



U.S. Department
of Transportation
**Federal Aviation
Administration**

Memorandum

Subject: Program Guidance Letter 88-2

Date: DEC 24 1987

From: Manager, Grants-in-Aid Division, APP-500

Reply to
Attn. of:

To: PGL Distribution List

88-2.1 New AIP Legislation Changes - Ed Williams 267-8827

Both Houses of Congress have now passed the AIP extension (we will continue to refer to the grant program as the "AIP") and we anticipate the President will sign it into law before January 1. We will be issuing a number of instructions on program management over the next few weeks to regions, sponsors, and the general public. These will take various forms - PGL's, Advisory Circulars, Federal Register notices, press releases, a new booklet on "Introduction to the AIP" and changes to the AIP Handbook 5100.38. Some changes are simple and easily done, others will require considerable time and effort. The most critical work, changes needed before grants can be issued, will of course be top priority. This will include such things as publishing new grant assurances in the Federal Register, establishing a new approach for assigning priority for discretionary capacity projects and revising grant forms as necessary.

Below are listed the changes which will affect overall administration of the grant program. The list does not include a number of provisions in the law for special studies, F&E funding, site-specific provisions, NPIAS changes, etc.

1. Funding Levels

Authorization

FY 1988 - \$1.7 billion
1989 - 1.7 billion
1990 - 1.7 billion
1991 - 1.8 billion
1992 - 1.8 billion

FY 1988 Appropriation Limitation

For FY 1988, the amount available for the AIP is \$1,268,725,000. This level allows a full-formula distribution to primary airports. The preliminary distribution by category is as follows:

Program Level	1268.7
Primary Airports	571.2
Cargo	38.1
Alaska Supplemental	11.8 <u>1/</u>
States	152.2
Subtotal	773.3
Noise	126.9
Relievers	126.9
Commercial Service	31.7
System Planning	6.3
Capacity/Safety/Noise	102.0
Carryover Entitlements	67.6
Remaining Discretionary	34.0
Subtotal Discretionary	495.4

2. Primary Airports. Redefined as airports having a minimum of 10,000 annual enplanements. This adds about 144 airports in 1988 bringing the total to 408. See Attachment A for list of new primaries.
3. Primary Airport Apportionment. Same entitlement formula as FY 1987 (\$7.80, \$5.20, \$2.60, \$.65) with a ceiling, when combined with the 3% or \$50 million Cargo hub apportionment (see below), of 49.5% of the annual amount made available for AIP. New \$300,000 minimum and \$16,000,000 maximum per airport.
4. Cargo Hub Airport. Newly defined as an airport with over 100 million pounds landed weight of all-cargo aircraft annually.
5. Cargo Hub Apportionment. 3% of annual amount made available for AIP with a cap of \$50 million. Distribution by each airport's pro rata share of weight landed at all cargo hub airport. This is over and above the \$16 million maximum per airport for enplanements.
6. Insular Areas. Apportionment funds for insular areas may be used at any eligible airport.

