

108TH CONGRESS
1ST SESSION

H. R. 2115

To amend title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 15, 2003

Mr. YOUNG of Alaska (for himself, Mr. MICA, Mr. OBERSTAR, and Mr. DEFAZIO) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To amend title 49, United States Code, to reauthorize programs for the Federal Aviation Administration, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

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

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Flight 100—Century of Aviation Reauthorization Act”.

6 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

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

Sec. 3. Effective date.

TITLE I—AUTHORIZATIONS

Sec. 101. Federal Aviation Administration operations.

- Sec. 102. Air navigation facilities and equipment.
- Sec. 103. Airport planning and development and noise compatibility planning and programs.
- Sec. 104. Additional reauthorizations.
- Sec. 105. Insurance.

TITLE II—AIRPORT PROJECT STREAMLINING

- Sec. 201. Short title.
- Sec. 202. Findings.
- Sec. 203. Promotion of new runways.
- Sec. 204. Airport project streamlining.
- Sec. 205. Governor's certificate.
- Sec. 206. Construction of certain airport capacity projects.
- Sec. 207. Limitations.
- Sec. 208. Relationship to other requirements.

TITLE III—FEDERAL AVIATION REFORM

- Sec. 301. Management advisory committee members.
- Sec. 302. Reorganization of the Air Traffic Services Subcommittee.
- Sec. 303. Clarification of the responsibilities of the Chief Operating Officer.
- Sec. 304. Small Business Ombudsman.
- Sec. 305. FAA purchase cards.

TITLE IV—AIRLINE SERVICE IMPROVEMENTS

- Sec. 401. Improvement of aviation information collection.
- Sec. 402. Data on incidents and complaints involving passenger and baggage security screening.
- Sec. 403. Definitions.
- Sec. 404. Clarifications to procurement authority.
- Sec. 405. Low-emission airport vehicles and ground support equipment.
- Sec. 406. Streamlining of the passenger facility fee program.
- Sec. 407. Financial management of passenger facility fees.
- Sec. 408. Overflights of national parks.
- Sec. 409. Collaborative decision making pilot program.
- Sec. 410. Availability of aircraft accident site information.
- Sec. 411. Slot exemptions at Ronald Reagan Washington National Airport.
- Sec. 412. Notice concerning aircraft assembly.
- Sec. 413. Small community air service.
- Sec. 414. Protection of employees providing air safety information.
- Sec. 415. Type certificates.
- Sec. 416. Design organization certificates.
- Sec. 417. Counterfeit or fraudulently represented parts violations.
- Sec. 418. Runway safety standards.
- Sec. 419. Availability of maintenance information.
- Sec. 420. Flight attendant certification.
- Sec. 421. Civil penalty for closure of an airport without providing sufficient notice.
- Sec. 422. Amendment of general fee schedule provision.
- Sec. 423. Improvement of curriculum standards for aviation maintenance technicians.
- Sec. 424. Task force on future of air transportation system.
- Sec. 425. Air quality in aircraft cabins.
- Sec. 426. Recommendations concerning travel agents.

- Sec. 427. Task force on enhanced transfer of applications of technology for military aircraft to civilian aircraft.
- Sec. 428. Reimbursement for losses incurred by general aviation entities.
- Sec. 429. Impasse procedures for national association of air traffic specialists.
- Sec. 430. FAA inspector training.
- Sec. 431. Prohibition on air traffic control privatization.
- Sec. 432. Airfares for members of the Armed Forces.

TITLE V—AIRPORT DEVELOPMENT

- Sec. 501. Definitions.
- Sec. 502. Replacement of baggage conveyor systems.
- Sec. 503. Security costs at small airports.
- Sec. 504. Withholding of program application approval.
- Sec. 505. Runway safety areas.
- Sec. 506. Disposition of land acquired for noise compatibility purposes.
- Sec. 507. Grant assurances.
- Sec. 508. Allowable project costs.
- Sec. 509. Apportionments to primary airports.
- Sec. 510. Cargo airports.
- Sec. 511. Considerations in making discretionary grants.
- Sec. 512. Flexible funding for nonprimary airport apportionments.
- Sec. 513. Use of apportioned amounts.
- Sec. 514. Military airport program.
- Sec. 515. Contract towers.
- Sec. 516. Airport safety data collection.
- Sec. 517. Airport privatization pilot program.
- Sec. 518. Innovative financing techniques.
- Sec. 519. Airport security program.
- Sec. 520. Low-emission airport vehicles and infrastructure.
- Sec. 521. Compatible land use planning and projects by State and local governments.
- Sec. 522. Midway Island Airport.

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

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

1 **SEC. 3. EFFECTIVE DATE.**

2 Except as otherwise expressly provided, this Act and
3 the amendments made by this Act shall be effective on
4 the date of enactment of this Act.

5 **TITLE I—AUTHORIZATIONS**

6 **SEC. 101. FEDERAL AVIATION ADMINISTRATION OPER-**
7 **ATIONS.**

8 (a) IN GENERAL.—Section 106(k) is amended to
9 read as follows:

10 “(k) AUTHORIZATION OF APPROPRIATIONS.—

11 “(1) SALARIES, OPERATIONS, AND MAINTEN-

12 NANCE.—There is authorized to be appropriated to

13 the Secretary of Transportation for salaries, oper-

14 ations and maintenance of the Administration—

15 “(A) \$7,591,000,000 for fiscal year 2004;

16 “(B) \$7,732,000,000 for fiscal year 2005;

17 “(C) \$7,889,000,000 for fiscal year 2006;

18 and

19 “(D) \$8,064,000,000 for fiscal year 2007.

20 Such sums shall remain available until expended.”.

21 “(2) OPERATION OF CENTER FOR MANAGE-

22 MENT AND DEVELOPMENT.—Out of amounts appro-

23 priated under paragraph (1), such sums as may be

24 necessary may be expended by the Center for Man-

25 agement Development of the Federal Aviation Ad-

26 ministration to operate at least 200 courses each

1 year and to support associated student travel for
2 both residential and field courses.

3 “(3) AIR TRAFFIC MANAGEMENT SYSTEM.—Out
4 of amounts appropriated under paragraph (1), such
5 sums as may be necessary may be expended by the
6 Federal Aviation Administration for the establish-
7 ment and operation of a new office to develop, in co-
8 ordination with the Department of Defense, the Na-
9 tional Aeronautics and Space Administration, and
10 the Department of Homeland Security, the next gen-
11 eration air traffic management system and a transi-
12 tion plan for the implementation of that system. The
13 office shall be known as the ‘Next Generation Air
14 Transportation System Joint Program Office’.

15 “(4) HELICOPTER AND TILTROTOR PROCE-
16 DURES.—Out of amounts appropriated under para-
17 graph (1), such sums as may be necessary may be
18 expended by the Federal Aviation Administration for
19 the establishment of helicopter and tiltrotor ap-
20 proach and departure procedures using advanced
21 technologies, such as the Global Positioning System
22 and automatic dependent surveillance, to permit op-
23 erations in adverse weather conditions to meet the
24 needs of air ambulance services.

1 “(5) ADDITIONAL AIR TRAFFIC CONTROL-
2 LERS.—Out of amounts appropriated under para-
3 graph (1), such sums as may be necessary may be
4 expended to hire additional air traffic controllers in
5 order to meet increasing air traffic demands and to
6 address the anticipated increase in the retirement of
7 experienced air traffic controllers.

8 “(6) COMPLETION OF ALASKA AVIATION SAFE-
9 TY PROJECT.—Out of amounts appropriated under
10 paragraph (1), \$6,000,000 may be expended for the
11 completion of the Alaska aviation safety project with
12 respect to the 3 dimensional mapping of Alaska’s
13 main aviation corridors.”.

14 (b) AIRLINE DATA AND ANALYSIS.—There is author-
15 ized to be appropriated to the Secretary of Transportation,
16 out of the Airport and Airway Trust Fund established by
17 section 9502 of the Internal Revenue Code of 1986 (26
18 U.S.C. 9502), \$3,971,000 for fiscal year 2004,
19 \$4,045,000 for fiscal year 2005, \$4,127,000 for fiscal year
20 2006, and \$4,219,000 for fiscal year 2007 to gather air-
21 line data and conduct analyses of such data in the Bureau
22 of Transportation Statistics of the Department of Trans-
23 portation.

24 (c) HUMAN CAPITAL WORKFORCE STRATEGY.—

1 (1) DEVELOPMENT.—The Administrator of the
2 Federal Aviation Administration shall develop a
3 comprehensive human capital workforce strategy to
4 determine the most effective method for addressing
5 the need for more air traffic controllers that is called
6 for in the June 2002 report of the General Account-
7 ing Office.

8 (2) COMPLETION DATE.—The Administrator
9 shall complete development of the strategy not later
10 than 1 year after the date of enactment of this Act.

11 (3) REPORT.—Not later than 30 days after the
12 date on which the strategy is completed, the Admin-
13 istrator shall transmit to Congress a report describ-
14 ing the strategy.

15 **SEC. 102. AIR NAVIGATION FACILITIES AND EQUIPMENT.**

16 Section 48101 is amended—

17 (1) in subsection (a) by striking paragraphs (1)
18 through (5) and inserting the following:

19 “(1) \$2,938,000,000 for fiscal year 2004;

20 “(2) \$2,993,000,000 for fiscal year 2005;

21 “(3) \$3,053,000,000 for fiscal year 2006; and

22 “(4) \$3,110,000,000 for fiscal year 2007.”;

23 (2) by striking subsection (b);

24 (3) by redesignating (c) as subsection (b);

1 (4) by striking subsections (d) and (e) and in-
2 serting the following:

3 “(c) ENHANCED SAFETY AND SECURITY FOR AIR-
4 CRAFT OPERATIONS IN THE GULF OF MEXICO.—Of
5 amounts appropriated under subsection (a), such sums as
6 may be necessary for fiscal years 2004 through 2007 may
7 be used to expand and improve the safety, efficiency, and
8 security of air traffic control, navigation, low altitude com-
9 munications and surveillance, and weather services in the
10 Gulf of Mexico.

11 “(d) OPERATIONAL BENEFITS OF WAKE VORTEX
12 ADVISORY SYSTEM.—Of amounts appropriated under sub-
13 section (a), \$20,000,000 for each of fiscal years 2004
14 through 2007 may be used to document and demonstrate
15 the operational benefits of a wake vortex advisory system.

16 “(e) GROUND-BASED PRECISION NAVIGATIONAL
17 AIDS.—Of amounts appropriated under subsection (a),
18 \$20,000,000 for each of fiscal years 2004 to 2007 may
19 be used to establish a program for the installation, oper-
20 ation, and maintenance of a closed-loop precision approach
21 aid designed to improve aircraft accessibility at moun-
22 tainous airports with limited land if the approach aid is
23 able to provide curved and segmented approach guidance
24 for noise abatement purposes and has been certified or
25 approved by the Administrator.”; and

1 (6) in subsection (f)—

2 (A) by striking “for fiscal years beginning
3 after September 30, 2000”; and

4 (B) by inserting “may be used” after “nec-
5 essary”.

6 **SEC. 103. AIRPORT PLANNING AND DEVELOPMENT AND**
7 **NOISE COMPATIBILITY PLANNING AND PRO-**
8 **GRAMS.**

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

10 (1) by striking “September 30, 1998” and in-
11 serting “September 30, 2003”; and

12 (2) by striking subparagraphs (1) through (5)
13 and inserting:

14 “(1) \$3,400,000,000 for fiscal year 2004;

15 “(2) \$3,600,000,000 for fiscal year 2005;

16 “(3) \$3,800,000,000 for fiscal year 2006; and

17 “(4) \$4,000,000,000 for fiscal year 2007.”.

18 (b) OBLIGATIONAL AUTHORITY.—Section 47104(c)
19 is amended by striking “September 30, 2003” and insert-
20 ing “September 30, 2007”.

21 **SEC. 104. ADDITIONAL REAUTHORIZATIONS.**

22 (a) CONTRACT AIR TRAFFIC CONTROL TOWER PILOT
23 PROGRAM.—Section 47124(b)(3)(E) is amended by strik-
24 ing “\$6,000,000 per fiscal year” and inserting
25 “\$6,500,000 for fiscal year 2004, \$7,000,000 for fiscal

1 year 2005, \$7,500,000 for fiscal year 2006, and
2 \$8,000,000 for fiscal year 2007”.

3 (b) SMALL COMMUNITY AIR SERVICE.—Section
4 41743(e)(2) is amended—

5 (1) by striking “and” the first place it appears
6 and inserting a comma; and

7 (2) by inserting after “2003” the following “,
8 and \$35,000,000 for each of fiscal years 2004
9 through 2008”.

10 (c) REGIONAL AIR SERVICE INCENTIVE PROGRAM.—
11 Section 41766 is amended by striking “2003” and insert-
12 ing “2007”.

13 (d) FUNDING FOR AVIATION PROGRAMS.—Section
14 106 of the Wendell H. Ford Aviation Investment and Re-
15 form Act for the 21st Century (49 U.S.C. 48101 note)
16 is amended by striking “2003” each place it appears and
17 inserting “2007”.

18 (e) DESIGN-BUILD CONTRACTING.—Section 139(e)
19 of the Wendell H. Ford Aviation Investment and Reform
20 Act for the 21st Century (49 U.S.C. 47104 note) is
21 amended by striking “2003” and inserting “2007”.

22 (f) METROPOLITAN WASHINGTON AIRPORTS AU-
23 THORITY.—Section 49108 is amended by striking “2004”
24 and inserting “2007”.

1 **SEC. 105. INSURANCE.**

2 (a) **TERMINATION.**—Section 44310 is amended to
3 read as follows:

4 **“§44310. Termination date**

5 “Effective December 31, 2007, the authority of the
6 Secretary of Transportation to provide insurance and rein-
7 surance under this chapter shall be limited to—

8 “(1) the operation of an aircraft by an air car-
9 rier or foreign air carrier in foreign air commerce or
10 between at least 2 points, all of which are outside
11 the United States; and

12 “(2) insurance obtained by a department, agen-
13 cy, or instrumentality of the United States under
14 section 44305.”.

15 (b) **EXTENSION OF POLICIES.**—Section 44302(f)(1)
16 is amended by striking “through December 31, 2003,”
17 and inserting “thereafter”.

18 (c) **AIRCRAFT MANUFACTURER LIABILITY FOR**
19 **THIRD PARTY CLAIMS ARISING OUT OF ACTS OF TER-**
20 **RORISM.**—Section 44303(b) is amended by adding at the
21 end the following: “The Secretary may extend the provi-
22 sions of this subsection to the United States manufacturer
23 (as defined in section 44310) of the aircraft of the air
24 carrier involved.”.

25 (d) **VENDORS, AGENTS, SUBCONTRACTORS, AND**
26 **MANUFACTURERS.**—

1 (1) IN GENERAL.—Chapter 443 is amended—

2 (A) by redesignating section 44310 (as
3 amended by subsection (a) of this section) as
4 section 44311; and

5 (B) by inserting after section 44309 the
6 following:

7 **“§44310. Vendors, agents, subcontractors, and manu-
8 facturers**

9 “(a) IN GENERAL.—The Secretary of Transportation
10 may extend the application of any provision of this chapter
11 to a loss of a vendor, agent, and subcontractor of an air
12 carrier and a United States manufacturer of an aircraft
13 used by an air carrier but only to the extent that the loss
14 involved an aircraft of an air carrier.

15 “(b) UNITED STATES MANUFACTURER DEFINED.—
16 In this section, the term “United States manufacturer”
17 means a manufacturer incorporated under the laws of the
18 United States.”.

19 (2) CONFORMING AMENDMENT.—The analysis for
20 chapter 443 is amended by striking the item relating to
21 section 44310 and inserting the following:

“44310. Vendors, agents, subcontractors, and manufacturers.
“44311. Termination date”.

22 (e) TECHNICAL CORRECTIONS.—Effective November
23 19, 2001, the Aviation and Transportation Security Act
24 (115 Stat. 597) is amended—

1 (1) in section 147 by striking “44306(b)” and
2 inserting “44306(c)”; and

3 (2) in section 124(b) by striking “to carry out
4 foreign policy” and inserting “to carry out the for-
5 eign policy”.

6 **TITLE II—AIRPORT PROJECT** 7 **STREAMLINING**

8 **SEC. 201. SHORT TITLE.**

9 This title may be cited as the “Airport Streamlining
10 Approval Process Act of 2003”.

11 **SEC. 202. FINDINGS.**

12 Congress finds that—

13 (1) airports play a major role in interstate and
14 foreign commerce;

15 (2) congestion and delays at our Nation’s major
16 airports have a significant negative impact on our
17 Nation’s economy;

18 (3) airport capacity enhancement projects at
19 congested airports are a national priority and should
20 be constructed on an expedited basis;

21 (4) airport capacity enhancement projects must
22 include an environmental review process that pro-
23 vides local citizenry an opportunity for consideration
24 of and appropriate action to address environmental
25 concerns; and

1 (5) the Federal Aviation Administration, airport
2 authorities, communities, and other Federal, State,
3 and local government agencies must work together
4 to develop a plan, set and honor milestones and
5 deadlines, and work to protect the environment while
6 sustaining the economic vitality that will result from
7 the continued growth of aviation.

8 **SEC. 203. PROMOTION OF NEW RUNWAYS.**

9 Section 40104 is amended by adding at the end the
10 following:

11 “(c) AIRPORT CAPACITY ENHANCEMENT PROJECTS
12 AT CONGESTED AIRPORTS.—In carrying out subsection
13 (a), the Administrator shall take action to encourage the
14 construction of airport capacity enhancement projects at
15 congested airports as those terms are defined in section
16 47178.”.

17 **SEC. 204. AIRPORT PROJECT STREAMLINING.**

18 (a) IN GENERAL.—Chapter 471 is amended by in-
19 serting after section 47153 the following:

20 “SUBCHAPTER III—AIRPORT PROJECT
21 STREAMLINING

22 **“§47171. DOT as lead agency**

23 “(a) AIRPORT PROJECT REVIEW PROCESS.—The
24 Secretary of Transportation shall develop and implement

1 a coordinated review process for airport capacity enhance-
2 ment projects at congested airports.

3 “(b) COORDINATED REVIEWS.—

4 “(1) IN GENERAL.—The coordinated review
5 process under this section shall provide that all envi-
6 ronmental reviews, analyses, opinions, permits, li-
7 censes, and approvals that must be issued or made
8 by a Federal agency or airport sponsor for an air-
9 port capacity enhancement project at a congested
10 airport will be conducted concurrently, to the max-
11 imum extent practicable, and completed within a
12 time period established by the Secretary, in coopera-
13 tion with the agencies identified under subsection (c)
14 with respect to the project.

15 “(2) AGENCY PARTICIPATION.—Each Federal
16 agency identified under subsection (c) shall formu-
17 late and implement administrative, policy, and pro-
18 cedural mechanisms to enable the agency to ensure
19 completion of environmental reviews, analyses, opin-
20 ions, permits, licenses, and approvals described in
21 paragraph (1) in a timely and environmentally re-
22 sponsible manner.

