

# **Airport Improvement Program**

## **Supplemental Discretionary Funding Further Consolidated Appropriations Act, 2020** Frequently Asked Questions

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This document answers frequently asked questions related to the supplemental funding under the Further Consolidated Appropriations Act, 2020. Direct additional questions to your local Federal Aviation Administration (FAA) Airports District or Regional Office. For airports covered under the FAA's State Block Grant Program (SBGP), contact your state aeronautical agency with additional questions.

**1. Where can I find a copy of the actual legislation that provides the supplemental appropriation and associated requirements?**

The [FAA Reauthorization Act of 2018](#) authorized supplemental discretionary funding for Fiscal Year (FY) 2019 through FY 2023. The authorized amounts per FY are identified in Section 158 of the FAA Reauthorization Act of 2018

The [Consolidated Appropriations Act, 2020](#) appropriated \$400 million Airport Improvement Program (AIP) in supplemental discretionary funds. The specific language that provides the supplemental discretionary funding is on page 892 of the legislation.

**2. How much supplemental funding is available and how long is it available?**

The Further Consolidated Appropriations Act, 2020, appropriated \$400,000,000. The supplemental funds remain available for obligation until September 30, 2022. The Further Consolidated Appropriations Act, 2020 allows the FAA to retain 0.5 percent of the funds (\$2,000,000) to administer grants awarded with supplemental funds.

**3. Is there special funding prioritization for these supplemental funds?**

The FAA Reauthorization Act of 2018 states that an airport sponsor that proposes a lower Government share of allowable project costs than the share specified in subparagraph shall receive priority commensurate with the reduction in such share. Projects shall receive equal priority consideration if such project— has a proposed Government cost share of 50 percent or less; or “(ii) is at an airport receiving an exemption under section 47134 not less than 50 percent of supplemental discretionary funds be used at nonprimary, nonprimary commercial service, reliever, nonhub primary, and small hub primary airports.

**4. Who can receive supplemental discretionary funding?**

Any airport sponsor currently eligible for AIP grants is eligible for supplemental funding.

**5. What projects are eligible for supplemental funding?**

All projects currently eligible for AIP funding are eligible for supplemental discretionary funding. More information about project eligibility can be found in the [AIP Handbook](#). In addition to current AIP eligible projects, the FAA Reauthorization Act of 2018 expands project eligibility for these supplemental funds. AIP legislation for regular AIP funds allows discretionary funding for terminal development at nonhub primary, nonprimary commercial service, and reliever airports. The FAA Reauthorization Act of 2018 expands eligibility for only supplemental discretionary funds to include terminal development at any airport eligible to receive an AIP grant.

**6. Are these supplemental funds derived from the general fund or the Airport and Airway Trust fund?**

In accordance with the Further Consolidated Appropriations Act, 2020, FY 2020 supplemental discretionary funds are derived from the general fund.

**7. What projects were considered for FY 2020 supplemental discretionary funding and how were projects evaluated?**

The FAA has a backlog of discretionary funding requests that exceeds normal AIP funding levels. Discretionary funding requests come to the FAA through the normal Airport Capital Improvement Plan (ACIP) process. In addition to discretionary funding requests received through the normal ACIP process, the FAA has a pool of eligible and unfunded requests submitted in response to the July 9, 2018, Federal Register Notice (FRN) requesting project applications for FY 2018 supplemental discretionary funding.

Out of this large pool of eligible projects, high-priority projects that enhance safety, security and capacity were chosen. Another selection factor was that the project must be able to go under grant before the supplemental funding expires in FY 2022.

**8. How many projects were selected for funding with FY 2020 supplemental discretionary funding?**

On April 30, 2020, the Secretary announced an Intent to Award projects totaling \$455 million, including Coronavirus Aid, Relief, Economic Security (CARES) Act Local Match, at 83 airports. Since this time, two airports were added for a total of 85.

**9. How geographically diverse is the funding?**

Airports in all 50 states, as well as Northern Mariana Islands and Puerto Rico, were selected to receive FY 2020 supplemental discretionary funding.

## **10. What types of airports will receive funding?**

There are 52 primary<sup>1</sup> airports and 33 nonprimary<sup>2</sup> airports receiving FY 2020 supplemental funds. In addition, Congress mandated that project funding must be split 50/50 into two categories:

- Large and medium hub airports
- Small hub, Non hub, and all nonprimary airports

<sup>1</sup>*Primary airport means a commercial service airport the Secretary determines to have more than 10,000 passenger boardings each year per 49 USC § 47102(16).* <sup>2</sup> *Nonprimary Airport is an airport that has 10,000 or less passenger enplanements each year as defined under 49 USC § 47102(16).*

## **11. My airport did not receive any FY 2020 supplemental discretionary funding. Why is that?**

With the large number of unfunded discretionary requests received through the ACIP process and through the FRN for FY 2018 supplemental funding requests, not all eligible and justified projects could be funded. The FAA will continue to work with airports to consider eligible and justified project requests as part of the ongoing ACIP process.

In addition, the FAA Reauthorization Act of 2018 authorizes approximately \$1 billion in supplemental funding in FY 2020 through FY 2023. If these funds are appropriated, more high-priority airport development projects can be funded. Airport sponsors are encouraged to contact their local Airports District Office or Regional Office, or in the case of airports in the SBGP their state aeronautical agencies, about continuing funding needs.

## **12. What is the Federal participation rate for supplemental grants?**

Supplemental funds made available under the FY 2020 Appropriations Act are derived from the General Fund and are not subject to existing AIP discretionary formulas or set-asides. These grants are matched 100% in accordance with the CARES Act.

## **13. Can supplemental funding be combined with other types of AIP funding on the same project?**

Yes, but with one important caveat. The FAA cannot combine the funds in a single grant, and each grant must result in a complete and useable unit of work. Typically, this will be accomplished by using the supplemental funding for a discrete phase of a multiphase project.

## **14. Can supplemental funds be granted for work that is already underway?**

No, supplemental funding follows normal AIP discretionary rules for reimbursement. Discretionary funds cannot be provided for construction costs incurred prior to grant award.

**15. What happens if there is an unavoidable cost increase on a grant funded with supplemental funds?**

The FAA intends to award these supplemental grants based on bids once the projects have met all statutory and administrative requirements. The FAA expects airport sponsors to manage projects within the available funds granted. The FAA does not have the latitude to add regular AIP funds to help address any cost increases.

If any projects come in under budget, the FAA will recover the unused funds and obligate them on other grants, either to amend prior grants made from the supplemental funds (subject to the normal statutory 15 percent limitation) , or issue new grants, until September 30, 2021. Any funds still unobligated or recovered after that date must be returned to the U.S. Treasury.

**16. How long does an airport have to draw down funds on a grant from the supplemental funding?**

Like other AIP grants, grants from the supplemental funds will be subject to the “Period of Performance” requirements set forth in 2 CFR Part 200. This establishes an upper limit of 1,460 days (or four years) from grant award.

**17. What role will block grant states and/or channeling act states play in administering these funds?**

Each state aeronautical agency will fulfill the same roles and responsibilities with respect to the supplemental funding that it does with respect to other AIP funds.