1/ This amount subject to adjustment

7. Alaskan Airports. State apportionment funds may be used at "Grandfathered" commercial service airports in Alaska.
8. Puerto Rico. State apportionment funds may be used at any eligible Puerto Rican airport.
9. Capacity Discretionary Fund. 75% of the discretionary funds remaining after meeting legislative minimums and protecting entitlement carry-over are reserved for use at primary airports and their relievers for capacity, safety, security and noise projects. The legislation calls for FAA to develop capacity project criteria based on the project's effect on overall national system capacity, cost/benefit, and financial commitment of the sponsor. This criteria is being developed in headquarters and will be promulgated as soon as possible.
10. Noise Abatement Projects. Set-aside increased to 10% of AIP and Federal share set at 80% for large and medium hubs, 90% for all others. Eligibility without a Part 150 program is extended to soundproofing schools and hospitals. Also allows an 18 month reinstatement of eligibility of projects in "grandfathered" noise studies. (ASNA 104(c)(2)).
11. System Planning. Set-aside decreased to 1%.
12. Non-Primary Commercial Service Airport. Set-aside reduced to 2½%. This yields slightly more for each airport since the population in this group is reduced by moving about 144 airports into the Primary category.
13. Civil Rights. Two new provisions call for 1) a minimum of 10% of AIP obligations be spent on DBE and 2) 10% of concessions at airports are to go to DBE. We are working with the Office of Civil Rights to implement guidance on how this can be accomplished.
14. New/Modified Assurances. Attachment B shows changes (underlined) for airport and planning agency sponsors. Similar changes, as appropriate, will be made in the assurances for non-airport sponsors. The bill also requires FAA to place notice of proposed assurance changes in the Federal Register and give an opportunity for comment.
15. State Project Sponsorship. Allows states to sponsor a project application for similar airport development projects at two or more airports if sponsors consent and there is an agreement to assure compliance with appropriate grant conditions.
16. State Block Grant Demonstration Program. Establishes Pilot Block Grant program for up to three states to administer all airport funding except for primary airports. Program to run from FY 1989 to FY 1991. We are required to issue a regulation on the block grant program in 180 days.

17. Grant Increases. Allowable grant increases are raised to 15% for airport development and the land acquisition 50% provision is eliminated.
18. Terminal Construction. Sponsor may use 100% of his entitlements and the U.S. share is increased to 75% for all primary airports.
19. Reimbursement for Airport Development. Permits issuance of Letter of Intent to fund projects at primary or reliever airports in future fiscal years. If Letter of Intent is issued, Secretary shall pay costs incurred for the project as funds become available. We will be issuing more specific guidance shortly on implementing this provision.
20. Limits on Withholding Grants. Provides that the Secretary shall not withhold approval of an application for entitlement funds on the grounds of violation of assurance unless there is an opportunity for a hearing and a determination of noncompliance within 90 days. Funding under an approved grant agreement may not be withheld for more than 60 days after payment is due without a hearing and a determination of a violation.
21. Art and Landscaping. Prohibits use of AIP funds for cost of decorative landscaping or the installation of sculpture or artwork.
22. Firefighting and Rescue Equipment. Adds as eligible airport development CFR equipment for airports with scheduled air carrier aircraft with 20 or more seats.
23. Workscope Changes. Grants may be amended to change workscope if there is no increase in maximum U.S. obligation.

88-2.2 Fund Control - John Sekman 267-8809

The amended AIP establishes a new funding category that must be tracked in the grants management and accounting systems. In addition to apportionments to states and sponsors, funds will also be apportioned to designated cargo airports. Also, new fund codes will be used to distinguish the amended AIP from the previous AIP. Use the following codes on existing AIP and accounting forms whenever recording funds authorized under the new AIP:

New fund codes: Primary - 89.A, 89.U, 89.T, 89.H
 State - 89.C, 89.P, 89.Y, 89.X
 Insular - 89.I, 89.N, 89.S, 89.L
 Cargo - 89.B, 89.J, 89.K, 89.M
 Alaska Supplemental - 89.D, 89.E, 89.F, 89.G
 Discretionary - 89.l

The cargo funds to be apportioned to sponsors of qualifying airports are available for 3 years. Use FAA Form 5100.102, AIP - Primary Airport Apportioned Funds, to track these amounts. In many (if not all) cases, the cargo apportionment will be going to an existing primary airport sponsor and cargo funds may be recorded on the same card as the primary funds.

Project Data

The amended AIP identifies a new discretionary fund category to be spent for capacity/safety/security/noise development at primary and reliever airports and also may require a positive tracking of MBE expenditures. New codes are being developed and will be issued shortly.

Project Numbering

Since there are significant changes to the previous AIP as a result of the recently approved amendments, the amended AIP will be tracked separately from the previous AIP and the project numbering will start at "01".