23 “(c) IDENTIFICATION OF JURISDICTIONAL AGEN-
24 CIES.—With respect to each airport capacity enhancement
25 project at a congested airport, the Secretary shall identify,

1 as soon as practicable, all Federal and State agencies that
2 may have jurisdiction over environmental-related matters
3 that may be affected by the project or may be required
4 by law to conduct an environmental-related review or anal-
5 ysis of the project or determine whether to issue an envi-
6 ronmental-related permit, license, or approval for the
7 project.

8 “(d) STATE AUTHORITY.—If a coordinated review
9 process is being implemented under this section by the
10 Secretary with respect to a project at an airport within
11 the boundaries of a State, the State, consistent with State
12 law, may choose to participate in such process and provide
13 that all State agencies that have jurisdiction over environ-
14 mental-related matters that may be affected by the project
15 or may be required by law to conduct an environmental-
16 related review or analysis of the project or determine
17 whether to issue an environmental-related permit, license,
18 or approval for the project, be subject to the process.

19 “(e) MEMORANDUM OF UNDERSTANDING.—The co-
20 ordinated review process developed under this section may
21 be incorporated into a memorandum of understanding for
22 a project between the Secretary and the heads of other
23 Federal and State agencies identified under subsection (c)
24 with respect to the project and the airport sponsor.

25 “(f) EFFECT OF FAILURE TO MEET DEADLINE.—

1 “(1) NOTIFICATION OF CONGRESS AND CEQ.—
2 If the Secretary determines that a Federal agency,
3 State agency, or airport sponsor that is participating
4 in a coordinated review process under this section
5 with respect to a project has not met a deadline es-
6 tablished under subsection (b) for the project, the
7 Secretary shall notify, within 30 days of the date of
8 such determination, the Committee on Transpor-
9 tation and Infrastructure of the House of Represent-
10 atives, the Committee on Commerce, Science, and
11 Transportation of the Senate, the Council on Envi-
12 ronmental Quality, and the agency or sponsor in-
13 volved about the failure to meet the deadline.

14 “(2) AGENCY REPORT.—Not later than 30 days
15 after date of receipt of a notice under paragraph (1),
16 the agency or sponsor involved shall submit a report
17 to the Secretary, the Committee on Transportation
18 and Infrastructure of the House of Representatives,
19 the Committee on Commerce, Science, and Trans-
20 portation of the Senate, and the Council on Environ-
21 mental Quality explaining why the agency or sponsor
22 did not meet the deadline and what actions it in-
23 tends to take to complete or issue the required re-
24 view, analysis, opinion, license, or approval.

1 “(g) PURPOSE AND NEED.—For any environmental
2 review, analysis, opinion, permit, license, or approval that
3 must be issued or made by a Federal or State agency that
4 is participating in a coordinated review process under this
5 section with respect to an airport capacity enhancement
6 project at a congested airport and that requires an anal-
7 ysis of purpose and need for the project, the agency, not-
8 withstanding any other provision of law, shall be bound
9 by the project purpose and need as defined by the Sec-
10 retary.

11 “(h) ALTERNATIVES ANALYSIS.—The Secretary shall
12 determine the reasonable alternatives to an airport capac-
13 ity enhancement project at a congested airport. Any other
14 Federal or State agency that is participating in a coordi-
15 nated review process under this section with respect to the
16 project shall consider only those alternatives to the project
17 that the Secretary has determined are reasonable.

18 “(i) SOLICITATION AND CONSIDERATION OF COM-
19 MENTS.—In applying subsections (g) and (h), the Sec-
20 retary shall solicit and consider comments from interested
21 persons and governmental entities.

22 “(j) MONITORING BY TASK FORCE.—The Transpor-
23 tation Infrastructure Streamlining Task Force, estab-
24 lished by Executive Order 13274 (67 Fed. Reg. 59449;
25 relating to environmental stewardship and transportation

1 infrastructure project reviews) may monitor airport
2 projects that are subject to the coordinated review process
3 under this section.

4 **“§47172. Categorical exclusions**

5 “Not later than 120 days after the date of enactment
6 of this section, the Secretary of Transportation shall de-
7 velop and publish a list of categorical exclusions from the
8 requirement that an environmental assessment or an envi-
9 ronmental impact statement be prepared under the Na-
10 tional Environmental Policy Act of 1969 (42 U.S.C. 4321
11 et seq.) for projects at airports.

12 **“§47173. Access restrictions to ease construction**

13 “At the request of an airport sponsor for a congested
14 airport, the Secretary of Transportation may approve a
15 restriction on use of a runway to be constructed at the
16 airport to minimize potentially significant adverse noise
17 impacts from the runway only if the Secretary determines
18 that imposition of the restriction—

19 “(1) is necessary to mitigate those impacts and
20 expedite construction of the runway;

21 “(2) is the most appropriate and a cost-effective
22 measure to mitigate those impacts, taking into con-
23 sideration any environmental tradeoffs associated
24 with the restriction; and

1 “(3) would not adversely affect service to small
2 communities, adversely affect safety or efficiency of
3 the national airspace system, unjustly discriminate
4 against any class of user of the airport, or impose
5 an undue burden on interstate or foreign commerce.

6 **“§ 47174. Airport revenue to pay for mitigation**

7 “(a) IN GENERAL.—Notwithstanding section
8 47107(b), section 47133, or any other provision of this
9 title, the Secretary of Transportation may allow an airport
10 sponsor carrying out an airport capacity enhancement
11 project at a congested airport to make payments, out of
12 revenues generated at the airport (including local taxes on
13 aviation fuel), for measures to mitigate the environmental
14 impacts of the project if the Secretary finds that—

15 “(1) the mitigation measures are included as
16 part of, or support, the preferred alternative for the
17 project in the documentation prepared pursuant to
18 the National Environmental Policy Act of 1969 (42
19 U.S.C. 4321 et seq.);

20 “(2) the use of such revenues will provide a sig-
21 nificant incentive for, or remove an impediment to,
22 approval of the project by a State or local govern-
23 ment; and

1 “(3) the cost of the mitigation measures is rea-
2 sonable in relation to the mitigation that will be
3 achieved.

4 “(b) MITIGATION OF AIRCRAFT NOISE.—Mitigation
5 measures described in subsection (a) may include the insu-
6 lation of residential buildings and buildings used primarily
7 for educational or medical purposes to mitigate the effects
8 of aircraft noise and the improvement of such buildings
9 as required for the insulation of the buildings under local
10 building codes.

11 **“§47175. Airport funding of FAA staff**

12 “(a) ACCEPTANCE OF SPONSOR-PROVIDED
13 FUNDS.—Notwithstanding any other provision of law, the
14 Administrator of the Federal Aviation Administration may
15 accept funds from an airport sponsor, including funds pro-
16 vided to the sponsor under section 47114(c), to hire addi-
17 tional staff or obtain the services of consultants in order
18 to facilitate the timely processing, review, and completion
19 of environmental activities associated with an airport de-
20 velopment project.

21 “(b) ADMINISTRATIVE PROVISION.—Instead of pay-
22 ment from an airport sponsor from funds apportioned to
23 the sponsor under section 47114, the Administrator, with
24 agreement of the sponsor, may transfer funds that would
25 otherwise be apportioned to the sponsor under section

1 47114 to the account used by the Administrator for activi-
2 ties described in subsection (a).

3 “(c) RECEIPTS CREDITED AS OFFSETTING COLLEC-
4 TIONS.—Notwithstanding section 3302 of title 31, any
5 funds accepted under this section, except funds trans-
6 ferred pursuant to subsection (b)—

7 “(1) shall be credited as offsetting collections to
8 the account that finances the activities and services
9 for which the funds are accepted;

10 “(2) shall be available for expenditure only to
11 pay the costs of activities and services for which the
12 funds are accepted; and

13 “(3) shall remain available until expended.

14 “(d) MAINTENANCE OF EFFORT.—No funds may be
15 accepted pursuant to subsection (a), or transferred pursu-
16 ant to subsection (b), in any fiscal year in which the Fed-
17 eral Aviation Administration does not allocate at least the
18 amount it expended in fiscal year 2002, excluding
19 amounts accepted pursuant to section 337 of the Depart-
20 ment of Transportation and Related Agencies Appropria-
21 tions Act, 2002 (115 Stat. 862), for the activities de-
22 scribed in subsection (a).

23 **“§47176. Authorization of appropriations**

24 “In addition to the amounts authorized to be appro-
25 priated under section 106(k), there is authorized to be ap-

1 appropriated to the Secretary of Transportation, out of the
2 Airport and Airway Trust Fund established under section
3 9502 of the Internal Revenue Code of 1986 (26 U.S.C.
4 9502), \$4,200,000 for fiscal year 2004 and for each fiscal
5 year thereafter to facilitate the timely processing, review,
6 and completion of environmental activities associated with
7 airport capacity enhancement projects at congested air-
8 ports.

9 **“§47177. Designation of aviation safety and aviation**
10 **security projects for priority environ-**
11 **mental review**

12 “(a) IN GENERAL.—The Administrator of the Fed-
13 eral Aviation Administration may designate an aviation
14 safety or aviation security project for priority environ-
15 mental review. The Administrator may not delegate this
16 designation authority.

17 “(b) PROJECT DESIGNATION CRITERIA.—The Ad-
18 ministrator shall establish guidelines for the designation
19 of an aviation safety or aviation security project for pri-
20 ority environmental review. Such guidelines shall include
21 consideration of—

22 “(1) the importance or urgency of the project;

23 “(2) the potential for undertaking the environ-
24 mental review under existing emergency procedures

1 under the National Environmental Policy Act of
2 1969 (42 U.S.C. 4321 et seq.);

3 “(3) the need for cooperation and concurrent
4 reviews by other Federal or State agencies; and

5 “(4) the prospect for undue delay if the project
6 is not designated for priority review.

7 “(c) COORDINATED ENVIRONMENTAL REVIEWS.—

8 “(1) TIMELINES AND HIGH PRIORITY FOR CO-
9 ORDINATED ENVIRONMENTAL REVIEWS.—The Ad-
10 ministrator, in consultation with the heads of af-
11 fected agencies, shall establish specific timelines for
12 the coordinated environmental review of an aviation
13 safety or aviation security project designated under
14 subsection (a). Such timelines shall be consistent
15 with the timelines established in existing laws and
16 regulations. Each Federal agency with responsibility
17 for project environmental reviews, analyses, opinions,
18 permits, licenses, and approvals shall accord any
19 such review a high priority and shall conduct the re-
20 view expeditiously and, to the maximum extent pos-
21 sible, concurrently with other such reviews.

22 “(2) AGENCY PARTICIPATION.—Each Federal
23 agency identified under subsection (c) shall formu-
24 late and implement administrative, policy, and pro-
25 cedural mechanisms to enable the agency to ensure

1 completion of environmental reviews, analyses, opin-
2 ions, permits, licenses, and approvals described in
3 paragraph (1) in a timely and environmentally re-
4 sponsible manner.

5 “(d) STATE PARTICIPATION.—

6 “(1) INVITATION TO PARTICIPATE.—If a pri-
7 ority environmental review process is being imple-
8 mented under this section with respect to a project
9 within the boundaries of a State with applicable
10 State environmental requirements and approvals, the
11 Administrator shall invite the State to participate in
12 the process.

13 “(2) STATE CHOICE.—A State invited to par-
14 ticipate in a priority environmental review process,
15 consistent with State law, may choose to participate
16 in such process and direct that all State agencies,
17 which have jurisdiction by law to conduct an envi-
18 ronmental review or analysis of the project to deter-
19 mine whether to issue an environmentally related
20 permit, license, or approval for the project, be sub-
21 ject to the process.

22 “(e) FAILURE TO GIVE PRIORITY REVIEW.—

23 “(1) NOTICE.—If the Secretary of Transpor-
24 tation determines that a Federal agency or a partici-
25 pating State is not complying with the requirements

1 of this section and that such noncompliance is un-
2 dermining the environmental review process, the
3 Secretary shall notify, within 30 days of such deter-
4 mination, the head of the Federal agency or, with
5 respect to a State agency, the Governor of the State.

6 “(2) REPORT TO SECRETARY.—A Federal agen-
7 cy that receives a copy of a notification relating to
8 that agency made by the Secretary under paragraph
9 (1) shall submit, within 30 days after receiving such
10 copy, a written report to the Secretary explaining
11 the reasons for the situation described in the notifi-
12 cation and what remedial actions the agency intends
13 to take.

14 “(3) NOTIFICATION OF CEQ AND COMMIT-
15 TEES.—If the Secretary determines that a Federal
16 agency has not satisfactorily addressed the problems
17 within a reasonable period of time following a notifi-
18 cation under paragraph (1), the Secretary shall no-
19 tify the Council on Environmental Quality, the Com-
20 mittee on Transportation and Infrastructure of the
21 House of Representatives, and the Committee on
22 Commerce, Science and Transportation of the Sen-
23 ate.

24 “(f) PROCEDURAL PROVISIONS.—The procedures set
25 forth in subsections (c), (e), (g), (h), and (i) of section

1 47171 shall apply with respect to an aviation safety or
2 aviation security project under this section in the same
3 manner and to the same extent as such procedures apply
4 to an airport capacity enhancement project at a congested
5 airport under section 47171.

6 “(g) DEFINITIONS.—In this section, the following
7 definitions apply:

8 “(1) AVIATION SAFETY PROJECT.—The term
9 ‘aviation safety project’ means an aviation project
10 that—

11 “(A) has as its primary purpose reducing
12 the risk of injury to persons or damage to air-
13 craft and property, as determined by the Ad-
14 ministrator; and

15 “(B)(i) is needed to respond to a rec-
16 ommendation from the National Transportation
17 Safety Board; or

18 “(ii) is necessary for an airport to comply
19 with part 139 of title 14, Code of Federal Reg-
20 ulations (relating to airport certification).

21 “(2) AVIATION SECURITY PROJECT.—The term
22 ‘aviation security project’ means a security project
23 at an airport required by the Department of Home-
24 land Security.

1 “(3) FEDERAL AGENCY.—The term ‘Federal
2 agency’ means a department or agency of the United
3 States Government.”.

4 **“§47178. Definitions**

5 “‘In this subchapter, the following definitions apply:

6 “(1) AIRPORT SPONSOR.—The term ‘airport
7 sponsor’ has the meaning given the term ‘sponsor’
8 under section 47102.

9 “(2) CONGESTED AIRPORT.—The term ‘con-
10 gested airport’ means an airport that accounted for
11 at least 1 percent of all delayed aircraft operations
12 in the United States in the most recent year for
13 which such data is available and an airport listed in
14 table 1 of the Federal Aviation Administration’s Air-
15 port Capacity Benchmark Report 2001.

16 “(3) AIRPORT CAPACITY ENHANCEMENT
17 PROJECT.—The term ‘airport capacity enhancement
18 project’ means—

19 “(A) a project for construction or exten-
20 sion of a runway, including any land acquisi-
21 tion, taxiway, or safety area associated with the
22 runway or runway extension; and

23 “(B) such other airport development
24 projects as the Secretary may designate as fa-

1 facilitating a reduction in air traffic congestion
2 and delays.”.

3 (b) CONFORMING AMENDMENT.—The analysis for
4 chapter 471 of such title is amended by adding at the end
5 the following:

“SUBCHAPTER III—AIRPORT PROJECT STREAMLINING

“47171. DOT as lead agency.

“47172. Categorical exclusions.

“47173. Access restrictions to ease construction.

“47174. Airport revenue to pay for mitigation.

“47175. Airport funding of FAA staff.

“47176. Authorization of appropriations.

“47177. Designation of aviation safety and aviation security projects for priority
environmental review.

“47178. Definitions.”.

6 (c) JUDICIAL REVIEW.—The first sentence of section
7 46110(a) is amended—

8 (1) by inserting “in whole or in part” after the
9 ”the Administrator”); and

10 (2) by inserting “and under part B” after
11 “under this part”.

12 **SEC. 205. GOVERNOR’S CERTIFICATE.**

13 Section 47106(c) of title 49, United States Code, is
14 amended—

15 (1) in paragraph (1)—

16 (A) by inserting “and” after the semicolon
17 at the end of subparagraph (A)(ii);

18 (B) by striking subparagraph (B); and

19 (C) by redesignating subparagraph (C) as
20 subparagraph (B);

- 1 (2) in paragraph (2)(A) by striking “stage 2”
2 and inserting “stage 3”;
3 (3) by striking paragraph (4); and
4 (4) by redesignating paragraph (5) as para-
5 graph (4).

6 **SEC. 206. CONSTRUCTION OF CERTAIN AIRPORT CAPACITY**
7 **PROJECTS.**

8 Section 47504(c)(2) of title 49, United States Code,
9 is amended—

- 10 (1) by moving subparagraphs (C) and (D) 2
11 ems to the right;
12 (2) by striking “and” at the end of subpara-
13 graph (C);
14 (3) by striking the period at the end of sub-
15 paragraph (D) and inserting “; and”; and
16 (4) by adding at the end the following:
17 “(E) to an airport operator of a congested
18 airport (as defined in section 47177) and a unit
19 of local government referred to in paragraph
20 (1)(B) of this subsection to carry out a project
21 to mitigate noise in the area surrounding the
22 airport if the project is included as a commit-
23 ment in a record of decision of the Federal
24 Aviation Administration for an airport capacity
25 enhancement project (as defined in section

1 47177) even if that airport has not met the re-
2 quirements of part 150 of title 14, Code of Fed-
3 eral Regulations.”.

4 **SEC. 207. LIMITATIONS.**

5 Nothing in this title, including any amendment made
6 by this title, shall preempt or interfere with—

7 (1) any practice of seeking public comment;

8 (2) any power, jurisdiction, or authority that a
9 State agency or an airport sponsor has with respect
10 to carrying out an airport capacity enhancement
11 project; and

12 (3) any obligation to comply with the provisions
13 of the National Environmental Policy Act of 1969
14 (42 U.S.C. 4371 et seq) and the regulations issued
15 by the Council on Environmental Quality to carry
16 out such Act.

17 **SEC. 208. RELATIONSHIP TO OTHER REQUIREMENTS.**

18 The coordinated review process required under the
19 amendments made by this title shall apply to an airport
20 capacity enhancement project at a congested airport
21 whether or not the project is designated by the Secretary
22 of Transportation as a high-priority transportation infra-
23 structure project under Executive Order 13274 (67 Fed.
24 Reg. 59449; relating to environmental stewardship and
25 transportation infrastructure project reviews).

1 **TITLE III—FEDERAL AVIATION**
2 **REFORM**

3 **SEC. 301. MANAGEMENT ADVISORY COMMITTEE MEMBERS.**

4 Section 106(p) is amended—

5 (1) in the subsection heading by inserting “AND
6 AIR TRAFFIC SERVICES BOARD” after “COUNCIL”;

7 (2) in paragraph (2)—

8 (A) by striking “consist of” and all that
9 follows through “members, who” and inserting
10 “consist of 13 members, who”;

11 (B) by inserting after “Senate” in sub-
12 paragraph (C)(i) “, except that initial appoint-
13 ments made after May 1, 2003, shall be made
14 by the Secretary of Transportation”;

15 (C) by striking the semicolon at the end of
16 subparagraph (C)(ii) and inserting “; and”; and

17 (D) by striking “employees, by—” in sub-
18 paragraph (D) and all that follows through the
19 period at the end of subparagraph (E) and in-
20 serting “employees, by the Secretary of Trans-
21 portation.”.

