCs may be waived for: 1) passengers enplaned by any class of air carrier, if the total of these passengers enplaned is not more than 1% of total enplaned passengers at the airport charging the fee; 2) passengers enplaned on a flight to an airport that has fewer than 2,500 passengers per year; or 3) airports that serve communities that have fewer than 10,000 people and have no land connection to the National Highway System within a state. [Sec. 205]	PFCs may be waived for: 1) passengers enplaned by any class of air carrier, if the total of these passengers enplaned is not more than 1% of total enplaned passengers at the airport charging the fee; 2) passengers enplaned on a flight to an airport that has fewer than 2,500 passengers per year; or 3) airports that serve communities that have fewer than 10,000 people and have no land connection to the National Highway System within a state. Prohibits any state or subdivision of a state to control in any manner the imposition or collection of a PFC or the use of PFC revenue. [Sec. 135(b)]
Prioritization of Discretionary Projects	No provision	No provision	FAA to give low priority to any airport’s discretionary project if the airport has also used formula funds to pay for lower priority projects than the projects for which discretionary funds are being requested. [Sec. 207]	FAA to give low priority to any airport’s discretionary project if the airport has also used formula funds to pay for lower priority projects than the projects for which discretionary funds are being requested. [Sec. 162]
PFC Waiver for Intrastate flights in Hawaii	No exemption	No provision	PFCs may be waived on intrastate flights in Hawaii. [Sec. 205 (f)]	PFCs may be waived on intrastate flights in Hawaii. [Sec. 135]

CRS-9

Provision	Prior to Enactment of H.R. 1000	H.R. 1000 (House)	H.R.1000/S. 82 (Senate)	P.L. 106-181 (Enacted)
Grant Assurance Waiver Public Notice	Airports' grant applications are conditioned on assurances regarding airport use and operation.	To waive a grant assurance with respect to disposal of land, the FAA must publish notice in the Federal Register and provide opportunity for comment. Decisions must be published in the Federal Register. [Sec. 136(d)]	Strengthens the opportunity for public comment on the waiver of any grant assurance that requires property to be used for aeronautical purposes by requiring the FAA to provide 30 days public notice before issuing such a waiver. [Sec. 208]	Before modifying an aeronautical use assurance FAA must publish notice in the Federal Register, provide opportunity for comment, and, for aeronautical land use waivers, must provide 30 days public notice prior to implementation. [Sec. 125]
Priority for Public Airports in requests for transfers of surplus government property	No provision	Public airports given priority in requests for surplus U.S. government property. [Sec. 136(c)]	Public airports given priority in requests for surplus U.S. government property. [Sec. 205(h)]	Public airports given priority in requests for surplus U.S. government property. Property subject to defense base closure legislation is excepted. [Sec. 136]
Land Use Compliance Report	No provision	FAA must compile a list of airports not in compliance with land use assurances. [Sec. 737]	No Provision	FAA must compile a list of airports it believes are not in compliance with land use assurances. FAA does not have to conduct an audit of airports to put them on the list. [Sec. 722]
Inter-modal Connections Eligibility	No provision	Adds as policy to encourage the development of inter-modal connections on airport property and also modifies the definition of airport development to include improvements "for the purpose of transferring passengers, cargo, or baggage between the airport and ground transportation modes." [Sec. 137]	No provision	Adds as policy to encourage the development of inter-modal connections on airport property and also modifies the definition of airport development to include improvements "for the purpose of transferring passengers, cargo, or baggage between the airport and ground transportation modes." [Sec. 137]
Conveyances of United States Government Land	Sets forth the administrative procedure for the conveyance of U.S. government property for airport use.	No provision	Increases the guidance for requesting conveyance. Also requires reversion of property to the U.S. government as a condition of conveyance. Clarifies when the FAA may grant a release from certain conditions of conveyance. [Sec. 408]	In lieu of section 408 (Senate version) adopts deed restriction removals for Pinal and Yavapai, Arizona. [Sec. 749-750]