Example:

Pittsburgh	1687
Pittsburgh	0188



Lowell H. Johnson

2 Attachments

REPORT U5

U.S. PRIMARY AIRPORT ENPLANEMENT ACTIVITY SUMMARY FOR CY 1986
LISTED BY RANK ORDERWITH ESTIMATED ENTITLEMENT COMPUTATIONS FOR PRIMARY AIRPORTS
AT FUNDING OF 130% STANDARD FORMULA WITH \$16,000,000 MAX AND \$300,000 MIN

RANK	STATE	ASSOCIATED CITY	AIRPORT NAME	LOCID	ENPLANEMENTS	ESTIMATED ENTITLEMENT FUNDS
253	AK	SITKA	SITKA	SIT	50,283	\$381,472
254	GA	ALBANY	ALBANY-DOUGHERTY C	ABY	49,596	\$386,849
255	GA	MCDON	LEWIS B. WILSON	MCN	49,200	\$383,783
256	AK	KODIAK	KODIAK	ADQ	49,165	\$383,487
257	IL	DECATUR	DECATUR	DEC	47,236	\$368,441
259	AK	KOTZEBUE	RALPH WIEN MEMORIAL	OTZ	47,025	\$366,795
260	LA	ALEXANDRIA	ESLER REGIONAL	ESF	46,433	\$362,177
261	CA	SANTA MARIA	SANTA MARIA PUBLIC	SNY	45,519	\$355,048
262	MA	NEW BEDFORD	NEW BEDFORD MUNI	EWB	45,090	\$351,702
263	KY	PADUCAH	BARKLEY REGIONAL	PAH	44,895	\$348,153
264	WI	PARKERSBURG	WOOD COUNTY AIRPOR	PKB	44,441	\$346,640
265	TX	SAN ANGELO	MATHIS FIELD	GTJ	44,292	\$346,258

TOTAL FOR 264 AIRPORTS WITH OVER .01% CMRCL SRV TOTL 437,766,850 \$527,972,298

266	MS	COLUMBUS/W POINT/	GOLDEN TRIANGLE RE	GTR	42,898	\$334,604
267	CT	GROTON/NEW LONDON	GROTON-NEW LONDON	GON	42,760	\$333,528
268	KS	MANHATTAN	MANHATTAN MUNI	MHK	42,178	\$328,988
269	IL	BLOOMINGTON-NORMA	BLOOMINGTON-NORMAL	BMI	41,776	\$325,853
270	PA	LANCASTER	LANCASTER	LNS	41,623	\$324,659
271	NC	NEW BERN	SIMMONS NOTT	EWB	41,516	\$323,825
272	MO	JOPLIN	JOPLIN MUNI	JLN	41,386	\$322,811
273	TX	COLLEGE STATION	EASTERWOOD FIELD	CLL	40,020	\$312,156
274	AR	TEXARKANA	TEXARKANA REGIONAL	TXK	39,421	\$307,484
275	SC	HILTON HEAD ISLAN	HILTON HEAD	49J	39,268	\$306,290
277	WA	FORT ANGELES	WILLIAM R FAIRCHIL	CLM	38,068	\$300,000
278	NH	LEBANON	LEBANON MUNI	LEB	36,960	\$300,000
279	PA	WILLIAMSPORT	WILLIAMSPORT-LYCOM	IPT	36,042	\$300,000
280	FL	MIAMI	CHALK	X44	35,456	\$300,000
281	CO	STEAMBOAT SPRINGS	BOB ADAMS FIELD RD	SBS	25,088	\$300,000
282	WI	EAU CLAIRE	EAU CLAIRE COUNTY	EAU	34,199	\$300,000
283	WY	CHEYENNE	CHEYENNE	CYS	33,591	\$300,000
284	LA	LAKE CHARLES	LAKE CHARLES MUNI	LCH	33,460	\$300,000
285	AK	HOMER	HOMER	HOM	33,393	\$300,000
286	ME	PRESQUE ISLE	NORTHERN MAINE REG	PQI	33,381	\$300,000
287	SC	FLORENCE	FLORENCE CITY-COUN	FLO	32,990	\$300,000
288	MI	MARQUETTE	MARQUETTE COUNTY	MQT	32,635	\$300,000
289	TX	KILLEEN	KILLEEN MUNI	ILE	31,934	\$300,000
290	TX	WACO	WACO-MADISON COOPE	ACT	31,431	\$300,000
291	NY	FOUGHKEEPSIE	DUTCHESS COUNTY	FOU	31,313	\$300,000
292	ID	POCATELLO	POCATELLO MUNI	PIH	31,219	\$300,000
293	IA	DUBUQUE	DUBUQUE MUNI	DRQ	31,111	\$300,000