22 **SEC. 302. REORGANIZATION OF THE AIR TRAFFIC SERV-**
23 **ICES SUBCOMMITTEE.**

24 Section 106(p) is amended—

25 (1) in paragraph (3)—

1 (A) by striking “(A) NO FEDERAL OFFI-
2 CER OR EMPLOYEE.—”;

3 (B) by striking “or (2)(E)” and inserting
4 “or to the Air Traffic Services Board”; and

5 (C) by striking subparagraphs (B) and
6 (C);

7 (2) in paragraph (4)(C) by inserting “or Air
8 Traffic Services Board” after “Council” each place
9 it appears;

10 (3) in paragraph (5) by inserting “, the Air
11 Traffic Services Board,” after “Council”;

12 (4) in paragraph (6)(C)—

13 (A) by striking “SUBCOMMITTEE” in the
14 subparagraph heading and inserting “BOARD”;
15 and

16 (B) by striking “member” and inserting
17 “members”;

18 (C) by striking “under paragraph (2)(E)”
19 the first place it appears and inserting “to the
20 Air Traffic Services Board”; and

21 (D) by striking “of the members first” and
22 all that follows through the period at the end
23 and inserting “the first members of the Board
24 shall be the members of the Air Traffic Services
25 Subcommittee of the Council on the day before

1 the date of enactment of the Flight 100—Cen-
2 tury of Aviation Reauthorization Act who shall
3 serve as members of the Board until their re-
4 spective terms as members of the Subcommittee
5 would have ended under this subparagraph, as
6 in effect on such day.”;

7 (5) in paragraph (6)(D) by striking “under
8 paragraph (2)(E)” and inserting “to the Board”;

9 (6) in paragraph (6)(E) by inserting “or
10 Board” after “Council”;

11 (7) in paragraph (6)(F) by inserting “of the
12 Council or Board” after “member”;

13 (8) in the second sentence of subparagraph
14 (6)(G)—

15 (i) by striking “Council” and inserting
16 “Board”; and

17 (ii) by striking “appointed under
18 paragraph (2)(E)”;

19 (9) in paragraph (6)(H)—

20 (i) by striking “SUBCOMMITTEE” in
21 the subparagraph heading and inserting
22 “BOARD”;

23 (ii) by striking “under paragraph
24 (2)(E)” in clause (i) and inserting “to the
25 Board”; and

1 (iii) by striking “Air Traffic Services
2 Subcommittee” and inserting “Board”;

3 (10) in paragraph (6)(I)(i)—

4 (A) by striking “appointed under para-
5 graph (2)(E) is” and inserting “is serving as”;
6 and

7 (B) by striking “Subcommittee” and in-
8 serting “Board”; and

9 (11) in paragraph (6)(I)(ii)—

10 (A) by striking “appointed under para-
11 graph (2)(E)” and inserting “who is a member
12 of the Board”; and

13 (B) by striking “Subcommittee” and in-
14 serting “Board”;

15 (12) in paragraph (6)(K) by inserting “or
16 Board” after “Council”;

17 (13) in paragraph (6)(L) by inserting “or
18 Board” after “Council” each place it appears; and

19 (14) in paragraph (7)—

20 (A) by striking “SUBCOMMITTEE” in the
21 paragraph heading and inserting “BOARD”;

22 (B) by striking subparagraph (A) and in-
23 serting the following:

24 “(A) ESTABLISHMENT.—The Adminis-
25 trator shall establish a board that is inde-

1 pendent of the Council by converting the Air
2 Traffic Services Subcommittee of the Council,
3 as in effect on the day before the date of enact-
4 ment of the Flight 100—Century of Aviation
5 Reauthorization Act, into such board. The
6 board shall be known as the Air Traffic Serv-
7 ices Board (in this subsection referred to as the
8 ‘Board’).”;

9 (C) by redesignating subparagraphs (B)
10 through (F) as subparagraphs (D) through
11 (H), respectively;

12 (D) by inserting after subparagraph (A)
13 the following:

14 “(B) MEMBERSHIP AND QUALIFICA-
15 TIONS.—Subject to paragraph (6)(C), the
16 Board shall consist of 5 members, one of whom
17 shall be the Administrator and shall serve as
18 chairperson. The remaining members shall be
19 appointed by the President with the advice and
20 consent of the Senate and—

21 “(i) shall have a fiduciary responsi-
22 bility to represent the public interest;

23 “(ii) shall be citizens of the United
24 States; and

1 “(iii) shall be appointed without re-
2 gard to political affiliation and solely on
3 the basis of their professional experience
4 and expertise in one or more of the fol-
5 lowing areas and, in the aggregate, should
6 collectively bring to bear expertise in all of
7 the following areas:

8 “(I) management of large service
9 organizations;

10 “(II) customer service;

11 “(III) management of large pro-
12 curements;

13 “(IV) information and commu-
14 nications technology;

15 “(V) organizational development;

16 “(VI) labor relations.

17 “(C) PROHIBITIONS ON MEMBERS OF
18 BOARD.—No member of the Board may—

19 “(i) have a pecuniary interest in, or
20 own stock in or bonds of, an aviation or
21 aeronautical enterprise, except an interest
22 in a diversified mutual fund or an interest
23 that is exempt from the application of sec-
24 tion 208 of title 18;

1 “(ii) engage in another business re-
2 lated to aviation or aeronautics; or

3 “(iii) be a member of any organization
4 that engages, as a substantial part of its
5 activities, in activities to influence aviation-
6 related legislation.”;

7 (E) by striking “Subcommittee” each place
8 it appears in subparagraphs (D) and (E) (as
9 redesignated by subparagraph (C) of this para-
10 graph) and inserting “Board”;

11 (F) by striking “approve” in subparagraph
12 (E)(v)(I) (as so redesignated) and inserting
13 “make recommendations on”;

14 (G) by striking “request” in subparagraph
15 (E)(v)(II) (as so redesignated) and inserting
16 “recommendations”;

17 (H) by striking “ensure that the budget
18 request supports” in subparagraph (E)(v)(III)
19 (as so redesignated) and inserting “base such
20 budget recommendations on”; and

21 (I) by striking “The Secretary shall sub-
22 mit” in subparagraph (E) (as so redesignated)
23 and all that follows through the period at the
24 end of such subparagraph (E) and inserting
25 “The Secretary shall submit the budget rec-

1 ommendations referred to in clause (v) to the
2 President who shall transmit such recommenda-
3 tions to the Committee on Transportation and
4 Infrastructure and the Committee on Appro-
5 priations of the House of Representatives and
6 the Committee on Commerce, Science, and
7 Transportation and the Committee on Appro-
8 priations of the Senate together with the annual
9 budget request of the Federal Aviation Admin-
10 istration.”;

11 (J) by striking subparagraph (F) (as so re-
12 designated) and inserting the following:

13 “(F) BOARD PERSONNEL MATTERS.—The
14 Board may appoint and terminate any per-
15 sonnel that may be necessary to enable the
16 Board to perform its duties, and may procure
17 temporary and intermittent services under sec-
18 tion 40122.”;

19 (K) in subparagraph (G) (as so redesign-
20 ated)—

21 (i) by striking clause (i);

22 (ii) by redesignating clauses (ii), (iii),
23 and (iv) as clauses (i), (ii), and (iii), re-
24 spectively; and

1 (iii) by striking “Subcommittee” each
2 place it appears in clauses (i), (ii), and (iii)
3 (as so redesignated) and inserting
4 “Board”;

5 (L) in subparagraph (H) (as so redesign-
6 nated)—

7 (i) by striking “Subcommittee” each
8 place it appears and inserting “Board”;
9 and

10 (ii) by striking “Administrator, the
11 Council” each place it appears in clauses
12 (i) and (ii) and inserting “Secretary”; and
13 (M) by adding at the end the following:

14 “(I) AUTHORIZATION.—There is author-
15 ized to be appropriated to the Board such sums
16 as may be necessary for the Board to carry out
17 its activities.”.

18 **SEC. 303. CLARIFICATION OF THE RESPONSIBILITIES OF**
19 **THE CHIEF OPERATING OFFICER.**

20 Section 106(r) is amended—

21 (1) in each of paragraphs (1)(A) and (2)(A) by
22 striking “Air Traffic Services Subcommittee of the
23 Aviation Management Advisory Council” and insert-
24 ing “Air Traffic Services Board”;

1 (2) in paragraph (2)(B) by inserting “in” be-
2 fore “paragraph (3).”;

3 (3) in paragraph (3) by striking “Air Traffic
4 Control Subcommittee of the Aviation Management
5 Advisory Council” and inserting “Air Traffic Serv-
6 ices Board”; and

7 (4) in paragraph (4) by striking “Transporta-
8 tion and Congress” and inserting “Transportation,
9 the Committee on Transportation and Infrastructure
10 of the House of Representatives, and the Committee
11 on Commerce, Science, and Transportation of the
12 Senate”;

13 (5) in paragraph (5)(A)—

14 (A) by striking “develop a” and inserting
15 “implement the”; and

16 (B) by striking “, including the establish-
17 ment of” and inserting “in order to further”;

18 (6) in paragraph (5)(B)—

19 (A) by striking “review” and all that fol-
20 lows through “Administration,” and inserting
21 “oversee the day-to-day operational functions of
22 the Administration for air traffic control,”;

23 (B) by striking “and” at the end of clause
24 (ii);

1 (C) by striking the period at the end of
2 clause (iii) and inserting “; and”; and

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

4 “(iv) the management of cost-
5 reimburseable contracts.”.

6 (7) in paragraph (5)(C)(i) by striking “pre-
7 pared by the Administrator”;

8 (8) in paragraph (5)(C)(ii) by striking “and the
9 Secretary of Transportation” and inserting “and the
10 Board”; and

11 (9) in paragraph (5)(C)(iii)—

12 (A) by inserting “agency’s” before “an-
13 nual”; and

14 (B) by striking “developed under subpara-
15 graph (A) of this subsection.” and inserting
16 “for air traffic control services.”.

17 **SEC. 304. SMALL BUSINESS OMBUDSMAN.**

18 Section 106 is amended by adding at the end the fol-
19 lowing:

20 “(s) SMALL BUSINESS OMBUDSMAN.—

21 “(1) ESTABLISHMENT.—There shall be in the
22 Administration a Small Business Ombudsman.

23 “(2) GENERAL DUTIES AND RESPONSIBIL-
24 ITIES.—The Ombudsman shall—

25 “(A) be appointed by the Administrator;

1 “(B) serve as a liaison with small busi-
2 nesses in the aviation industry;

3 “(C) be consulted when the Administrator
4 proposes regulations that may affect small busi-
5 nesses in the aviation industry;

6 “(D) provide assistance to small businesses
7 in resolving disputes with the Administration;
8 and

9 “(E) report directly to the Adminis-
10 trator.”.

11 **SEC. 305. FAA PURCHASE CARDS.**

12 (a) IN GENERAL.—The Administrator of the Federal
13 Aviation Administration shall take appropriate actions to
14 implement the recommendations contained in the report
15 of the General Accounting Office entitled “FAA Purchase
16 Cards: Weak Controls Resulted in Instances of Improper
17 and Wasteful Purchases and Missing Assets”, numbered
18 GAO-03-405 and dated March 21, 2003.

19 (b) REPORT.—Not later than 1 year after the date
20 of enactment of this Act, the Administrator shall transmit
21 to Congress a report containing a description of the ac-
22 tions taken by Administrator under this section.

1 **TITLE IV—AIRLINE SERVICE**
2 **IMPROVEMENTS**

3 **SEC. 401. IMPROVEMENT OF AVIATION INFORMATION COL-**
4 **LECTION.**

5 (a) IN GENERAL.—Section 329(b)(1) is amended by
6 striking “except that in no case” and all that follows
7 through the semicolon at the end.

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) shall take effect on the date of the issuance
10 of a final rule to modernize the Origin and Destination
11 Survey of Airline Passenger Traffic, pursuant to the Ad-
12 vance Notice of Proposed Rulemaking published July 15,
13 1998 (Regulation Identifier Number 2105-AC71), that re-
14 duces the reporting burden for air carriers through elec-
15 tronic filing of the survey data collected under section
16 329(b)(1) of title 49, United States Code.

17 **SEC. 402. DATA ON INCIDENTS AND COMPLAINTS INVOLV-**
18 **ING PASSENGER AND BAGGAGE SECURITY**
19 **SCREENING.**

20 Section 329 is amended by adding at the end the fol-
21 lowing:

22 “(e) INCIDENTS AND COMPLAINTS INVOLVING PAS-
23 Senger and BAGGAGE SECURITY SCREENING.—

24 “(1) PUBLICATION OF DATA.—The Secretary of
25 Transportation shall publish data on incidents and

1 complaints involving passenger and baggage security
2 screening in a manner comparable to other con-
3 sumer complaint and incident data.

4 “(2) MONTHLY REPORTS FROM SECRETARY OF
5 HOMELAND SECURITY.—To assist the Secretary of
6 Transportation in the publication of data under
7 paragraph (1), the Secretary of Homeland Security
8 shall submit monthly to the Secretary of Transpor-
9 tation a report on the number of complaints about
10 security screening received by the Secretary of
11 Homeland Security.”.

12 **SEC. 403. DEFINITIONS.**

13 (a) IN GENERAL.—Section 40102(a) is amended—

14 (1) by redesignating paragraphs (38) through
15 (42) as paragraphs (43) through (47), respectively;

16 (2) by inserting after paragraph (37) the fol-
17 lowing:

18 “(42) ‘small hub airport’ means a commercial
19 service airport (as defined in section 47102) that
20 has at least 0.05 percent but less than 0.25 percent
21 of the passenger boardings.”;

22 (3) by redesignating paragraphs (32) through
23 (37) as paragraphs (36) through (41) respectively;

24 (4) by inserting after paragraph (32) the following:

1 “(36) PASSENGER BOARDINGS.—The term ‘pas-
2 senger boardings’—

3 “(A) means, unless the context indicates
4 otherwise, revenue passenger boardings in the
5 United States in the prior calendar year on an
6 aircraft in service in air commerce, as the Sec-
7 retary determines under regulations the Sec-
8 retary prescribes; and

9 “(B) includes passengers who continue on
10 an aircraft in international flight that stops at
11 an airport in the 48 contiguous States, Alaska,
12 or Hawaii for a nontraffic purpose.”;

13 (5) by redesignating paragraph (32) as para-
14 graph (35);

15 (6) by inserting after paragraph (31) the fol-
16 lowing:

17 “(34) ‘nonhub airport’ means a commercial
18 service airport (as defined in section 47102) that
19 has less than 0.05 percent of the passenger
20 boardings.”;

21 (7) by redesignating paragraphs (30) and (31)
22 as paragraphs (32) and (33), respectively;

23 (8) by inserting after paragraph (29) the fol-
24 lowing:

1 “(31) ‘medium hub airport’ means a commer-
2 cial service airport (as defined in section 47102)
3 that has at least 0.25 percent but less than 1.0 per-
4 cent of the passenger boardings.”;

5 (9) by redesignating paragraph (29) as para-
6 graph (30);

7 (10) by inserting after paragraph (28) the fol-
8 lowing:

9 “(29) ‘large hub airport’ means a commercial
10 service airport (as defined in section 47102) that
11 has at least 1.0 percent of the passenger
12 boardings.”.

13 (b) CONFORMING AMENDMENTS.—

14 (1) AIR SERVICE TERMINATION NOTICE.—Sec-
15 tion 41719(d) is amended—

16 (A) by striking paragraph (1); and

17 (B) by redesignating paragraphs (2)
18 through (5) as paragraphs (1) through (4), re-
19 spectively.

20 (2) SMALL COMMUNITY AIR SERVICE.—Section
21 41731(a) is amended by striking paragraphs (3)
22 through (5).

23 (3) AIRPORTS NOT RECEIVING SUFFICIENT
24 SERVICE.—Section 41743 is amended—

1 (A) in subsection (c)(1) by striking “(as
2 that term is defined in section 41731(a)(5))”;
3 and

4 (B) in subsection (f) by striking “(as de-
5 fined in section 41731(a)(3))”.

6 (4) PRESERVATION OF BASIC ESSENTIAL AIR
7 SERVICE AT SINGLE CARRIER DOMINATED HUB AIR-
8 PORTS.—Section 41744(b) is amended by striking
9 “(as defined in section 41731)”.

10 (5) REGIONAL AIR SERVICE INCENTIVE PRO-
11 GRAM.—Section 41762(a) is amended—

12 (A) by striking paragraphs (11) and (15);
13 and

14 (B) by redesignating paragraphs (12),
15 (13), (14), and (16) as paragraphs (11), (12),
16 (13), and (14), respectively.

17 **SEC. 404. CLARIFICATIONS TO PROCUREMENT AUTHORITY.**

18 (a) DUTIES AND POWERS.—Section 40110(c) is
19 amended—

20 (1) by striking “Administration—” and all that
21 follows through “(2) may—” and inserting “Admin-
22 istration may—”;

23 (2) by striking subparagraph (D); and

1 (3) by redesignating subparagraphs (A), (B),
2 (C), (E), and (F) as paragraphs (1), (2), (3), (4),
3 and (5) respectively; and

4 (4) by moving such paragraphs (1) through (5)
5 2 ems to the left.

6 (b) ACQUISITION MANAGEMENT SYSTEM.—Section
7 40110(d) is amended—

8 (1) in paragraph (1)—

9 (A) by striking “, not later than January
10 1, 1996,”; and

11 (B) by striking “provides for more timely
12 and cost-effective acquisitions of equipment and
13 materials.” and inserting the following:

14 “provides for—

15 “(A) more timely and cost-effective acqui-
16 sitions of equipment, services, property, and
17 materials; and

18 “(B) the resolution of bid protests and
19 contract disputes related thereto, using consen-
20 sual alternative dispute resolution techniques to
21 the maximum extent practicable.”; and

22 (2) by striking paragraph (4), relating to the
23 effective date, and inserting the following:

24 “(4) ADJUDICATION OF CERTAIN BID PROTESTS
25 AND CONTRACT DISPUTES.—A bid protest or con-

1 tract dispute that is not addressed or resolved
2 through alternative dispute resolution shall be adju-
3 dicated by the Administrator through Dispute Reso-
4 lution Officers or Special Masters of the Federal
5 Aviation Administration Office of Dispute Resolution
6 for Acquisition, acting pursuant to sections 46102,
7 46104, 46105, 46106 and 46107 and shall be sub-
8 ject to judicial review under section 46110 and to
9 the provisions of the Equal Access to Justice Act (5
10 U.S.C. 504).”.

11 (c) AUTHORITY OF ADMINISTRATOR TO ACQUIRE
12 SERVICES.—Section 106(f)(2)(A)(ii) is amended by in-
13 serting “, services,” after “property”.