CRS-10

Provision	Prior to Enactment of H.R. 1000 Law	H.R. 1000 (House)	H.R. 1000/S. 82 (Senate)	P.L. 106-181 (Enacted)
Environmental Impact Study (EIS) Recycling	No provision	No provision	Completed EIS can be used for a new project at an airport that is substantially similar in nature to the one constructed pursuant to such an environmental review. [Sec. 418]	Completed EIS can be used for a new project at an airport that is substantially similar in nature to the one constructed pursuant to such an environmental review. [Sec 737]
Primary Airport Eligibility Retention	No provision	Airports that lose primary airport status retain eligibility for existing on-going projects through project completion. [Sec. 135(a)]	Airports that lose primary airport status retain eligibility for existing on-going projects through project completion. [Sec. 205(d)]	Airports that lose primary airport status retain eligibility for existing on-going projects through project completion. [Sec. 135(c)]
Temporary Service Interruptions at Small Primary Airports	Can lose primary status.	If a primary airport's passenger boarding falls below primary status level (10,000) due to non-demand reasons, including natural disasters or employment actions, it may receive the previous year's level of formula funds. [Sec. 104 (b)]	If a primary airport's passenger boarding falls below primary status level (10,000) due to non-demand reasons, including natural disasters or employment actions, it may receive the previous year's level of formula funds. [Sec. 205 (k)]	If a primary airport's passenger boarding falls below primary status level (10,000) due to non-demand reasons, including natural disasters or employment actions it may receive the previous year's level of formula funds. [Sec. 104(a)]
Metropolitan Washington Airport Authority (MWAA) Noise Compatibility Spending	No provision	No provision	MWAA must make available for noise compatibility planning and programs not less than 10% of AIP funds received. FAA is to give such grant requests priority. [Sec. 506(f)]	MWAA must make available for noise compatibility planning and programs not less than 10% of AIP funds received. FAA is to give such grant requests at Ronald Reagan, O'Hare, LaGuardia, and Kennedy airports priority. [Sec. 131(e&f)]
Denial of Airport Access to Certain Charter Air Carriers	No provision	Allows denial of public charter access to reliever airports that are within 35 miles of a hub airport under certain circumstances. [Sec. 154]	Allows denial of public charter access to reliever airports that are within 35 miles of a hub airport under certain circumstances. [Sec. 421]	Prohibits an airline or charter operator from providing regularly scheduled charter air service to an airport that does not have an airport operating certificate. [Sec. 723]
Construction of an Additional Runway at Denver International Airport (DIA)	No provision	Counters provisions in appropriations acts that prevent AIP funding of an additional runway at DIA. [Sec. 155]	No provision	Counters provisions in appropriations acts that prevent AIP funding of an additional runway at DIA. [Sec. 158]
Priority to Upgrading Airports to Accommodate Turbine-Powered Aircraft (Business Jets)	No provision	Designates as priority AIP small airport fund grant proposals to upgrade airports to accommodate turbine-powered aircraft, such as business jets. [Sec. 128(c)]	Designates as priority AIP small airport fund grant proposals to upgrade airports to accommodate turbine-powered aircraft, such as business jets. [Sec. 205(n)]	Designates as priority AIP small airport fund grant proposals to upgrade airports to accommodate turbine-powered aircraft, such as business jets. [Sec. 128(c)]

Appendix

Airport Definitions ⁵

Commercial Service Airports. Publicly owned airports that receive scheduled passenger service and board at least 2,500 passengers each year.

- **Nonprimary Commercial Service Airports.** Board at least 2,500 but no more than 10,000 passengers each year. **Primary Airports.** Board more than 10,000 passengers each year. Primary airports are subdivided into four categories of airports based on percentage of annual nationwide passenger boardings:

Large Hub Airports. Board 1% or more of total U.S. traffic.

Medium Hub Airports. Board 0.25% but less than 1% of total U.S. traffic.

Small Hub Airports. Board 0.05% but less than 0.25% of total U.S. traffic.

Nonhub Airports. Board more than 10,000 but less than 0.05% of total U.S. traffic.

Cargo Service Airports. Airports that are served by aircraft that provide air transport for cargo only and have a total “landed weight” of over 100 million pounds.

Reliever Airports. Airports designated by the FAA to relieve congestion at a commercial airport and provide improved general aviation access to a community (i.e. to draw general aviation activity away from congested commercial primary airports).

General Aviation Airports. All other airports. General aviation includes business, personal, and instructional flying, agricultural spraying, air ambulances, etc.

⁵ Federal Aviation Administration. Fifteenth Annual Report of Accomplishments Under the AIP. p. 6-7.