REPORT V5

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RANK	STATE	ASSOCIATED CITY	AIRPORT NAME	LOCID	ENPLANEMENTS	ESTIMATED ENTITLEMENT FUNDS
294	TX	TYLER	TYLER POUNDS FIELD	TYR	31,010	\$300,000
295	CA	CONCORD	BUCHANAN FIELD	CCR	30,926	\$300,000
296	ID	HAILEY	FRIEDMAN MEMORIAL	SUN	30,414	\$300,000
297	NY	UTICA	ONEIDA COUNTY	UCA	30,393	\$300,000
298	NC	GREENVILLE	FITT-GREENVILLE	PGV	30,016	\$300,000
299	IL	MARION	WILLIAMSON COUNTY	MWA	29,826	\$300,000
300	AK	BARROW	WILEY POST-WILL RO	BRW	29,769	\$300,000
301	CO	GUNNISON	GUNNISON COUNTY	GUC	29,534	\$300,000
302	MD	HAGERSTOWN	WASHINGTON COUNTY	HGR	28,789	\$300,000
303	SD	ABERDEEN	ABERDEEN REGIONAL	ABR	28,746	\$300,000
304	AK	KING SALMON	KING SALMON	AKN	28,352	\$300,000
305	MT	BUTTE	BERT MOONEY	BTM	28,288	\$300,000
306	NM	ROSWELL	ROSWELL INDUSTRIAL	ROW	27,096	\$300,000
307	CA	ROTA ISLAND	ROTA INTL	GRO	26,995	\$300,000
308	AK	DILLINGHAM	DILLINGHAM	DLG	26,856	\$300,000
309	IN	ELKHART	ELKHART MUNI	EKM	25,707	\$300,000
310	MS	MERIDIAN	KEY FIELD	MEI	25,251	\$300,000
311	ID	LEWISTON	LEWISTON-NEZ PERCE	LWS	25,104	\$300,000
312	IA	BURLINGTON	BURLINGTON MUNI	BRL	25,008	\$300,000
313	NY	JAMESTOWN	CHAUTAUQUA COUNTY	JHW	24,628	\$300,000
314	AK	SKAGWAY	SKAGWAY	SGY	24,400	\$300,000
315	MN	BEMIDJI	BEMIDJI-BELTRAMI C	BJI	23,931	\$300,000
316	TX	LAREDO	LAREDO INTL	LRD	23,919	\$300,000
317	IN	LAFAYETTE	FURDUE UNIVERSITY	LAF	23,774	\$300,000
318	WI	OSHKOSH	WITTMAN FIELD	OSH	23,712	\$300,000
319	NY	NEW YORK	EAST 34TH STREET	ENS	23,610	\$300,000
320	TX	BROWNSVILLE	BROWNSVILLE/SOUTH	BRD	23,609	\$300,000
321	OR	REDMOND	ROBERTS FIELD	RDM	23,585	\$300,000
322	PR	SAN JUAN	ISLA GRANDE	SIG	23,429	\$300,000
323	TX	LONGVIEW	GREGG COUNTY	GGG	23,209	\$300,000
324	AZ	FLAGSTAFF	PULLIAM	FLG	23,062	\$300,000
325	MN	HIBRING	CHISHOLM-HIBRING	HIB	22,959	\$300,000
326	OR	KLAMATH FALLS	KINGSLEY FIELD	LMT	22,855	\$300,000
327	WI	RHINELANDER	RHINELANDER-ONEIDA	RHI	22,574	\$300,000
328	HI	LANAI CITY	LANAI	LNY	22,196	\$300,000
330	CO	MONTROSE	MONTROSE COUNTY	MTJ	21,505	\$300,000
331	CA	MODESTO	MODESTO CITY-COUNT	MOD	21,069	\$300,000
332	IL	CHICAGO	MERRILL C MEIGS	CGX	20,672	\$300,000
333	NJ	TRENTON	MERCER COUNTY	TIN	20,558	\$300,000
334	MS	GREENVILLE	GREENVILLE MUNI	GLH	20,381	\$300,000
335	MI	PELLSTON	EMMET COUNTY	PLN	19,927	\$300,000
336	PA	DU BOIS	DU BOIS-JEFFERSON	DUJ	19,843	\$300,000