14 **SEC. 405. LOW-EMISSION AIRPORT VEHICLES AND GROUND**
15 **SUPPORT EQUIPMENT.**

16 (a) IN GENERAL.—Section 40117(a)(3) is amended
17 by inserting at the end the following:

18 “(G) A project for the acquisition or con-
19 version of ground support equipment or airport-
20 owned vehicles used at a commercial service air-
21 port with, or to, low-emission technology (as de-
22 fined in section 47102) or cleaner burning con-
23 ventional fuels, or the retrofitting of such
24 equipment or vehicles that are powered by a
25 diesel or gasoline engine with emission control

1 technologies certified or verified by the Environ-
2 mental Protection Agency to reduce emissions,
3 if the airport is located in an air quality non-
4 attainment area (as defined in section 171(2) of
5 the Clean Air Act (42 U.S.C. 7501(2)) or a
6 maintenance area referred to in section 175A of
7 such Act (42 U.S.C. 7505a), and if such project
8 will result in an airport receiving appropriate
9 emission credits as described in section
10 47138.”.

11 (b) MAXIMUM COST FOR CERTAIN LOW-EMISSION
12 TECHNOLOGY PROJECTS.—Section 40117(b) is amended
13 by adding at the end the following:

14 “(5) MAXIMUM COST FOR CERTAIN LOW-EMIS-
15 SION TECHNOLOGY PROJECTS.—The maximum cost
16 that may be financed by imposition of a passenger
17 facility fee under this section for a project described
18 in subsection (a)(3)(G) with respect to vehicle or
19 ground support equipment may not exceed the incre-
20 mental amount of the project cost that is greater
21 than the cost of acquiring a vehicle or equipment
22 that is not low-emission and would be used for the
23 same purpose, or the cost of low-emission retro-
24 fitting, as determined by the Secretary.”.

1 (c) GROUND SUPPORT EQUIPMENT DEFINED.—Sec-
2 tion 40117(a) is amended—

3 (1) by redesignating paragraphs (4) and (5) as
4 paragraphs (5) and (6), respectively;

5 (2) by inserting after paragraph (3) the fol-
6 lowing:

7 “(4) GROUND SUPPORT EQUIPMENT.—The
8 term ‘ground support equipment’ means service and
9 maintenance equipment used at an airport to sup-
10 port aeronautical operations and related activities.”.

11 **SEC. 406. STREAMLINING OF THE PASSENGER FACILITY**

12 **FEE PROGRAM.**

13 (a) APPLICATION REQUIREMENTS.—Section
14 40117(c) is amended—

15 (1) by adding at the end of paragraph (2) the
16 following:

17 “(E) The agency will include in its applica-
18 tion or notice submitted under subparagraph
19 (A) copies of all certifications of agreement or
20 disagreement received under subparagraph (D).

21 “(F) For the purpose of this section, an el-
22 igible agency providing notice and an oppor-
23 tunity for consultation to an air carrier or for-
24 eign air carrier is deemed to have satisfied the
25 requirements of this paragraph if the eligible

1 agency limits such notices and consultations to
2 air carriers and foreign air carriers that have a
3 significant business interest at the airport. In
4 the subparagraph, the term ‘significant busi-
5 ness interest’ means an air carrier or foreign
6 air carrier that had no less than 1.0 percent of
7 passenger boardings at the airport in the prior
8 calendar year, had at least 25,000 passenger
9 boardings at the airport in the prior calendar
10 year, or provides scheduled service at the air-
11 port.”;

12 (2) by redesignating paragraph (3) as para-
13 graph (4);

14 (3) by inserting after paragraph (2) the fol-
15 lowing:

16 “(3) Before submitting an application, the eligible
17 agency must provide reasonable notice and an opportunity
18 for public comment. The Secretary shall prescribe regula-
19 tions that define reasonable notice and provide for at least
20 the following under this paragraph:

21 “(A) A requirement that the eligible agen-
22 cy provide public notice of intent to collect a
23 passenger facility fee so as to inform those in-
24 terested persons and agencies who may be af-
25 fected, which public notice may include—

1 “(i) publication in local newspapers of
2 general circulation;

3 “(ii) publication in other local media;
4 and

5 “(ii) posting the notice on the agen-
6 cy’s web-site.

7 “(B) A requirement for submission of pub-
8 lic comments no sooner than 30 days, and no
9 later than 45 days, after the date of the publi-
10 cation of the notice.

11 “(C) A requirement that the agency in-
12 clude in its application or notice submitted
13 under subparagraph (A) copies of all comments
14 received under subparagraph (B).”; and

15 (4) in the first sentence of paragraph (4) (as
16 redesignated by paragraph (2) of this subsection) by
17 striking “shall” and inserting “may”.

18 (b) PILOT PROGRAM FOR PASSENGER FACILITY FEE
19 AUTHORIZATIONS AT NONHUB AIRPORTS.—Section
20 40117 is amended by adding at the end the following:

21 “(l) PILOT PROGRAM FOR PASSENGER FACILITY FEE
22 AUTHORIZATIONS AT NONHUB AIRPORTS.—

23 “(1) IN GENERAL.—The Secretary shall estab-
24 lish a pilot program to test alternative procedures
25 for authorizing eligible agencies for nonhub airports

1 to impose passenger facility fees. An eligible agency
2 may impose in accordance with the provisions of this
3 subsection a passenger facility fee under this section.
4 For purposes of the pilot program, the procedures in
5 this subsection shall apply instead of the procedures
6 otherwise provided in this section.

7 “(2) NOTICE AND OPPORTUNITY FOR CON-
8 SULTATION.—The eligible agency must provide rea-
9 sonable notice and an opportunity for consultation to
10 air carriers and foreign air carriers in accordance
11 with subsection (c)(2) and must provide reasonable
12 notice and opportunity for public comment in ac-
13 cordance with subsection (c)(3).

14 “(3) NOTICE OF INTENTION.—The eligible
15 agency must submit to the Secretary a notice of in-
16 tention to impose a passenger facility fee under this
17 subsection. This shall include—

18 “(A) information that the Secretary may
19 require by regulation on each project for which
20 authority to impose a passenger facility fee is
21 sought;

22 “(B) the amount of revenue from pas-
23 senger facility fees that is proposed to be col-
24 lected for each project; and

1 “(C) the level of the passenger facility fee
2 that is proposed.

3 “(4) ACKNOWLEDGEMENT OF RECEIPT AND IN-
4 DICATION OF OBJECTION.—The Secretary shall ac-
5 knowledge receipt of the notice and indicate any ob-
6 jection to the imposition of a passenger facility fee
7 under this subsection for any project identified in
8 the notice within 30 days after receipt of the eligible
9 agency’s notice.

10 “(5) AUTHORITY TO IMPOSE FEE.—Unless the
11 Secretary objects within 30 days after receipt of the
12 eligible agency’s notice, the eligible agency is author-
13 ized to impose a passenger facility fee in accordance
14 with the terms of its notice under this subsection.

15 “(6) DEADLINE.—Not later than 180 days
16 after the date of enactment of this subsection, the
17 Secretary shall propose such regulations as may be
18 necessary to carry out this subsection.

19 “(7) SUNSET.—This subsection shall not be in
20 effect 3 years after the date of issuance of regula-
21 tions to carry out this subsection.

22 “(8) ACKNOWLEDGEMENT NOT AN ORDER.—An
23 acknowledgement issued under paragraph (4) shall
24 not be considered an order of the Secretary issued
25 under section 46110.”.

1 (c) CLARIFICATION OF APPLICABILITY OF PFCS TO
2 MILITARY CHARTERS.—Section 40117(e)(2) is amend-
3 ed—

4 (1) by striking the period at the end of sub-
5 paragraph (C) and inserting a semicolon;

6 (2) by striking “and” at the end of subpara-
7 graph (D);

8 (3) by striking the period at the end of sub-
9 paragraph (E) and inserting “; and”; and

10 (4) by inserting after subparagraph (E) the fol-
11 lowing:

12 “(F) enplaning at an airport if the pas-
13 senger did not pay for the air transportation
14 which resulted in such enplanement due to
15 charter arrangements and payment by the De-
16 partment of Defense.”.

17 (d) TECHNICAL AMENDMENTS.—Section 40117 is
18 amended—

19 (1) in subsection (a)(3)(C) by striking “for
20 costs” and inserting “A project”;

21 (2) in subsection (a)(3)(C) by striking the semi-
22 colon and inserting a period; and

23 (3) in subsection (e)(2)(C) by striking the pe-
24 riod and inserting a semicolon.

1 **SEC. 407. FINANCIAL MANAGEMENT OF PASSENGER FACIL-**
2 **ITY FEES.**

3 (a) IN GENERAL.—Section 40117 is further amended
4 by adding at the end the following:

5 “(m) FINANCIAL MANAGEMENT OF FEES.—

6 “(1) HANDLING OF FEES.—

7 “(A) PLACEMENT OF FEES IN ESCROW AC-
8 COUNT.—Subject to subparagraph (B), pas-
9 senger facility revenue held by an air carrier or
10 any of its agents shall be segregated from the
11 carrier’s cash and other assets and placed in an
12 escrow account for the benefit of the eligible
13 agencies entitled to such revenue.

14 “(B) ALTERNATIVE METHOD OF COMPLI-
15 ANCE.—Instead of placing amounts in an es-
16 crow account under subparagraph (A), an air
17 carrier may provide to the eligible agency a let-
18 ter of credit, bond, or other form of adequate
19 and immediately available security in an
20 amount equal to estimated remittable passenger
21 facility fees for 180 days, to be assessed against
22 later audit, upon which security the eligible
23 agency shall be entitled to draw automatically,
24 without necessity of any further legal or judicial
25 action to effectuate foreclosure.

1 “(3) TRUST FUND STATUS.—If an air carrier or
2 its agent commingles passenger facility revenue in
3 violation of the subsection, the trust fund status of
4 such revenue shall not be defeated by an inability of
5 any party to identify and trace the precise funds in
6 the accounts of the air carrier.

7 “(4) PROHIBITION.—An air carrier and its
8 agents may not grant to any third party any secu-
9 rity or other interest in passenger facility revenue.

10 “(5) COMPENSATION TO ELIGIBLE ENTITIES.—
11 An air carrier that fails to comply with any require-
12 ment of this subsection, or otherwise unnecessarily
13 causes an eligible entity to expend funds, through
14 litigation or otherwise, to recover or retain payment
15 of passenger facility revenue to which the eligible en-
16 tity is otherwise entitled shall be required to com-
17 pensate the eligible agency for the costs so incurred.

18 “(6) INTEREST ON AMOUNTS.—An air carrier
19 that collects passenger facility fees is entitled to re-
20 ceive the interest on passenger facility fee accounts,
21 if the accounts are established and maintained in
22 compliance with this subsection.”.

23 (b) EFFECTIVE DATE.—

1 (1) IN GENERAL.—The amendment made by
2 subsection (a) shall take effect 60 days after the
3 date of enactment of this Act.

4 (2) EXISTING REGULATIONS.—Beginning 60
5 days after the date of enactment of this Act, the
6 provisions of section 158.49 of title 14, Code of Fed-
7 eral Regulations, that permit the commingling of
8 passenger facility fees with other air carrier revenue
9 shall have no force or effect.

10 **SEC. 408. OVERFLIGHTS OF NATIONAL PARKS.**

11 (a) AIR TOUR MANAGEMENT ACT CLARIFICA-
12 TIONS.—Section 40128 is amended—

13 (1) in subsection (a)(1) by inserting “, as de-
14 fined by this section,” after “lands” the first place
15 it appears;

16 (2) in subsections (b)(3)(A), (b)(3)(B), and
17 (b)(3)(C) by inserting “over a national park” after
18 “operations”;

19 (3) in subsection (b)(3)(D) by striking “at the
20 park” and inserting “over a national park”;

21 (4) in subsection (b)(3)(E) by inserting “over a
22 national park” after “operations” the first place it
23 appears;

24 (5) in subsections (c)(2)(A)(i) and (c)(2)(B) by
25 inserting “over a national park” after “operations”;

1 (6) in subsection (f)(1) by inserting “over a na-
2 tional park” after “operation”;

3 (7) in subsection (f)(4)(A)—

4 (A) by striking “commercial air tour oper-
5 ation” and inserting “commercial air tour oper-
6 ation over a national park”; and

7 (B) by striking “park, or over tribal
8 lands,” and inserting “park (except the Grand
9 Canyon National Park), or over tribal lands
10 (except those within or abutting the Grand
11 Canyon National Park),”; and

12 (8) in subsection (f)(4)(B) by inserting “over a
13 national park” after “operation”.

14 (b) GRAND CANYON NATIONAL PARK SPECIAL
15 FLIGHT RULES AREA OPERATION CURFEW.—

16 (1) IN GENERAL.—The Administrator of the
17 Federal Aviation Administration may not restrict
18 commercial Special Flight Rules Area operations in
19 the Dragon and Zuni Point corridors of the Grand
20 Canyon National Park during the period beginning
21 1-hour after sunrise and ending 1-hour before sun-
22 set, unless required for aviation safety purposes.

23 (2) EFFECT ON EXISTING REGULATIONS.—Be-
24 ginning on the date of enactment of this Act, section

1 93.317 of title 14, Code of Federal Regulations,
2 shall not be in effect.

3 **SEC. 409. COLLABORATIVE DECISION MAKING PILOT PRO-**
4 **GRAM.**

5 (a) IN GENERAL.—Chapter 401 is amended by add-
6 ing at the end the following:

7 **“§40129. Collaborative decision making pilot pro-**
8 **gram**

9 “(a) ESTABLISHMENT.—Not later than 90 days after
10 the date of enactment of this section, the Administrator
11 of the Federal Aviation Administration shall establish a
12 collaborative decisionmaking pilot program in accordance
13 with this section.

14 “(b) DURATION.—Except as provided in subsection
15 (k), the pilot program shall be in effect for a period of
16 2 years.

17 “(c) GUIDELINES.—

18 “(1) ISSUANCE.—The Administrator shall issue
19 guidelines concerning the pilot program. Such guide-
20 lines, at a minimum, shall define the criteria and
21 process for determining when a capacity reduction
22 event exists that warrants the use of collaborative
23 decisionmaking among carriers at airports partici-
24 pating in the pilot program and that prescribe the

1 methods of communication to be implemented among
2 carriers during such an event.

3 “(2) VIEWS.—The Administrator may obtain
4 the views of interested parties in issuing the guide-
5 lines.

6 “(d) EFFECT OF DETERMINATION OF EXISTENCE OF
7 CAPACITY REDUCTION EVENT.—Upon a determination by
8 the Administrator that a capacity reduction event exists,
9 the Administrator may authorize under the pilot program,
10 air carriers and foreign air carriers operating at an airport
11 participating in the pilot program to communicate for a
12 period of time not to exceed 24 hours with each other con-
13 cerning changes in their respective flight schedules in
14 order to most effectively use air traffic capacity. The Ad-
15 ministration shall facilitate and monitor such communica-
16 tion.

17 “(e) SELECTION OF PARTICIPATING AIRPORTS.—Not
18 later than 30 days after the date on which the Adminis-
19 trator establishes the pilot program, the Administrator
20 shall select 3 airports to participate in the pilot program
21 from among the most capacity constrained airports in the
22 country based on the Administration’s Airport Capacity
23 Benchmark Report 2001 or more recent data on airport
24 capacity that is available to the Administrator. The Ad-
25 ministrator shall select an airport for participation in the

1 pilot program if the Administrator determines that col-
2 laborative decisionmaking among air carriers and foreign
3 air carriers would reduce delays at the airport and have
4 beneficial effects on reducing delays in the national air-
5 space system as a whole.

6 “(f) ELIGIBILITY OF AIR CARRIERS.—An air carrier
7 or foreign air carrier operating at an airport selected to
8 participate in the pilot program is eligible to participate
9 in the pilot program if the Administrator determines that
10 the carrier has the operational and communications capa-
11 bility to participate in the pilot program.

12 “(g) MODIFICATION OR TERMINATION OF PILOT
13 PROGRAM AT AN AIRPORT.—The Administrator may mod-
14 ify or end the pilot program at an airport before the term
15 of the pilot program has expired, or may ban an air carrier
16 or foreign air carrier from participating in the program,
17 if the Administrator determines that the purpose of the
18 pilot program is not being furthered by participation of
19 the airport or air carrier or if the Secretary of Transpor-
20 tation, in consultation with the Attorney General, finds
21 that the pilot program or the participation of an air car-
22 rier or foreign air carrier in the pilot program has had,
23 or is having, an adverse effect on competition among car-
24 riers.

25 “(h) ANTITRUST IMMUNITY.—

1 “(1) IN GENERAL.—Unless, within 5 days after
2 receiving notice from the Secretary of the Sec-
3 retary’s intention to exercise authority under this
4 subsection, the Attorney General submits to the Sec-
5 retary a written objection to such action, including
6 reasons for such objection, the Secretary may ex-
7 empt an air carrier’s or foreign air carrier’s activi-
8 ties that are necessary to participate in the pilot
9 program under this section from the antitrust laws
10 for the sole purpose of participating in the pilot pro-
11 gram. Such exemption shall not extend to any dis-
12 cussions, agreements, or activities outside the scope
13 of the pilot program.

14 “(2) ANTITRUST LAWS DEFINED.—In this sec-
15 tion, the term ‘antitrust laws’ has the meaning given
16 that term in the first section of the Clayton Act (15
17 U.S.C. 12).

18 “(i) CONSULTATION WITH ATTORNEY GENERAL.—
19 The Secretary shall consult with the Attorney General re-
20 garding the design and implementation of the pilot pro-
21 gram, including determining whether a limit should be set
22 on the number of occasions collaborative decisionmaking
23 could be employed during the initial 2-year period of the
24 pilot program.

25 “(j) EVALUATION.—

1 “(1) IN GENERAL.—Before the expiration of
2 the 2-year period for which the pilot program is au-
3 thorized under subsection (b), the Administrator
4 shall determine whether the pilot program has facili-
5 tated more effective use of air traffic capacity and
6 the Secretary, in consultation with the Attorney
7 General, shall determine whether the pilot program
8 has had an adverse effect on airline competition or
9 the availability of air services to communities. The
10 Administrator shall also examine whether capacity
11 benefits resulting from the participation in the pilot
12 program of an airport resulted in capacity benefits
13 to other parts of the national airspace system.

14 “(2) OBTAINING NECESSARY DATA.—The Ad-
15 ministrator may require participating air carriers
16 and airports to provide data necessary to evaluate
17 the pilot program’s impact.

18 “(k) EXTENSION OF PILOT PROGRAM.—At the end
19 of the 2-year period for which the pilot program is author-
20 ized, the Administrator may continue the pilot program
21 for an additional 2 years and expand participation in the
22 program to up to 7 additional airports if the Adminis-
23 trator determines pursuant to subsection (j) that the pilot
24 program has facilitated more effective use of air traffic
25 capacity and if the Secretary, in consultation with the At-

1 torney General, determines that the pilot program has had
 2 no adverse effect on airline competition or the availability
 3 of air services to communities. The Administrator shall se-
 4 lect the additional airports to participate in the extended
 5 pilot program in the same manner in which airports were
 6 initially selected to participate.”

7 (b) CONFORMING AMENDMENT.—The analysis for
 8 chapter 401 is amended by adding at the end the fol-
 9 lowing:

“40129. Pilot program for improved collaborative decisionmaking during times
 of reduced capacity.”.

