



Federal Aviation Administration

Memorandum

Date: May 12, 2025

To: Office of Airports Regional Directors, AXX-600s
Regional Airport Planning and Programming, AXX-610s
Airports District Office Managers, XXX-ADOs
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From: Danielle J. Rinsler, Director, Airport Planning and Programming, APP-1

Subject: Reauthorization Program Guidance Letter (R-PGL) 25-04: Procurement

This Reauthorization Program Guidance Letter (R-PGL) 25-04 explains and implements provisions in the FAA Reauthorization Act of 2024 (the 2024 Act) (P.L. 118-63) which amend and expand FAA procurement policies related to the Airport Improvement Program (AIP). This R-PGL is directed to Office of Airports staff for the purpose of helping them implement statutory changes. This R-PGL is not legally binding and will not be relied upon by the FAA as a separate basis for affirmative enforcement action or other administrative penalty. The FAA will update FAA Order 5100.38D, Change 1, *Airport Improvement Program Handbook*, to reflect these statutory changes.

Please be advised that unless expressly noted below, Infrastructure Investment and Jobs Act (IIJA) eligibility is generally broader and more inclusive than AIP eligibility. All other applicable Federal statutes, regulations, Executive Orders, policy, and guidance apply unless expressly provided for otherwise in this R-PGL. For all planning and programming purposes, including System of Airports Reporting (SOAR) actions, refer to the latest Regional Implementation Guidance (RIG).

This R-PGL addresses the following specific provisions:

Bill Section	Topic	49 USC Section(s) Impacted
711	Funding Prohibition for Certain Airport Passenger Boarding Bridge Manufacturers	Does not amend 49 U.S.C.
723(a)	Alternative Project Delivery	§ 47142
723(a)(3)	Integrated Project Delivery Pilot Program	§ 47142
758	Procurement Regulations Applicable to FAA Multimodal Projects	Does not amend 49 U.S.C.

Section 711, Funding Prohibition for Certain Airport Passenger Boarding Bridge Manufacturers

Section 711 prohibits sponsors from using AIP or IIJA funds for a contract with any entity included on a publicly available list to be established jointly with the U.S. Trade Representative and Department of Justice. This list, which will be updated at least annually, will identify airport passenger boarding bridge manufacturers that:

- A) Are owned, directed by, or subsidized in whole or in part by the People's Republic of China;
- B) Have been determined by a federal court to have misappropriated intellectual property or trade secrets from an entity organized under the laws of the United States or any jurisdiction within the United States;
- C) Own or control, are owned or controlled by, are under common ownership or control with, or are successors to an entity described in subparagraph A) above; or
- D) Have entered into an agreement with, or accepted funding from, whether in the form of minority investment interest or debt, have entered into a partnership with, or have entered into another contractual or other written arrangement with an entity described in subparagraph A) above.

Implementation for Field Offices

Once the required list is published in conjunction with the United States Trade Representative and the United States Department of Justice, and when it is updated, APP-500 will notify Airport District Offices (ADOs) and Regional Offices (ROs).

APP-500 will notify airport sponsors once a list is publicly available. Subsequently, FAA field offices may direct the airport sponsor's attention to the publicly available list of identified boarding bridge manufacturers.

Section 723(a), Alternative Project Delivery

Section 723(a) amends 49 U.S.C. § 47142, by revising the section heading to, "Alternative Project Delivery" instead of "Design-Build Contracting," and expanding the allowable contract types from solely design-build to include progressive design-build and integrated project delivery methods, collectively referred to as "Covered Project Delivery Contracts."

Section 723(a)(3) amends 49 U.S.C. § 47142 by adding a new subsection (d) that defines a Covered Project Delivery Contract as—

- i. an agreement that provides for both design and construction of a project by a contractor through alternative project delivery methods, including construction manager-at-risk (CMAR) and progressive design build; or
- ii. a single contract for the delivery of a whole project that—
 - a. includes, at a minimum, the sponsor, builder, and architect-engineer as parties that are subject to the terms of the contract;
 - b. aligns the interests of all the parties to the contract with respect to the project costs and project outcomes; and
 - c. includes processes to ensure transparency and collaboration among all parties to the contract relating to project costs and project outcomes.

Application approval processes for covered project delivery contracts use existing processes for design-build projects, which are defined under 49 U.S.C. § 47142(a), and are outlined in the AIP Handbook, Table U-9, and in Advisory Circular (AC) 150/5100-14E, Change 1, *Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects*.

Implementation for Field Offices

Field staff working with airport sponsors applying for funding under this statute should follow current application approval processes for covered project delivery contracts as defined under 49 U.S.C § 47142(a), and reimbursement requirements defined under 49 U.S.C § 47142(b).

Field staff working with airport sponsors seeking funding for an integrated project delivery contract should follow requirements defined in 49 U.S.C. § 47142(c), which are described below.

Section 723(a)(3), Integrated Project Delivery (IPD) Pilot Program

Section 723(a)(3) amends 49 U.S.C. § 47142 by inserting section (c), *Pilot Program*, which directs the Secretary to establish a pilot program that allows the Administrator to award grants for up to five building construction projects to airport sponsors using integrated project delivery (IPD) contracts. An IPD contract is defined by 49 U.S.C. § 47142(d)(2) as:

- (2) a single contract for the delivery of a whole project that—
 - (A) includes, at a minimum, the sponsor, builder, and architect-engineer as parties that are subject to the terms of the contract;
 - (B) aligns the interests of all the parties to the contract with respect to the project costs and project outcomes; and
 - (C) includes processes to ensure transparency and collaboration among all parties to the contract relating to project costs and project outcomes.

Once established, this pilot program will allow the FAA to assess the benefits and effectiveness of funding IPD contracts. Additional guidance regarding participation in this pilot program is forthcoming.

Implementation for Field Offices

In considering an IPD contract proposal from an airport sponsor, the FAA may advise sponsors that:

- IPD contracts must be procured through competitive proposal processes permitted under applicable State and local law.
- Not less than 2 sets of proposals must be submitted for each team entity under the selection process.
- The ADO should follow similar procedures to review IPD contract project applications as they use to review projects using other types of alternative delivery methods, including design-build, progressive design-build, and CMAR.
- The ADO must document and validate the IPD project data and assess if choosing the IPD contract will be cost effective and will expedite the project, along with other criteria identified in future pilot program guidance.
- After the FAA begins soliciting pilot program applications, ADOs can submit IPD contract project applications to APP-500 for selection and approval. APP-500 will provide further program guidance at that time.

Section 758, Procurement Regulations Applicable to FAA Multimodal Projects

Section 758 provides clarification regarding the procurement regulations applicable to multimodal project grants when the project is partially funded by another program under the Department of Transportation for a transit, highway, or rail component. These multimodal projects must follow procurement regulations of the FAA and the other DOT mode. However, if a project involves more than one other DOT mode, then the procurement regulations of only the other mode providing the greatest amount of financial assistance apply (in addition to the FAA procurement regulations).

Implementation for Field Offices

FAA field staff working with airport sponsors seeking grant funding for multimodal projects must submit project information to APP-500 for review and approval in advance of projects going to bid or starting the grant application process. APP-500 must be involved at this early stage to make determinations on relevant procurement regulations and contract provision

requirements, especially when there is a conflict in requirements between modes. ADOs and ROs must provide the following information to APP-500:

- Narrative description of the project;
- List of modes contained in the project; and
- Funding sources and estimated amounts for each FAA project component and funding sources for the other modal components.

ADOs and ROs must obtain written approval from APP-500 concerning procurement regulations before considering multimodal grant applications.