10 **SEC. 410. AVAILABILITY OF AIRCRAFT ACCIDENT SITE IN-**
 11 **FORMATION.**

12 (a) DOMESTIC AIR TRANSPORTATION.—Section
 13 41113(b) is amended—

14 (1) in paragraph (16) by striking “the air car-
 15 rier” the second place it appears; and

16 (2) by adding at the end the following:

17 “(17)(A) An assurance that, in the case of an
 18 accident that results in significant damage to a man-
 19 made structure or other property on the ground that
 20 is not government-owned, the air carrier will
 21 promptly provide notice, in writing, to the extent
 22 practicable, directly to the owner of the structure or
 23 other property about liability for any property dam-
 24 age and means for obtaining compensation.

1 “(B) At a minimum, the written notice shall
2 advise an owner (i) to contact the insurer of the
3 property as the authoritative source for information
4 about coverage and compensation; (ii) to not rely on
5 unofficial information offered by air carrier rep-
6 resentatives about compensation by the air carrier
7 for accident-site property damage; and (iii) to obtain
8 photographic or other detailed evidence of property
9 damage as soon as possible after the accident, con-
10 sistent with restrictions on access to the accident
11 site.

12 “(18) An assurance that, in the case of an acci-
13 dent in which the National Transportation Safety
14 Board conducts a public hearing or comparable pro-
15 ceeding at a location greater than 80 miles from the
16 accident site, the air carrier will ensure that the pro-
17 ceeding is made available simultaneously by elec-
18 tronic means at a location open to the public at both
19 the origin city and destination city of the air car-
20 rier’s flight if that city is located in the United
21 States.”.

22 (b) FOREIGN AIR TRANSPORTATION.—Section 41313
23 is amended by adding at the end the following:

24 “(17) NOTICE CONCERNING LIABILITY FOR
25 MAN-MADE STRUCTURES.—

1 “(A) IN GENERAL.—An assurance that, in
2 the case of an accident that results in signifi-
3 cant damage to a man-made structure or other
4 property on the ground that is not government-
5 owned, the foreign air carrier will promptly pro-
6 vide notice, in writing, to the extent practicable,
7 directly to the owner of the structure or other
8 property about liability for any property dam-
9 age and means for obtaining compensation.

10 “(B) MINIMUM CONTENTS.—At a min-
11 imum, the written notice shall advise an owner
12 (i) to contact the insurer of the property as the
13 authoritative source for information about cov-
14 erage and compensation; (ii) to not rely on un-
15 official information offered by foreign air car-
16 rier representatives about compensation by the
17 foreign air carrier for accident-site property
18 damage; and (iii) to obtain photographic or
19 other detailed evidence of property damage as
20 soon as possible after the accident, consistent
21 with restrictions on access to the accident site.

22 “(18) SIMULTANEOUS ELECTRONIC TRANS-
23 MISSION OF NTSB HEARING.—An assurance that, in
24 the case of an accident in which the National Trans-
25 portation Safety Board conducts a public hearing or

1 comparable proceeding at a location greater than 80
2 miles from the accident site, the foreign air carrier
3 will ensure that the proceeding is made available si-
4 multaneously by electronic means at a location open
5 to the public at both the origin city and destination
6 city of the foreign air carrier’s flight if that city is
7 located in the United States.”.

8 (c) UPDATE PLANS.—Air carriers and foreign air
9 carriers shall update their plans under sections 41113 and
10 41313 of title 49, United States Code, respectively, to re-
11 flect the amendments made by subsections (a) and (b) of
12 this section not later than 90 days after the date of enact-
13 ment of this Act.

14 **SEC. 411. SLOT EXEMPTIONS AT RONALD REAGAN WASH-**
15 **INGTON NATIONAL AIRPORT.**

16 (a) BEYOND-PERIMETER EXEMPTIONS.—Section
17 41718(a) is amended by striking “12” and inserting “36”.

18 (b) WITHIN-PERIMETER EXEMPTIONS.—Section
19 41718(b) is amended—

20 (1) by striking “12” and inserting “24”; and

21 (2) by striking “that were designated as me-
22 dium hub or smaller airports”.

23 (c) LIMITATIONS.—

1 (1) GENERAL EXEMPTIONS.—Section
2 41718(c)(2) is amended by striking “two” and in-
3 serting “4”.

4 (2) ALLOCATION OF WITHIN-PERIMETER EX-
5 EMPTIONS.—Section 41718(c)(3) is amended—

6 (A) in subparagraph (A)—

7 (i) by striking “four” and inserting
8 “six”; and

9 (ii) by striking “and” at the end;

10 (B) in subparagraph (B)—

11 (i) by striking “eight” and inserting
12 “twelve”; and

13 (ii) by striking the period at the end
14 and inserting “; and”; and

15 (C) by adding at the end the following:

16 “(C) six shall be for air transportation to
17 airports without regard to their size.”.

18 (d) APPLICATION PROCEDURES.—Section 41718(d)
19 is amended to read as follows:

20 “(d) APPLICATION PROCEDURES.—The Secretary
21 shall establish procedures to ensure that all requests for
22 exemptions under this section are granted or denied within
23 90 days after the date on which the request is made.”.

24 (e) EFFECT OF PERIMETER RULES ON COMPETITION
25 AND AIR SERVICE.—

1 (1) IDENTIFICATION OF OTHER AIRPORTS.—
2 The Secretary of Transportation shall identify air-
3 ports (other than Ronald Reagan Washington Na-
4 tional Airport) that have imposed perimeter rules
5 like those in effect with respect to Ronald Reagan
6 Washington National Airport.

7 (2) STUDY.—The Secretary shall conduct a
8 study of the effect that perimeter rules for airports
9 identified under paragraph (1) have on competition
10 and on air service to communities outside the perim-
11 eter.

12 (3) REPORT.—Not later than 120 days after
13 the date of enactment of this Act, the Secretary
14 shall transmit to Congress a report on the results of
15 the study.

16 **SEC. 412. NOTICE CONCERNING AIRCRAFT ASSEMBLY.**

17 (a) IN GENERAL.—Subchapter I of chapter 417 is
18 amended by adding at the end the following:

19 **“§41722. Notice concerning aircraft assembly**

20 “The Secretary of Transportation shall require, be-
21 ginning after the last day of the 1-year period following
22 the date of enactment of this section, an air carrier using
23 an aircraft to provide scheduled passenger air transpor-
24 tation to display a notice, on an information placard avail-
25 able to each passenger on the aircraft, that informs the

1 passengers of the nation in which the aircraft was finally
2 assembled.”.

3 (b) CONFORMING AMENDMENT.—The analysis for
4 chapter 417 is amended by striking the item relating to
5 section 41721 and inserting the following:

“41721. Reports by carriers on incidents involving animals during air transport.
“41722. Notice concerning aircraft assembly.”.

6 **SEC. 413. SMALL COMMUNITY AIR SERVICE.**

7 (a) COMPENSATION GUIDELINES, LIMITATION, AND
8 CLAIMS.—

9 (1) PAYMENT OF PROMOTIONAL AMOUNTS.—
10 Section 41737(a)(2) is amended by inserting before
11 the period at the end “or may be paid directly to the
12 unit of local government having jurisdiction over the
13 eligible place served by the air carrier”.

14 (2) LOCAL SHARE.—Section 41737(a) is
15 amended by adding at the end the following:

16 “(3) The guidelines may require a unit of local gov-
17 ernment having jurisdiction over an eligible place that is
18 less than 170 miles from a medium or large hub or less
19 than 75 miles from a small hub or a State within the
20 boundaries of which the eligible place is located to pay 2.5
21 percent in fiscal year 2005, 5 percent in fiscal year 2006,
22 7.5 percent in fiscal year 2007, and 10 percent in fiscal
23 year 2008 of the amount of compensation payable under
24 this subchapter for air transportation with respect to the

1 eligible place to ensure the continuation of that air trans-
2 portation. In determining the mileage between the eligible
3 place and a hub, the Secretary shall use the most com-
4 monly used highway route between the eligible place and
5 the hub.”.

6 (3) AUTHORITY TO MAKE AGREEMENTS AND
7 INCUR OBLIGATIONS.—Section 41737(d) is amend-
8 ed—

9 (A) by striking “(1) The Secretary” and
10 inserting the “The Secretary”; and

11 (B) by striking paragraph (2).

12 (b) AIRPORTS NOT RECEIVING SUFFICIENT SERV-
13 ICE.—Section 41743(c) is amended—

14 (1) by striking paragraph (3);

15 (2) by redesignating paragraphs (4) and (5) as
16 paragraphs (3) and (4), respectively; and

17 (3) in paragraph (4) (as so redesignated)—

18 (A) by striking “and” at the end of sub-
19 paragraph (C);

20 (B) by striking the period at the end of
21 subparagraph (D) and inserting “; and”; and

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

23 “(E) the assistance can be used in the fis-
24 cal year in which it is received.”.

1 (c) ESSENTIAL AIR SERVICE AUTHORIZATION.—Sec-
2 tion 41742 is amended—

3 (1) in subsection (a)(1) by striking “otherwise
4 provided to the Administration, the sum ” and in-
5 serting “any amounts in the Treasury,”;

6 (2) in subsection (a)(2) by striking
7 “\$15,000,000” and inserting “\$65,000,000”;

8 (3) by adding at the end of subsection (a) the
9 following:

10 “(3) AUTHORIZATION FOR ADDITIONAL
11 EMPLOYEES.—In addition to amounts author-
12 ized under paragraphs (1) and (2), there is au-
13 thorized to be appropriated such sums as may
14 be necessary for the Secretary of Transpor-
15 tation to hire and employ 4 additional employ-
16 ees for the office responsible for carrying out
17 the essential air service program.”; and

18 (4) by striking subsection (c).

19 (d) PROCESS FOR DISCONTINUING CERTAIN SUB-
20 SIDIES.—Section 41734 is amended by adding at the end
21 the following:

22 “(f) PROCESS FOR DISCONTINUING CERTAIN SUB-
23 SIDIES.—If the Secretary determines that no subsidy will
24 be provided to a carrier to provide essential air service
25 to an eligible place because the eligible place does not meet

1 the requirements of section 332 of the Department of
2 Transportation and Related Agencies Appropriations Act,
3 2000 (49 U.S.C. 41731 note; 113 Stat. 1022), the Sec-
4 retary shall notify the affected community that the subsidy
5 will cease but shall continue to provide the subsidy for 90
6 days after providing the notice to the community.”.

7 (e) JOINT PROPOSALS.—Section 41740 is amended
8 by inserting “, including joint fares,” after “joint pro-
9 posals”.

10 (f) COMMUNITY AND REGIONAL CHOICE PRO-
11 GRAM.—

12 (1) IN GENERAL.—Subchapter II of chapter
13 417 is amended by adding at the end the following:

14 **“§41745. Community and regional choice program**

15 “(a) ESTABLISHMENT.—The Secretary of Transpor-
16 tation shall establish an alternate essential air service pilot
17 program in accordance with the requirements of this sec-
18 tion.

19 “(b) COMPENSATION TO ELIGIBLE PLACES.—In car-
20 rying out the program, the Secretary, instead of paying
21 compensation to an air carrier to provide essential air
22 service to an eligible place, may pay compensation directly
23 to a unit of local government having jurisdiction over the
24 eligible place or a State within the boundaries of which
25 the eligible place is located.

1 “(c) USE OF COMPENSATION.—A unit of local gov-
2 ernment or State receiving compensation for an eligible
3 place under the program shall use the compensation for
4 any of the following purposes:

5 “(1) To provide assistance to an air carrier to
6 provide scheduled air service to and from the eligible
7 place, without being subject to the requirements of
8 41732(b).

9 “(2) To provide assistance to an air carrier to
10 provide on-demand air taxi service to and from the
11 eligible place.

12 “(3) To provide assistance to a person to pro-
13 vide scheduled or on-demand surface transportation
14 to and from the eligible place and an airport in an-
15 other place.

16 “(4) In combination with other units of local
17 government in the same region, to provide transpor-
18 tation services to and from all the eligible places in
19 that region at an airport or other transportation
20 center that can serve all the eligible places in that
21 region.

22 “(5) To purchase aircraft, or a fractional share
23 in aircraft, to provide transportation to and from the
24 eligible place.

1 “(6) To pay for other transportation or related
2 services that the Secretary may permit.

3 “(d) FRACTIONALLY OWNED AIRCRAFT.—Notwith-
4 standing any other provision of law, only those operating
5 rules that relate to an aircraft that is fractionally owned
6 apply when an aircraft described in subsection (c)(5) is
7 used to provide transportation described in subsection
8 (c)(5).

9 “(e) APPLICATIONS.—

10 “(1) IN GENERAL.—A unit of local government
11 or State seeking to participate in the program for an
12 eligible place shall submit to the Secretary an appli-
13 cation in such form and containing such information
14 as the Secretary may require.

15 “(2) REQUIRED INFORMATION.—At a min-
16 imum, the application shall include—

17 “(A) a statement of the amount of com-
18 pensation required; and

19 “(B) a description of how the compensa-
20 tion will be used.

21 “(f) PARTICIPATION REQUIREMENTS.—

22 “(1) ELIGIBLE PLACES.—An eligible place for
23 which compensation is received under the program
24 in a fiscal year shall not be eligible to receive in that

1 fiscal year the essential air service that it would oth-
 2 erwise be entitled to under this subchapter.

3 “(2) GOVERNMENTAL ENTITIES.—A unit of
 4 local government or State receiving compensation for
 5 an eligible place under the program in a fiscal year
 6 shall not be required to pay the 10 percent local
 7 share described in 41737(a)(3) in such fiscal year.

8 “(g) SUBSEQUENT PARTICIPATION.—A unit of local
 9 government participating in the program under this sec-
 10 tion in a fiscal year shall not be prohibited from partici-
 11 pating in the basic essential air service program under this
 12 chapter in a subsequent fiscal year if such unit is other-
 13 wise eligible to participate in such program.

14 “(h) FUNDING.—Amounts appropriated or otherwise
 15 made available to carry out the essential air service pro-
 16 gram under this subchapter shall be available to carry out
 17 this section.”.

18 (2) CONFORMING AMENDMENT.—The analysis
 19 for chapter 417 is amended by inserting after the
 20 item relating to section 41744 the following:

“41745. Community and regional choice program.”.

21 **SEC. 414. PROTECTION OF EMPLOYEES PROVIDING AIR**
 22 **SAFETY INFORMATION.**

23 Section 42121 is amended—

24 (1) by redesignating subsection (e) as sub-
 25 section (f); and

1 (2) by inserting after subsection (d) the fol-
2 lowing:

3 “(e) ACTION IN DISTRICT COURT.—If the Secretary
4 has not issued a final order within the time period estab-
5 lished by subsection (b)(3) with respect to a complaint and
6 there is no showing that the delay is due to the bad faith
7 of the complainant, the complainant may bring an action
8 at law or equity for de novo review of the complaint in
9 the appropriate district court of the United States. The
10 district court shall have jurisdiction over the action with-
11 out regard to the amount in controversy. The action shall
12 be subject to the standards of proof provided in subsection
13 (b)(2)(B).”.

14 **SEC. 415. TYPE CERTIFICATES.**

15 (a) AGREEMENTS TO PERMIT USE OF CERTIFICATES
16 BY OTHER PERSONS.—Section 44704(a) is amended by
17 adding at the end the following:

18 “(3) If the holder of a type certificate agrees to per-
19 mit another person to use the certificate to manufacture
20 a new aircraft, aircraft engine, propeller, or appliance, the
21 holder shall provide the other person with written evi-
22 dence, in a form acceptable to the Administrator, of that
23 agreement. A person may manufacture a new aircraft, air-
24 craft engine, propeller, or appliance based on a type cer-

1 tificate only if the person is the holder of the type certifi-
2 cate or has permission from the holder.”.

3 (b) CERTIFICATION OF PRODUCTS MANUFACTURED
4 IN FOREIGN NATIONS.—Section 44704 is further amend-
5 ed by adding at the end the following:

6 “(e) CERTIFICATION OF PRODUCTS MANUFACTURED
7 IN FOREIGN NATIONS.—In order to ensure safety, the Ad-
8 ministrator shall spend at least the same amount of time
9 and perform a no-less-thorough review in certifying, or
10 validating the certification of, an aircraft, aircraft engine,
11 propeller, or appliance manufactured in a foreign nation
12 as the regulatory authorities of that nation employ when
13 the authorities certify, or validate the certification of, an
14 aircraft, aircraft engine, propeller, or appliance manufac-
15 tured in the United States.”.

16 **SEC. 416. DESIGN ORGANIZATION CERTIFICATES.**

17 (a) GENERAL AUTHORITY TO ISSUE CERTIFI-
18 CATES.—Effective on the last day of the 7-year period be-
19 ginning on the date of enactment of this Act, section
20 44702(a) is amended by inserting “design organization
21 certificates,” after “airman certificates,”.

22 (b) DESIGN ORGANIZATION CERTIFICATES.—

23 (1) PLAN.—Not later than 3 years after the
24 date of enactment of this Act, the Administrator of
25 the Federal Aviation Administration shall transmit

1 to the Committee on Commerce, Science, and Trans-
2 portation of the Senate and the Committee on
3 Transportation and Infrastructure of the House of
4 Representatives a plan for the development and
5 oversight of a system for certification of design orga-
6 nizations to certify compliance with the requirements
7 and minimum standards prescribed under section
8 44701(a) of title 49, United States Code, for the
9 type certification of aircraft, aircraft engines, propel-
10 lers, or appliances.

11 (2) ISSUANCE OF CERTIFICATES.—Section
12 44704 is further amended by adding at the end the
13 following:

14 “(f) DESIGN ORGANIZATION CERTIFICATES.—

15 “(1) ISSUANCE.—Beginning 7 years after the
16 date of enactment of this subsection, the Adminis-
17 trator may issue a design organization certificate to
18 a design organization to authorize the organization
19 to certify compliance with the requirements and min-
20 imum standards prescribed under section 44701(a)
21 for the type certification of aircraft, aircraft engines,
22 propellers, or appliances.

23 “(2) APPLICATIONS.—On receiving an applica-
24 tion for a design organization certificate, the Admin-
25 istrator shall examine and rate the design organiza-

1 tion submitting the application, in accordance with
2 regulations to be prescribed by the Administrator, to
3 determine whether the design organization has ade-
4 quate engineering, design, and testing capabilities,
5 standards, and safeguards to ensure that the prod-
6 uct being certificated is properly designed and man-
7 ufactured, performs properly, and meets the regula-
8 tions and minimum standards prescribed under sec-
9 tion 44701(a).

10 “(3) ISSUANCE OF TYPE CERTIFICATES BASED
11 ON DESIGN ORGANIZATION CERTIFICATION.—On re-
12 ceiving an application for a type certificate under
13 subsection (a) that is accompanied by a certification
14 of compliance by a design organization certificated
15 under this subsection, instead of conducting an inde-
16 pendent investigation under subsection (a), the Ad-
17 ministrator may issue the type certificate based on
18 the certification of compliance.

19 “(4) PUBLIC SAFETY.—The Administrator shall
20 include in a design organization certificate issued
21 under this subsection terms required in the interest
22 of safety.”.

23 (c) REINSPECTION AND REEXAMINATION.—Section
24 44709(a) is amended by inserting “design organization,
25 production certificate holder,” after “appliance,”.

1 (d) PROHIBITIONS.—Section 44711(a)(7) is amended
 2 by striking “agency” and inserting “agency, design orga-
 3 nization certificate, ”.

4 (e) CONFORMING AMENDMENTS.—

5 (1) SECTION HEADING.—Section 44704 is
 6 amended by striking the section designation and
 7 heading and inserting the following:

8 **“§ 44704. Type certificates, production certificates,**
 9 **airworthiness certificates, and design or-**
 10 **ganization certificates”.**

11 (2) CHAPTER ANALYSIS.—The analysis for
 12 chapter 447 is amended by striking the item relating
 13 to section 44704 and inserting the following:

“44704. Type certificates, production certificates, airworthiness certificates,
 and design organization certificates.”.

14 **SEC. 417. COUNTERFEIT OR FRAUDULENTLY REP-**
 15 **RESENTED PARTS VIOLATIONS.**

16 Section 44726(a)(1) is amended—

17 (1) by striking “or” at the end of subparagraph
 18 (A);

19 (2) by redesignating subparagraph (B) as sub-
 20 paragraph (C);

21 (3) by inserting after subparagraph (A) the fol-
 22 lowing:

23 “(B) whose certificate is revoked under
 24 subsection (b); or”; and

1 (4) in subparagraph (C) (as redesignated by
2 paragraph (2) of this section) by striking “convicted
3 of such a violation.” and inserting “described in sub-
4 paragraph (A) or (B).”.

5 **SEC. 418. RUNWAY SAFETY STANDARDS.**

6 (a) IN GENERAL.—Chapter 447 is amended by add-
7 ing at the end the following:

8 **“§44727. Runway safety areas**

9 “An airport owner or operator shall not be required
10 to reduce the length of a runway or declare the length
11 of a runway to be less than the actual pavement length
12 in order to meet standards of the Federal Aviation Admin-
13 istration applicable to runway safety areas.”.

14 (b) CONFORMING AMENDMENT.—The analysis for
15 chapter 447 is amended by adding at the end the fol-
16 lowing:

 “44727. Runway safety areas.”.

17 **SEC. 419. AVAILABILITY OF MAINTENANCE INFORMATION.**

18 (a) IN GENERAL.—Chapter 447 is further amended
19 by adding at the end the following:

20 **“§44728. Availability of maintenance information**

21 “(a) IN GENERAL.—The Administrator of the Fed-
22 eral Aviation Administration shall continue in effect the
23 requirement of section 21.50(b) of title 14, Code of Fed-
24 eral Regulations, that the holder of a design approval—

1 “(1) shall prepare and furnish at least one set
2 of complete instructions for continued airworthiness
3 as prescribed in such section to the owner of each
4 type of aircraft, aircraft engine, or propeller upon its
5 delivery or upon the issuance of the first standard
6 airworthiness certificate for the affected aircraft,
7 whichever occurs later; and

8 “(2) thereafter shall make the instructions, and
9 any changes thereto, available to any other person
10 required by parts 1 through 199 of title 14, Code of
11 Federal Regulations, to comply with any of the
12 terms of the instructions.

13 “(b) DEFINITIONS.—In this section, the following
14 definitions apply:

15 “(1) MAKE AVAILABLE.—The term ‘make avail-
16 able’ means providing at a cost not to exceed the
17 cost of preparation and distribution.

18 “(2) DESIGN APPROVAL.—The term ‘design ap-
19 proval’ means a type certificate, supplemental type
20 certificate, amended type certificate, parts manufac-
21 turer approval, technical standard order authoriza-
22 tion, and any other action as determined by the Ad-
23 ministrator pursuant to subsection (c)(2).

24 “(3) INSTRUCTIONS FOR CONTINUED AIR-
25 WORTHINESS.—The term ‘instructions for continued

1 airworthiness’ means maintenance manuals, overhaul
2 manuals, standard practice manuals, and other man-
3 ufacturer’s service information that sets forth the
4 methods, techniques, and practices for performing
5 maintenance on civil aircraft, aircraft engines, pro-
6 pellers, appliances or any part installed thereon. The
7 term also includes changes to such manuals and in-
8 formation in the form of revisions, service bulletins,
9 service letters, or similar documents.

10 “(c) RULEMAKING.—The Administrator shall con-
11 duct a rulemaking proceeding for the following purposes:

12 “(1) To determine the meaning of the phrase
13 ‘essential to continued airworthiness’ of the applica-
14 ble aircraft, aircraft engine, and propeller as that
15 term is used in parts 23 through 35 of title 14,
16 Code of Federal Regulations.

17 “(2) To determine if a design approval should
18 include, in addition to those approvals specified in
19 subsection (b)(2), any other activity in which per-
20 sons are required to have technical data approved by
21 the Administrator.

22 “(3) To require design approval holders that
23 prepared instructions for continued airworthiness or
24 maintenance manuals before January 29, 1981, to
25 make the manuals available (including any changes

1 thereto), to any person required by parts 1 through
2 199 of title 14, Code of Federal Regulations, to
3 comply with any of the terms of those manuals.

4 “(4) To require design approval holders that—

5 “(A) are operating an ongoing business
6 concern;

7 “(B) were required to produce mainte-
8 nance manuals or instructions for continued
9 airworthiness under the applicable sections of
10 parts 1 through 199 of title 14, Code of Fed-
11 eral Regulations; and

12 “(C) have not done so,

13 to prepare those documents and make them available
14 as required by this section not later than 1 year
15 after date on which the regulations are published.

16 “(d) LIMITATION ON STATUTORY CONSTRUCTION.—

17 Nothing in this section shall be construed as requiring the
18 holder of a design approval to make available proprietary
19 information unless it is deemed essential to continued air-
20 worthiness.”.

21 (b) CONFORMING AMENDMENT.—The analysis for
22 chapter 447 is further amended by adding at the end the
23 following:

“44728. Availability of maintenance information.”.

1 **SEC. 420. FLIGHT ATTENDANT CERTIFICATION.**

2 (a) IN GENERAL.—Chapter 447 is further amended
3 by adding at the end the following:

4 **“§ 44729. Flight attendant certification**

5 “(a) CERTIFICATE REQUIRED.—

6 “(1) IN GENERAL.—No person may serve as a
7 flight attendant aboard an aircraft of an air carrier
8 unless that person holds a certificate of dem-
9 onstrated proficiency from the Administrator of the
10 Federal Aviation Administration.

11 “(2) SPECIAL RULE FOR CURRENT FLIGHT AT-
12 TENDANTS.—An individual serving as a flight at-
13 tendant on the effective date of this section may
14 continue to serve aboard an aircraft as a flight at-
15 tendant until completion by that individual of the re-
16 quired recurrent training and subsequent certifi-
17 cation under this section.

18 “(3) TREATMENT OF FLIGHT ATTENDANT
19 AFTER NOTIFICATION.—On the date that the Ad-
20 ministrator is notified by an air carrier that an indi-
21 vidual has the demonstrated proficiency to be a
22 flight attendant, the individual shall be treated for
23 purposes of this section as holding a certificate
24 issued under the section.

25 “(b) ISSUANCE OF CERTIFICATE.—The Adminis-
26 trator shall issue a certificate of demonstrated proficiency

1 under this section to an individual after the Administrator
2 is notified by the air carrier that the individual has suc-
3 cessfully completed all the training requirements for flight
4 attendants approved by the Administrator.

5 “(c) DESIGNATION OF PERSON TO DETERMINE SUC-
6 CESSFUL COMPLETION OF TRAINING.—In accordance
7 with part 183 of chapter 14, Code of Federal Regulation,
8 the director of operations of an air carrier is designated
9 to determine that an individual has successfully completed
10 the training requirements approved by the Administrator
11 for such individual to serve as a flight attendant.

12 “(d) SPECIFICATIONS RELATING TO CERTIFI-
13 CATES.—Each certificate issued under this section shall—

14 “(1) be numbered and recorded by the Adminis-
15 trator;

16 “(2) contain the name, address, and description
17 of the individual to whom the certificate is issued;

18 “(3) contain the name of the air carrier that
19 employs or will employ the certificate holder on the
20 date that the certificate is issued;

21 “(4) is similar in size and appearance to certifi-
22 cates issued to airmen;

23 “(5) contain the airplane group for which the
24 certificate is issued; and

1 “(6) be issued not later than 30 days after the
2 Administrator receives notification from the air car-
3 rier of demonstrated proficiency and, in the case of
4 an individual serving as flight attendant on the ef-
5 fective date of this section, not later than 1 year
6 after such effective date.

7 “(e) APPROVAL OF TRAINING PROGRAMS.—Air car-
8 rier flight attendant training programs shall be subject to
9 approval by the Administrator. All flight attendant train-
10 ing programs approved by the Administrator in the 1-year
11 period ending on the date of enactment of this section
12 shall be treated as providing a demonstrated proficiency
13 for purposes of meeting the certification requirements of
14 this section.

15 “(f) FLIGHT ATTENDANT DEFINED.—In this section,
16 the term ‘flight attendant’ means an individual working
17 as a flight attendant in the cabin of an aircraft that has
18 20 or more seats and is being used by an air carrier to
19 provide air transportation.”.

20 (b) CONFORMING AMENDMENT.—The analysis for
21 chapter 447 is further amended by adding at the end the
22 following:

“44729. Flight attendant certification.”.

23 (c) EFFECTIVE DATE.—The amendments made by
24 subsections (a) and (b) shall take effect on the 365th day
25 following the date of enactment of this Act.

1 **SEC. 421. CIVIL PENALTY FOR CLOSURE OF AN AIRPORT**
2 **WITHOUT PROVIDING SUFFICIENT NOTICE.**

3 (a) IN GENERAL.—Chapter 463 is amended by add-
4 ing at the end the following:

5 **“§ 46319. Closure of an airport without providing suf-**
6 **ficient notice**

7 “(a) PROHIBITION.—A public agency (as defined in
8 section 47102) may not close an airport listed in the na-
9 tional plan of integrated airport systems under section
10 47103 without providing written notice to the Adminis-
11 trator of the Federal Aviation Administration at least 30
12 days before the date of the closure.

13 “(b) PUBLICATION OF NOTICE.—The Administrator
14 shall publish each notice received under subsection (a) in
15 the Federal Register.

16 “(c) CIVIL PENALTY.—A public agency violating sub-
17 section (a) shall be liable for a civil penalty of \$10,000
18 for each day that the airport remains closed without hav-
19 ing given the notice required by this section.”.

20 (b) CONFORMING AMENDMENT.—The analysis for
21 chapter 463 is amended by adding at the end the fol-
22 lowing:

“46319. Closure of an airport without providing sufficient notice.”.

1 **SEC. 422. AMENDMENT OF GENERAL FEE SCHEDULE PRO-**
2 **VISION.**

3 The amendment made by section 119(d) of the Avia-
4 tion and Transportation Security Act (115 Stat. 629)
5 shall not be affected by the savings provisions contained
6 in section 141 of that Act (115 Stat. 643).

7 **SEC. 423. IMPROVEMENT OF CURRICULUM STANDARDS**
8 **FOR AVIATION MAINTENANCE TECHNICIANS.**

9 (a) IN GENERAL.—The Administrator of the Federal
10 Aviation Administration shall ensure that the training
11 standards for airframe and powerplant mechanics under
12 part 65 of title 14, Code of Federal Regulations, are up-
13 dated and revised in accordance with this section. The Ad-
14 ministrator may update and revise the training standards
15 through the initiation of a formal rulemaking or by issuing
16 an advisory circular or other agency guidance.

17 (b) ELEMENTS FOR CONSIDERATION.—The updated
18 and revised standards required under subsection (a) shall
19 include those curriculum adjustments that are necessary
20 to more accurately reflect current technology and mainte-
21 nance practices.

22 (c) MINIMUM TRAINING HOURS.—In making adjust-
23 ments to the maintenance curriculum requirements pursu-
24 ant to this section, the current requirement of 1900 min-
25 imum training hours shall be maintained.

1 (d) CERTIFICATION.—Any adjustment or modifica-
2 tion of current curriculum standards made pursuant to
3 this section shall be reflected in the certification examina-
4 tions of airframe and powerplant mechanics.

5 (e) COMPLETION.—The revised and updated training
6 standards required by subsection (a) shall be completed
7 not later than 12 months after the date of enactment of
8 this Act.

9 (f) PERIODIC REVIEWS AND UPDATES.—The Admin-
10 istrator shall review the content of the curriculum stand-
11 ards for training airframe and powerplant mechanics re-
12 ferred to in subsection (a) every 3 years after completion
13 of the revised and updated training standards required
14 under subsection (a) as necessary to reflect current tech-
15 nology and maintenance practices.

16 **SEC. 424. TASK FORCE ON FUTURE OF AIR TRANSPOR-**
17 **TATION SYSTEM.**

18 (a) IN GENERAL.—The President shall establish a
19 task force to work with the Next Generation Air Transpor-
20 tation System Joint Program Office authorized under sec-
21 tion 106(k)(3).

22 (b) MEMBERSHIP.—The task force shall be composed
23 of representatives, appointed by the President, from air
24 carriers, general aviation, pilots, and air traffic controllers
25 and the following government organizations:

1 (1) The Federal Aviation Administration.

2 (2) The National Aeronautics and Space Ad-
3 ministration.

4 (3) The Department of Defense.

5 (4) The Department of Homeland Security.

6 (5) The National Oceanic and Atmospheric Ad-
7 ministration.

8 (6) Other government organizations designated
9 by the President.

10 (c) FUNCTION.—The function of the task force shall
11 be to develop an integrated plan to transform the Nation’s
12 air traffic control system and air transportation system
13 to meet its future needs.

14 (d) PLAN.—Not later than 1 year after the date of
15 establishment of the task force, the task force shall trans-
16 mit to the President and Congress a plan outlining the
17 overall strategy, schedule, and resources needed to develop
18 and deploy the Nation’s next generation air traffic control
19 system and air transportation system.

20 **SEC. 425. AIR QUALITY IN AIRCRAFT CABINS.**

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

1 (b) REQUIRED ACTIVITIES.—In carrying out this sec-
2 tion, the Administrator, at a minimum, shall—

3 (1) conduct surveillance to monitor ozone in the
4 cabin on a representative number of flights and air-
5 craft to determine compliance with existing Federal
6 Aviation Regulations for ozone;

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

9 (3) analyze samples of residue from aircraft
10 ventilation ducts and filters after air quality inci-
11 dents to identify the contaminants to which pas-
12 sengers and crew were exposed.

13 (c) REPORT.—Not later than 30 months after the
14 date of enactment of this Act, the Administrator shall
15 transmit to Congress a report on the findings of the Ad-
16 ministrator under this section.

17 **SEC. 426. RECOMMENDATIONS CONCERNING TRAVEL**
18 **AGENTS.**

19 (a) REPORT.—Not later than 6 months after the date
20 of enactment of this Act, the Secretary of Transportation
21 shall transmit to Congress a report on any actions that
22 should be taken with respect to recommendations made
23 by the National Commission to Ensure Consumer Infor-
24 mation and Choice in the Airline Industry on—

25 (1) the travel agent arbiter program; and

1 (2) the special box on tickets for agents to in-
2 clude their service fee charges.

3 (b) CONSULTATION.—In preparing this report, the
4 Secretary shall consult with representatives from the air-
5 line and travel agent industry.

6 **SEC. 427. TASK FORCE ON ENHANCED TRANSFER OF APPLI-**
7 **CATIONS OF TECHNOLOGY FOR MILITARY**
8 **AIRCRAFT TO CIVILIAN AIRCRAFT.**

9 (a) IN GENERAL.—The President shall establish a
10 task force to look for better methods for ensuring that
11 technology developed for military aircraft is more quickly
12 and easily transferred to applications for improving and
13 modernizing the fleet of civilian aircraft.

14 (b) MEMBERSHIP.—The task force shall be composed
15 of the Secretary of Transportation who shall be the chair
16 of the task force and representatives, appointed by the
17 President, from the following:

18 (1) The Department of Transportation.

19 (2) The Federal Aviation Administration.

20 (3) The Department of Defense.

21 (4) The National Aeronautics and Space Ad-
22 ministration.

23 (5) The aircraft manufacturing industry.

24 (6) Such other organizations as the President
25 may designate.

1 (c) REPORT.—Not later than 1 year after the date
2 of enactment of this Act, the task force shall report to
3 Congress on the methods looked at by the task force for
4 ensuring the transfer of applications described in sub-
5 section (a).

6 **SEC. 428. REIMBURSEMENT FOR LOSSES INCURRED BY**
7 **GENERAL AVIATION ENTITIES.**

8 (a) IN GENERAL.—The Secretary of Transportation
9 may make grants to reimburse the following general avia-
10 tion entities for the security costs incurred and revenue
11 foregone as a result of the restrictions imposed by the
12 Federal Government following the terrorist attacks on the
13 United States that occurred on September 11, 2001, or
14 the military action to free the people of Iraq that com-
15 menced in March 2003:

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

18 (2) Airports that are located within 15 miles of
19 Ronald Reagan Washington National Airport and
20 were operating under security restrictions on the
21 date of enactment of this Act and general aviation
22 entities operating at those airports.

23 (3) General aviation entities that were affected
24 by Federal Aviation Administration Notice to Air-
25 men FDC 2/0199 and section 352 of the Depart-

1 ment of Transportation and Related Agencies Ap-
2 propriations Act, 2003 (P.L. 108–7, Division I).

3 (4) General aviation entities affected by imple-
4 mentation of section 44939 of title 49, United
5 States Code.

6 (5) Any other general aviation entity that is
7 prevented from doing business or operating by an
8 action of the Federal Government prohibiting access
9 to airspace by that entity.

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

15 (c) GENERAL AVIATION ENTITY DEFINED.—In this
16 section, the term “general aviation entity” means any per-
17 son (other than a scheduled air carrier or foreign air car-
18 rier, as such terms are defined in section 40102 of title
19 49, United States Code) that—

20 (1) operates nonmilitary aircraft under part 91
21 of title 14, Code of Federal Regulations, for the pur-
22 pose of conducting its primary business;

23 (2) manufactures nonmilitary aircraft with a
24 maximum seating capacity of fewer than 20 pas-
25 sengers or aircraft parts to be used in such aircraft;

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

3 (4) operates an airport, other than a primary
4 airport (as such terms are defined in such section
5 40102), that—

6 (A) is listed in the national plan of inte-
7 grated airport systems developed by the Federal
8 Aviation Administration under section 47103 of
9 such title; or

10 (B) is normally open to the public, is lo-
11 cated within the confines of enhanced class B
12 airspace (as defined by the Federal Aviation
13 Administration in Notice to Airmen FDC 1/
14 0618), and was closed as a result of an order
15 issued by the Federal Aviation Administration
16 in the period beginning September 11, 2001,
17 and ending January 1, 2002, and remained
18 closed as a result of that order on January 1,
19 2002.

20 Such term includes fixed based operators, flight schools,
21 manufacturers of general aviation aircraft and products,
22 persons engaged in nonscheduled aviation enterprises, and
23 general aviation independent contractors.

24 (d) AUTHORIZATION OF APPROPRIATIONS.—There is
25 authorized to be appropriated to carry out this section

1 \$100,000,000. Such sums shall remain available until ex-
2 pended.

3 **SEC. 429. IMPASSE PROCEDURES FOR NATIONAL ASSOCIA-**
4 **TION OF AIR TRAFFIC SPECIALISTS.**

5 (a) FAILURE OF CURRENT NEGOTIATIONS.—If, with-
6 in 30 days after the date of enactment of this Act, the
7 Federal Aviation Administration and the exclusive bar-
8 gaining representative of the National Association of Air
9 Traffic Specialists have failed to achieve agreement
10 through a mediation process of the Federal Mediation and
11 Conciliation Service, the current labor negotiation shall be
12 treated for purposes of this section to have failed.

13 (b) SUBMISSION TO IMPASSE PANEL.—Not later
14 than 30 days after the negotiation has failed under sub-
15 section (a), the parties to the negotiation shall submit un-
16 resolved issues to the Federal Service Impasses Panel de-
17 scribed in section 7119(c) of title 5, United States Code,
18 for final and binding resolution.

19 (c) ASSISTANCE.—The Panel shall render assistance
20 to the parties in resolving their dispute in accordance with
21 section 7119 of title 5, United States Code, and parts
22 2470 and 2471 of title 5, Code of Federal Regulations.

23 (d) DETERMINATION.—The Panel shall make a just
24 and reasonable determination of the matters in dispute.
25 In arriving at such determination, the Panel shall specify

1 the basis for its findings, taking into consideration such
2 relevant factors as are normally and customarily consid-
3 ered in the determination of wages or impasse Panel pro-
4 ceedings. The Panel shall also take into consideration the
5 financial ability of the Administration to pay.

6 (e) EFFECT OF PANEL DETERMINATION.—The de-
7 termination of the Panel shall be final and binding upon
8 the parties for the period prescribed by the Panel or a
9 period otherwise agreed to by the parties.

10 (f) REVIEW.—The determination of the Panel shall
11 be subject to review in the manner prescribed in chapter
12 71 of title 5, United States Code.

13 **SEC. 430. FAA INSPECTOR TRAINING.**

14 (a) STUDY.—

15 (1) IN GENERAL.—The Comptroller General
16 shall conduct a study of the training of the aviation
17 safety inspectors of the Federal Aviation Adminis-
18 tration (in this section referred to as “FAA inspec-
19 tors”).

20 (2) CONTENTS.—The study shall include—

21 (A) an analysis of the type of training pro-
22 vided to FAA inspectors;

23 (B) actions that the Federal Aviation Ad-
24 ministration has undertaken to ensure that

1 FAA inspectors receive up-to-date training on
2 the latest technologies;

3 (C) the extent of FAA inspector training
4 provided by the aviation industry and whether
5 such training is provided without charge or on
6 a quid-pro-quo basis; and

7 (D) the amount of travel that is required
8 of FAA inspectors in receiving training.

9 (3) REPORT.—Not later than 1 year after the
10 date of enactment of this Act, the Comptroller Gen-
11 eral shall transmit to the Committee on Transpor-
12 tation and Infrastructure of the House of Represent-
13 atives and the Committee on Commerce, Science,
14 and Transportation of the Senate a report on the re-
15 sults of the study.

16 (b) SENSE OF THE HOUSE.—It is the sense of the
17 House of Representatives that—

18 (1) FAA inspectors should be encouraged to
19 take the most up-to-date initial and recurrent train-
20 ing on the latest aviation technologies;

21 (2) FAA inspector training should have a direct
22 relation to an individual's job requirements; and

23 (3) if possible, a FAA inspector should be al-
24 lowed to take training at the location most conven-
25 ient for the inspector.

1 (c) WORKLOAD OF INSPECTORS.—

2 (1) STUDY BY NATIONAL ACADEMY OF
3 SCIENCES.—Not later than 90 days after the date of
4 enactment of this Act, the Administrator of the Fed-
5 eral Aviation Administration shall make appropriate
6 arrangements for the National Academy of Sciences
7 to conduct a study of the assumptions and methods
8 used by the Federal Aviation Administration to esti-
9 mate staffing standards for FAA inspectors to en-
10 sure proper oversight over the aviation industry, in-
11 cluding the designee program.

12 (2) CONTENTS.—The study shall include the
13 following:

14 (A) A suggested method of modifying FAA
15 inspectors staffing models for application to
16 current local conditions or applying some other
17 approach to developing an objective staffing
18 standard.

19 (B) The approximate cost and length of
20 time for developing such models.

21 (3) REPORT.—Not later than 12 months after
22 the initiation of the arrangements under subsection
23 (a), the National Academy of Sciences shall transmit
24 to Congress a report on the results of the study.

1 **SEC. 431. PROHIBITION ON AIR TRAFFIC CONTROL PRIVAT-**
2 **IZATION.**

3 (a) IN GENERAL.—The Secretary of Transportation
4 may not authorize the transfer of the air traffic separation
5 and control functions operated by the Federal Aviation
6 Administration on the date of enactment of this Act to
7 a private entity or to a public entity other than the United
8 States Government.

9 (b) CONTRACT TOWER PROGRAM.—Subsection (a)
10 shall not apply to the contract tower program authorized
11 by section 47124 of title 49, United States Code.

12 **SEC. 432. AIRFARES FOR MEMBERS OF THE ARMED**
13 **FORCES.**

14 (a) FINDINGS.—Congress finds that—

15 (1) the Armed Forces is comprised of approxi-
16 mately 1,400,000 members who are stationed on ac-
17 tive duty at more than 6,000 military bases in 146
18 different countries;

19 (2) the United States is indebted to the mem-
20 bers of the Armed Forces, many of whom are in
21 grave danger due to their engagement in, or expo-
22 sure to, combat;

23 (3) military service, especially in the current
24 war against terrorism, often requires members of the
25 Armed Forces to be separated from their families on

1 short notice, for long periods of time, and under
2 very stressful conditions;

3 (4) the unique demands of military service often
4 preclude members of the Armed Forces from pur-
5 chasing discounted advance airline tickets in order
6 to visit their loved ones at home; and

7 (5) it is the patriotic duty of the people of the
8 United States to support the members of the Armed
9 Forces who are defending the Nation's interests
10 around the world at great personal sacrifice.

11 (b) SENSE OF CONGRESS.—It is the sense of Con-
12 gress that each United States air carrier should—

13 (1) establish for all members of the Armed
14 Forces on active duty reduced air fares that are
15 comparable to the lowest airfare for ticketed flights;
16 and

17 (2) offer flexible terms that allow members of
18 the Armed Forces on active duty to purchase, mod-
19 ify, or cancel tickets without time restrictions, fees,
20 and penalties.

21 **TITLE V—AIRPORT** 22 **DEVELOPMENT**

23 **SEC. 501. DEFINITIONS.**

24 (a) IN GENERAL.—Section 47102 is amended—

1 (1) by redesignating paragraphs (19) and (20)
2 as paragraphs (24) and (25), respectively;

3 (2) by inserting after paragraph (18) the fol-
4 lowing:

5 “(23) ‘small hub airport’ means a commercial
6 service airport that has at least 0.05 percent but less
7 than 0.25 percent of the passenger boardings.”;

8 (3) in paragraph (10) by striking subpara-
9 graphs (A) and (B) and inserting following:

10 “(A) means, unless the context indicates
11 otherwise, revenue passenger boardings in the
12 United States in the prior calendar year on an
13 aircraft in service in air commerce, as the Sec-
14 retary determines under regulations the Sec-
15 retary prescribes; and

16 “(B) includes passengers who continue on
17 an aircraft in international flight that stops at
18 an airport in the 48 contiguous States, Alaska,
19 or Hawaii for a nontraffic purpose.”;

20 (4) by redesignating paragraphs (10) through
21 (18) as paragraphs (14) through (22), respectively;

22 (5) by inserting after paragraph (9) the fol-
23 lowing:

1 “(10) ‘large hub airport’ means a commercial
2 service airport that has at least 1.0 percent of the
3 passenger boardings.

4 “(12) ‘medium hub airport’ means a commer-
5 cial service airport that has at least 0.25 percent but
6 less than 1.0 percent of the passenger boardings.

7 “(13) ‘nonhub airport’ means a commercial
8 service airport that has less than 0.05 percent of the
9 passenger boardings.”; and

10 (6) by striking paragraph (6) and inserting the
11 following:

12 “(6) ‘Amount made available under section
13 48103’ or ‘amount newly made available’ means the
14 amount authorized for grants under section 48103
15 as that amount may be limited in that year by a
16 subsequent law, but as determined without regard to
17 grant obligation recoveries made in that year or
18 amounts covered by section 47107(f).”.

19 (b) CONFORMING AMENDMENT.—Section
20 47116(b)(1) is amended by striking “(as defined in section
21 41731) of this title”.

22 **SEC. 502. REPLACEMENT OF BAGGAGE CONVEYOR SYS-**
23 **TEMS.**

24 Section 47102(3)(B)(x) is amended by striking the
25 period at the end and inserting the following: “; except

1 that such activities shall be eligible for funding under this
2 subchapter only using amounts apportioned under section
3 47114.”.

4 **SEC. 503. SECURITY COSTS AT SMALL AIRPORTS.**

5 (a) SECURITY COSTS.—Section 47102(3)(J) is
6 amended to read as follows:

7 “(J) in the case of a nonhub airport or an
8 airport that is not a primary airport in fiscal
9 year 2004, direct costs associated with new, ad-
10 ditional, or revised security requirements im-
11 posed on airport operators by law, regulation,
12 or order on or after September 11, 2001, if the
13 Government’s share is paid only from amounts
14 apportioned to a sponsor under section
15 47114(c) or 47114(d)(3)(A).”.

16 (b) CONFORMING AMENDMENT.—Section
17 47110(b)(2) is amended—

18 (1) in subparagraph (D) by striking “,
19 47102(3)(K), or 47102(3)(L)”;

20 (2) by aligning the margin of subparagraph (D)
21 with the margin of subparagraph (B).

22 **SEC. 504. WITHHOLDING OF PROGRAM APPLICATION AP-**
23 **PROVAL.**

24 Section 47106(d) is amended—

1 (1) in paragraph (1) by striking “section
2 47114(c) and (e) of this title” and inserting “sub-
3 sections (c), (d), and (e) of section 47114”; and

4 (2) by adding at the end the following:

5 “(4) If the Secretary withholds a grant to an airport
6 from the discretionary fund under section 47115 or from
7 the small airport fund under section 47116 on the grounds
8 that the sponsor has violated an assurance or requirement
9 of this subchapter, the Secretary shall follow the proce-
10 dures of this subsection.”.

11 **SEC. 505. RUNWAY SAFETY AREAS.**

12 (a) APPROVAL OF PROJECT GRANT APPLICATIONS.—
13 Section 47106 is amended by adding at the end the fol-
14 lowing:

15 “(h) RUNWAY SAFETY AREAS.—The Secretary may
16 approve an application under this chapter for a project
17 grant to construct, reconstruct, repair, or improve a run-
18 way only if the Secretary receives written assurances, sat-
19 isfactory to the Secretary, that the sponsor will undertake,
20 to the maximum extent practical, improvement of the run-
21 way’s safety area to meet the standards of the Federal
22 Aviation Administration.”.

1 **SEC. 506. DISPOSITION OF LAND ACQUIRED FOR NOISE**
2 **COMPATIBILITY PURPOSES.**

3 Section 47107(c) is amended by adding at the end
4 the following:

5 “(4) Notwithstanding paragraph (2)(A)(iii), an air-
6 port owner or operator may retain all or any portion of
7 the proceeds from a land disposition described in that
8 paragraph if the Secretary finds that the use of the land
9 will be compatible with airport purposes and the proceeds
10 retained will be used for airport development or to carry
11 out a noise compatibility program under section
12 47504(c).”.

13 **SEC. 507. GRANT ASSURANCES.**

14 (a) **HANGAR CONSTRUCTION.**—Section 47107(a) is
15 amended—

16 (1) by striking “and” at the end of paragraph
17 (19);

18 (2) by striking the period at the end of para-
19 graph (20) and inserting “; and”; and

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

21 “(21) if the airport owner or operator and a
22 person who owns an aircraft agree that a hangar is
23 to be constructed at the airport for the aircraft at
24 the aircraft owner’s expense, the airport owner or
25 operator will grant to the aircraft owner for the
26 hangar a long-term lease (of not less than 50 years)

1 that is subject to such terms and conditions on the
2 hangar as the airport owner or operator may im-
3 pose.”.

4 (b) STATUTE OF LIMITATIONS.—Section
5 47107(1)(5)(A) is amended by inserting “or any other gov-
6 ernmental entity” after “sponsor”.

7 (c) AUDIT CERTIFICATION.—Section 47107(m) is
8 amended—

9 (1) in paragraph (1) by striking “promulgate
10 regulations that” and inserting “include a provision
11 in the compliance supplement provisions to”; and

12 (2) in paragraph (1) by striking “and opinion
13 of the review”; and

14 (3) by striking paragraph (3).

15 **SEC. 508. ALLOWABLE PROJECT COSTS.**

16 (a) CONSTRUCTION OR MODIFICATION OF PUBLIC
17 PARKING FACILITIES FOR SECURITY PURPOSES.—Section
18 47110 is amended—

19 (1) in subsection (f) by striking “subsection
20 (d)” and inserting “subsections (d) and (h)”; and

21 (2) by adding at the end the following:

22 “(h) CONSTRUCTION OR MODIFICATION OF PUBLIC
23 PARKING FACILITIES FOR SECURITY PURPOSES.—Not-
24 withstanding subsection (f)(1), a cost of constructing or
25 modifying a public parking facility for passenger auto-

1 mobiles to comply with a regulation or directive of the De-
2 partment of Homeland Security shall be treated as an al-
3 lowable airport development project cost.”.

4 (b) DEBT FINANCING.—Section 47110 is further
5 amended by adding at the end the following:

6 “(i) DEBT FINANCING.—In the case of an airport
7 that is not a medium hub airport or large hub airport,
8 the Secretary may determine that allowable airport devel-
9 opment project costs include payments of interest, com-
10 mercial bond insurance, and other credit enhancement
11 costs associated with a bond issue to finance the project.”.

12 (c) CLARIFICATION OF ALLOWABLE COSTS.—Sec-
13 tion 47110(b)(1) is amended by inserting before the semi-
14 colon at the end “and any cost of moving a Federal facility
15 impeding the project if the rebuilt facility is of an equiva-
16 lent size and type”.

17 (d) TECHNICAL AMENDMENTS.—Section 47110(c) is
18 amended by aligning the margin of paragraph (6) with
19 the margin of paragraph (5).

20 **SEC. 509. APPORTIONMENTS TO PRIMARY AIRPORTS.**

21 (a) FORMULA CHANGES.—Section 47114(c)(1)(A) is
22 amended by striking clauses (iv) and (v) and by inserting
23 the following:

1 “(iv) \$.65 for each of the next 500,000
2 passenger boardings at the airport during the
3 prior calendar year;

4 “(v) \$.50 cents for each of the next
5 2,500,000 passenger boardings at the airport
6 during the prior calendar year; and

7 “(vi) \$.45 cents for each additional pas-
8 senger boarding at the airport during the prior
9 calendar year.”.

10 (b) SPECIAL RULE FOR FISCAL YEAR 2004.—Sec-
11 tion 47114(e)(1) is amended by adding at the end the fol-
12 lowing:

13 “(F) SPECIAL RULE FOR FISCAL YEAR
14 2004.—Notwithstanding subparagraph (A) and
15 the absence of scheduled passenger aircraft
16 service at an airport, the Secretary may appor-
17 tion in fiscal year 2004 to the sponsor of the
18 airport an amount equal to the amount appor-
19 tioned to that sponsor in fiscal year 2002 or
20 2003, whichever amount is greater, if the Sec-
21 retary finds that—

22 “(i) the passenger boardings at the
23 airport were below 10,000 in calendar year
24 2002;

1 “(ii) the airport had at least 10,000
2 passenger boardings and scheduled pas-
3 senger aircraft service in either calendar
4 year 2000 or 2001; and

5 “(iii) the reason that passenger
6 boardings described in clause (i) were
7 below 10,000 was the decrease in pas-
8 sengers following the terrorist attacks of
9 September 11, 2001.”.

10 **SEC. 510. CARGO AIRPORTS.**

11 Section 47114(c)(2) is amended—

12 (1) in the paragraph heading by striking
13 “ONLY”; and

14 (2) in subparagraph (A) by striking “3 per-
15 cent” and inserting “3.5 percent”.

16 **SEC. 511. CONSIDERATIONS IN MAKING DISCRETIONARY**
17 **GRANTS.**

18 Section 47115(d) is amended to read as follows:

19 “(d) CONSIDERATIONS.—

20 “(1) FOR CAPACITY ENHANCEMENT
21 PROJECTS.—In selecting a project for a grant to
22 preserve and improve capacity funded in whole or in
23 part from the fund, the Secretary shall consider—

1 “(A) the effect that the project will have
2 on overall national transportation system capac-
3 ity;

4 “(B) the benefit and cost of the project,
5 including, in the case of a project at a reliever
6 airport, the number of operations projected to
7 be diverted from a primary airport to the re-
8 liever airport as a result of the project, as well
9 as the cost savings projected to be realized by
10 users of the local airport system;

11 “(C) the financial commitment from non-
12 United States Government sources to preserve
13 or improve airport capacity;

14 “(D) the airport improvement priorities of
15 the States to the extent such priorities are not
16 in conflict with subparagraphs (A) and (B); and

17 “(E) the projected growth in the number
18 of passengers or aircraft that will be using the
19 airport at which the project will be carried out.

20 “(2) FOR ALL PROJECTS.—In selecting a
21 project for a grant described in paragraph (1), the
22 Secretary shall consider whether—

23 “(A) funding has been provided for all
24 other projects qualifying for funding during the
25 fiscal year under this chapter that have at-

1 tained a higher score under the numerical pri-
2 ority system employed by the Secretary in ad-
3 ministering the fund; and

4 “(B) the sponsor will be able to commence
5 the work identified in the project application in
6 the fiscal year in which the grant is made or
7 within 6 months after the grant is made, which-
8 ever is later.”.

9 **SEC. 512. FLEXIBLE FUNDING FOR NONPRIMARY AIRPORT**
10 **APPORTIONMENTS.**

11 (a) IN GENERAL.—Section 47117(c) is amended to
12 read as follows:

13 “(c) USE OF SPONSOR’S APPORTIONED AMOUNTS AT
14 PUBLIC USE AIRPORTS.—

15 (1) OF SPONSOR.—An amount apportioned to a
16 sponsor of an airport under section 47114(c) or
17 47114(d)(3)(A) of this title is available for grants
18 for any public-use airport of the sponsor included in
19 the national plan of integrated airport systems.

20 “(2) IN SAME STATE OR AREA.—A sponsor of
21 an airport may make an agreement with the Sec-
22 retary of Transportation waiving the sponsor’s claim
23 to any part of the amount apportioned for the air-
24 port under section 47114(c) or 47114(d)(3)(A) if
25 the Secretary agrees to make the waived amount

1 available for a grant for another public-use airport
2 in the same State or geographical area as the air-
3 port, as determined by the Secretary.”.

4 (b) PROJECT GRANT AGREEMENTS.—Section
5 47108(a) is amended by inserting “or 47114(d)(3)(A)”
6 after “under section 47114(c)”.

7 (c) ALLOWABLE PROJECT COSTS.—Section 47110 is
8 further amended—

9 (1) in subsection (b)(2)(C) by striking “of this
10 title” and inserting “or section 47114(d)(3)(A)”;

11 (2) in subsection (g)—

12 (A) by inserting “or section
13 47114(d)(3)(A)” after “of section 47114(c)”;

14 and

15 (B) by striking “of project” and inserting
16 “of the project”; and

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

18 “(j) NONPRIMARY AIRPORTS.—The Secretary may
19 decide that the costs of revenue producing aeronautical
20 support facilities, including fuel farms and hangars, are
21 allowable for an airport development project at a nonpri-
22 mary airport if the Government’s share of such costs is
23 paid only with funds apportioned to the airport sponsor
24 under section 47114(d)(3)(A) and if the Secretary deter-

1 mines that the sponsor has made adequate provision for
2 financing airside needs of the airport.”.

3 (d) TERMINAL DEVELOPMENT COSTS.—Section
4 47119(b) is amended—

5 (1) by striking “or” at the end of paragraph
6 (3);

7 (2) by striking the period at the end of para-
8 graph (4) and inserting “; or”; and

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

10 “(5) to a sponsor of a nonprimary airport, any
11 part of amounts apportioned to the sponsor for the
12 fiscal year under section 47114(d)(3)(A) for project
13 costs allowable under section 47110(d).”.

14 **SEC. 513. USE OF APPORTIONED AMOUNTS.**

15 (a) SPECIAL APPORTIONMENT CATEGORIES.—Sec-
16 tion 47117(e)(1)(A) is amended—

17 (1) by striking “of this title” the first place it
18 appears and inserting a comma;

19 (2) by striking “of this title” the second place
20 it appears and inserting “, for noise mitigation
21 projects approved in an environmental record of de-
22 cision for an airport development project under this
23 title, for compatible land use planning and projects
24 carried out by State and local governments under
25 section 47140, and for airport development de-

1 scribed in section 47102(3)(K) or 47102(3)(L) to
2 comply with the Clean Air Act (42 U.S.C. 7401 et
3 seq.)”.

4 (b) ELIMINATION OF SUPER RELIEVER SET-
5 ASIDE.—Section 47117(e)(1)(C) is repealed.

6 (c) RECOVERED FUNDS.—Section 47117 is further
7 amended by adding at the end the following:

8 “(h) TREATMENT OF CANCELED OR REDUCED
9 GRANT OBLIGATIONS.—For the purpose of determining
10 compliance with a limitation, enacted in an appropriations
11 Act, on the amount of grant obligations of funds made
12 available by section 48103 that may be incurred in a fiscal
13 year, an amount that is recovered by canceling or reducing
14 a grant obligation of funds made available by section
15 48103 shall be treated as a negative obligation that is to
16 be netted against the obligation limitation as enacted and
17 thus may permit the obligation limitation to be exceeded
18 by an equal amount.”.

19 **SEC. 514. MILITARY AIRPORT PROGRAM.**

20 Subsections (e) and (f) of section 47118 are each
21 amended by striking “\$7,000,000” and inserting
22 “\$10,000,000”.

23 **SEC. 515. CONTRACT TOWERS.**

24 Section 47124(b) is amended—

1 (1) in paragraph (1) by striking “December 30,
2 1987,” and inserting “on date of enactment of the
3 Flight 100—Century of Aviation Reauthorization
4 Act”;

5 (2) in the heading for paragraph (3) by striking
6 “PILOT”;

7 (3) in paragraph (4)(C) by striking
8 “\$1,100,000” and inserting “\$1,500,000”; and

9 (4) by striking “pilot” each place it appears.

10 **SEC. 516. AIRPORT SAFETY DATA COLLECTION.**

11 Section 47130 is amended to read as follows:

12 **“§ 47130. Airport safety data collection**

13 “Notwithstanding any other provision of law, the Ad-
14 ministrator of the Federal Aviation Administration may
15 award a contract, using sole source or limited source au-
16 thority, or enter into a cooperative agreement with, or pro-
17 vide a grant from amounts made available under section
18 48103 to, a private company or entity for the collection
19 of airport safety data. In the event that a grant is provided
20 under this section, the United States Government’s share
21 of the cost of the data collection shall be 100 percent.”.

22 **SEC. 517. AIRPORT PRIVATIZATION PILOT PROGRAM.**

23 Section 47134(b)(1) is amended—

24 (1) in subparagraph (A) by striking clauses (i)
25 and (ii) and inserting the following:

1 “(i) in the case of a primary airport,
2 by at least 65 percent of the scheduled air
3 carriers serving the airport and by sched-
4 uled and nonscheduled air carriers whose
5 aircraft landing at the airport during the
6 preceding calendar year, had a total landed
7 weight during the preceding calendar year
8 of at least 65 percent of the total landed
9 weight of all aircraft landing at the airport
10 during such year; or

11 “(ii) by the Secretary at any nonpri-
12 mary airport after the airport has con-
13 sulted with the users of that airport, as de-
14 termined by the Secretary.”;

15 (2) by redesignating subparagraph (B) as sub-
16 paragraph (C); and

17 (3) by inserting after subparagraph (A) the fol-
18 lowing:

19 “(B) OBJECTION TO EXEMPTION.—An air
20 carrier shall be deemed to have approved a
21 sponsor’s application for an exemption under
22 subparagraph (A) unless the air carrier has
23 submitted an objection, in writing, to the spon-
24 sor within 60 days of the filing of the sponsor’s
25 application with the Secretary, or within 60

1 days of the service of the application upon that
2 air carrier, whichever is later.”.

3 **SEC. 518. INNOVATIVE FINANCING TECHNIQUES.**

4 (a) ELIGIBLE PROJECTS.—Section 47135(a) is
5 amended—

6 (1) in the first sentence by striking “20” and
7 inserting “10”; and

8 (2) by striking the second sentence and insert-
9 ing the following: “Such projects shall be located at
10 airports that are not medium or large hub air-
11 ports.”.

12 (b) INNOVATIVE FINANCING TECHNIQUES.—Section
13 47135(c)(2) is amended—

14 (1) by striking subparagraphs (A) and (B);

15 (2) by redesignating subparagraphs (C) and
16 (D) as subparagraphs (A) and (B), respectively;

17 (3) in subparagraph (A) (as so redesignated) by
18 striking “and” at the end; and

19 (4) in subparagraph (B) (as so redesignated) by
20 striking the period at the end and inserting “; and”.

21 **SEC. 519. AIRPORT SECURITY PROGRAM.**

22 Section 47137 is amended—

23 (1) by redesignating subsections (e) and (f) as
24 subsections (f) and (g), respectively; and

1 projects on the airport or associated with the air-
2 port.

3 “(3) Credits are calculated and provided to air-
4 ports on a consistent basis nationwide.

5 “(4) Credits are provided to airport sponsors in
6 a timely manner.

7 “(5) The establishment of a method to assure
8 the Secretary that, for any specific airport project
9 for which funding is being requested, the appro-
10 priate credits will be granted.

11 “(b) ASSURANCE OF RECEIPT OF CREDITS.—

12 “(1) IN GENERAL.—As a condition for making
13 a grant for a project described in section
14 47102(3)(K), 47102(3)(L), or 47139 or as a condi-
15 tion for granting approval to collect or use a pas-
16 senger facility fee for a project described in section
17 40117(a)(3)(G), 47102(3)(K), 47102(3)(L), or
18 47139, the Secretary must receive assurance from
19 the State in which the project is located, or from the
20 Administrator of the Environmental Protection
21 Agency where there is a Federal implementation
22 plan, that the airport sponsor will receive appro-
23 priate emission credits in accordance with the condi-
24 tions of this section.

1 “(2) AGREEMENT ON PREVIOUSLY APPROVED
2 PROJECTS.—The Secretary and the Administrator of
3 the Environmental Protection Agency shall jointly
4 agree on how to provide emission credits to airport
5 projects previously approved under section 47136
6 under terms consistent with the conditions enumer-
7 ated in this section.”.

8 (b) AIRPORT GROUND SUPPORT EQUIPMENT EMIS-
9 SIONS RETROFIT PILOT PROGRAM.—Subchapter I of
10 chapter 471 is further amended by adding at the end the
11 following:

12 “**§47139. Airport ground support equipment emis-**
13 **sions retrofit pilot program.**”

14 “(a) IN GENERAL.—The Secretary of Transportation
15 shall carry out a pilot program at not more than 10 com-
16 mercial service airports under which the sponsors of such
17 airports may use an amount made available under section
18 48103 to retrofit existing eligible airport ground support
19 equipment that burns conventional fuels to achieve lower
20 emissions utilizing emission control technologies certified
21 or verified by the Environmental Protection Agency.

22 “(b) LOCATION IN AIR QUALITY NONATTAINMENT
23 OR MAINTENANCE AREAS.—A commercial service airport
24 shall be eligible for participation in the pilot program only
25 if the airport is located in an air quality nonattainment

1 area (as defined in section 171(2) of the Clean Air Act
2 (42 U.S.C. 7501(2)) or a maintenance area referred to
3 in section 175A of such Act (42 U.S.C. 7505a).

4 “(c) SELECTION CRITERIA.—In selecting from
5 among applicants for participation in the pilot program,
6 the Secretary shall give priority consideration to appli-
7 cants that will achieve the greatest air quality benefits
8 measured by the amount of emissions reduced per dollar
9 of funds expended under the pilot program.

10 “(d) MAXIMUM AMOUNT.—Not more than \$500,000
11 may be expended under the pilot program at any single
12 commercial service airport.

13 “(e) GUIDELINES.—The Secretary, in consultation
14 with the Administrator of the Environmental Protection
15 Agency, shall establish guidelines regarding the types of
16 retrofit projects eligible under the pilot program by consid-
17 ering remaining equipment useful life, amounts of emis-
18 sion reduction in relation to the cost of projects, and other
19 factors necessary to carry out this section. The Secretary
20 may give priority to ground support equipment owned by
21 the airport and used for airport purposes.

22 “(f) ELIGIBLE EQUIPMENT DEFINED.—In this sec-
23 tion, the term ‘eligible equipment’ means ground service
24 or maintenance equipment that is owned by and located
25 at the airport, is used to support aeronautical and related

1 activities at the airport, and will remain in operation at
2 the airport for the life or useful life of the equipment,
3 whichever is earlier.”.

4 (c) ADDITION TO AIRPORT DEVELOPMENT.—Section
5 47102(3) is further amended by striking subparagraphs
6 (K) and (L) and inserting the following:

7 “(K) work necessary to construct or mod-
8 ify airport facilities to provide low-emission fuel
9 systems, gate electrification, and other related
10 air quality improvements at a commercial serv-
11 ice airport if the airport is located in an air
12 quality nonattainment or maintenance area (as
13 defined in sections 171(2) and 175A of the
14 Clean Air Act (42 U.S.C. 7501(2), 7505a) and
15 if such project will result in an airport receiving
16 appropriate emission credits, as described in
17 section 47138.

18 “(L) converting vehicles and ground sup-
19 port equipment owned by a commercial service
20 airport to low-emission technology or acquiring
21 for use at a commercial service airport vehicles
22 and ground support equipment that include
23 low-emission technology if the airport is located
24 in an air quality nonattainment area (as de-
25 fined in section 171(2) of the Clean Air Act (42

1 U.S.C. 7501(2)) or a maintenance area referred
2 to in section 175A of such Act (42 U.S.C.
3 7505a) and if such project will result in an air-
4 port receiving appropriate emission credits as
5 described in section 47138.”.

6 (d) ALLOWABLE PROJECT COST.—Section 47110(b)
7 is further amended—

8 (1) by striking “and” at the end of paragraph
9 (4);

10 (2) by striking the period at the end of para-
11 graph (5) and inserting “; and”; and

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

13 “(6) in the case of a project for acquiring for
14 use at a commercial service airport vehicles and
15 ground support equipment that is not described in
16 section 47102(3) and that include low-emission tech-
17 nology, if the total cost allowed for the project are
18 not more than the incremental cost of equipping
19 such vehicles or equipment with low-emission tech-
20 nology, as determined by the Secretary.”.

21 (e) LOW-EMISSION TECHNOLOGY EQUIPMENT.—Sec-
22 tion 47102 (as amended by section 501 of this Act) is
23 further amended by inserting after paragraph (10) the fol-
24 lowing:

1 “(11) ‘low-emission technology’ means technology for
 2 vehicles and equipment whose emission performance is the
 3 best achievable under emission standards established by
 4 the Environmental Protection Agency and that relies ex-
 5 clusively on alternative fuels that are substantially non-
 6 petroleum based, as defined by the Department of Energy,
 7 but not excluding hybrid systems or natural gas powered
 8 vehicles.”.

9 (f) CONFORMING AMENDMENTS.—The analysis of
 10 subchapter I of chapter 471 is amended by adding at the
 11 end the following:

“47138. Emission credits for air quality projects.

“47139. Airport ground support equipment emissions retrofit pilot program.”.

12 **SEC. 521. COMPATIBLE LAND USE PLANNING AND**
 13 **PROJECTS BY STATE AND LOCAL GOVERN-**
 14 **MENTS.**

15 (a) IN GENERAL.—Subchapter I of chapter 471 is
 16 further amended by adding at the end the following:

17 **“§47140. Compatible land use planning and projects**
 18 **by State and local governments**

19 “(a) IN GENERAL.—The Secretary of Transportation
 20 may make grants from amounts set aside under section
 21 47117(e)(1)(A) to States and units of local government
 22 for land use compatibility plans or projects resulting from
 23 those plans for the purposes of making the use of land

1 areas around large hub airports and medium hub airports
2 compatible with aircraft operations if—

3 “(1) the airport operator has not submitted a
4 noise compatibility program to the Secretary under
5 section 47504 or has not updated such program
6 within the past 10 years; and

7 “(2) the land use plan meets the requirements
8 of this section and any project resulting from the
9 plan meets such requirements.

10 “(b) ELIGIBILITY.—In order to receive a grant under
11 this section, a State or unit of local government must—

12 “(1) have the authority to plan and adopt land
13 use control measures, including zoning, in the plan-
14 ning area in and around a large or medium hub air-
15 port;

16 “(2) provide written assurance to the Secretary
17 that it will work with the affected airport to identify
18 and adopt such measures; and

19 “(3) provide written assurance to the Secretary
20 that it will achieve, to the maximum extent possible,
21 compatible land uses consistent with Federal land
22 use compatibility criteria under section 47502(3)
23 and that those compatible land uses will be main-
24 tained.

1 “(c) ASSURANCES.—The Secretary shall require a
2 State or unit of local government to which a grant may
3 be awarded under this section for a land use plan or a
4 project resulting from such a plan to provide—

5 “(1) assurances satisfactory to the Secretary
6 that the plan—

7 “(A) is reasonably consistent with the goal
8 of reducing existing noncompatible land uses
9 and preventing the introduction of additional
10 noncompatible land uses;

11 “(B) addresses ways to achieve and main-
12 tain compatible land uses, including zoning,
13 building codes, and any other projects under
14 section 47504(a)(2) that are within the author-
15 ity of the State or unit of local government to
16 implement;

17 “(C) uses noise contours provided by the
18 airport operator that are consistent with the
19 airport operation and planning, including any
20 noise abatement measures adopted by the air-
21 port operator as part of its own noise mitiga-
22 tion efforts;

23 “(D) does not duplicate, and is not incon-
24 sistent with, the airport operator’s noise com-
25 patibility measures for the same area; and

1 “(E) has received concurrence by the air-
2 port operator prior to adoption by the State or
3 unit of local government; and

4 “(2) such other assurances as the Secretary de-
5 termines to be necessary to carry out this section.

6 “(d) GUIDELINES.—The Secretary shall establish
7 guidelines to administer this section in accordance with
8 the purposes and conditions described in this section. The
9 Secretary may require the State or unit of local govern-
10 ment to which a grant may be awarded under this section
11 to provide progress reports and other information as the
12 Secretary determines to be necessary to carry out this sec-
13 tion.

14 “(e) ELIGIBLE PROJECTS.—The Secretary may ap-
15 prove a grant under this section to a State or unit of local
16 government for a land use compatibility project only if the
17 Secretary is satisfied that the project is consistent with
18 the guidelines established by the Secretary under this sec-
19 tion, that the State or unit of local government has pro-
20 vided the assurances required by this section, that the Sec-
21 retary has received evidence that the State or unit of local
22 government has implemented (or has made provision to
23 implement) those elements of the plan that are not eligible
24 for Federal financial assistance, and that the project is
25 not inconsistent with Federal standards.

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

3 (b) CONFORMING AMENDMENT.—The analysis of
4 subchapter I of chapter 471 is further amended by adding
5 at the end the following:

“47140. Compatible land use planning and projects by State and local govern-
ments.”.

6 **SEC. 522. MIDWAY ISLAND AIRPORT.**

7 (a) FINDINGS.—Congress finds that the continued
8 operation of the Midway Island Airport in accordance with
9 the standards of the Federal Aviation Administration ap-
10 plicable to commercial airports is critical to the safety of
11 commercial, military, and general aviation in the mid-Pa-
12 cific Ocean region.

13 (b) MEMORANDUM OF UNDERSTANDING ON SALE OF
14 AIRCRAFT FUEL.—The Secretary of Transportation shall
15 enter into a memorandum of understanding with the Sec-
16 retaries of Defense, Interior, and Homeland Security to
17 facilitate the sale of aircraft fuel on Midway Island at a
18 price that will generate sufficient revenue to improve the
19 ability of the airport to operate on a self-sustaining basis
20 in accordance with the standards of the Federal Aviation
21 Administration applicable to commercial airports. The
22 memorandum shall also address the long-range potential
23 of promoting tourism as a means to generate revenue to
24 operate the airport.

1 (c) TRANSFER OF NAVIGATION AIDS AT MIDWAY IS-
2 LAND AIRPORT.—The Midway Island Airport may trans-
3 fer, without consideration, to the Administrator the navi-
4 gation aids at the airport. The Administrator shall accept
5 the navigation aids and operate and maintain the naviga-
6 tion aids under criteria of the Administrator.

7 (d) FUNDING TO THE SECRETARY OF INTERIOR FOR
8 MIDWAY ISLAND AIRPORT.—

9 (1) IN GENERAL.—Chapter 481 is amended by
10 adding at the end the following:

11 **“§48114. Funding to the Secretary of Interior for**
12 **Midway Island Airport**

13 “The following amounts shall be available (and shall
14 remain available until expended) to the Secretary of Inte-
15 rior, out of the Airport and Airway Trust Fund estab-
16 lished under section 9502 of the Internal Revenue Code
17 of 1986 (26 U.S.C. 9502), for airport capital projects at
18 the Midway Island Airport:

19 “(1) \$750,000 for fiscal year 2004.

20 “(2) \$2,500,000 for fiscal year 2005.

21 “(3) \$1,000,000 for fiscal year 2006.

22 “(4) \$1,000,000 for fiscal year 2007.”.

1 (2) CONFORMING AMENDMENT.—The analysis
2 for chapter 481 is amended by adding at the end the
3 following:

“48114. Funding to the Secretary of Interior for Midway Island Airport.”.