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337	PR	ISLA DE CULEBRA	CULEBRA	CPX	19,780	\$300,000
339	MN	BRAINERD	BRAINERD-CROW WING	BRD	19,437	\$300,000
340	RI	BLOCK ISLAND	BLOCK ISLAND STATE	BID	19,385	\$300,000
341	PA	JOHNSTOWN	JOHNSTOWN-CAMBRIA	JST	19,382	\$300,000
343	WV	MORGANTOWN	MORGANTOWN MUNI-WA	MGW	19,093	\$300,000
344	WV	CLARKSBURG	BENEDUM	CKB	19,063	\$300,000
345	WA	WENATCHEE	PANGBORN FIELD	EAT	18,793	\$300,000
346	AL	MUSCLE SHOALS	MUSCLE SHOALS	MSL	18,632	\$300,000
347	RI	WESTERLY	WESTERLY STATE	WST	18,590	\$300,000
348	PR	AGUADILLA	BORINQUEN	BQN	18,518	\$300,000
349	TQ	BABELTHUAP ISLAND	BABELTHUAP/KOROR	KOR	18,495	\$300,000
350	WV	LEWISBURG	GREENBRIER VALLEY	LWB	18,472	\$300,000
351	PA	ALTOONA	ALTOONA-BLAIR COUN	AOD	18,442	\$300,000
352	NC	HICKORY	HICKORY MUNI	HKY	18,405	\$300,000
353	AK	CORDOVA	CORDOVA-MILE 13	CDV	18,326	\$300,000
354	CO	EAGLE	EAGLE COUNTY	EGE	18,201	\$300,000
355	NE	GRAND ISLAND	CENTRAL NEBRASKA R	GRI	17,986	\$300,000
356	MN	INTERNATIONAL FAL	FALLS INTL	INL	17,695	\$300,000
357	IL	QUINCY	QUINCY MUNI BALDWI	UIN	17,528	\$300,000
358	IN	TERRE HAUTE	HULMAN REGIONAL	HUF	17,298	\$300,000
359	AK	PETERSBURG	PETERSBURG	PSG	16,873	\$300,000
360	MI	HANCOCK	HOUGHTON COUNTY ME	CMX	16,825	\$300,000
361	NE	SCOTTSBLUFF	WILLIAM B. HEILIG	BFF	16,604	\$300,000
362	OH	CLEVELAND	BURKE LAKEFRONT	BKL	16,494	\$300,000
363	CA	SANTA ROSA	SONOMA COUNTY	STS	16,391	\$300,000
365	NY	EAST HAMPTON	EAST HAMPTON	HTD	16,121	\$300,000
366	MS	TUPELO	C.D.LEMONS MUNI	TUP	15,948	\$300,000
367	WA	FULLMAN/MOSCOW, ID	FULLMAN/MOSCOW REG	PUW	15,879	\$300,000
368	WY	ROCK SPRINGS	ROCK SPRINGS-SWEET	RKS	15,836	\$300,000
369	AK	ANIAK	ANIAK	ANI	15,774	\$300,000
370	MA	PROVINCETOWN	PROVINCETOWN MUNI	PVC	15,711	\$300,000
372	FL	MARATHON	MARATHON	MTH	15,615	\$300,000
373	AK	ST MARY'S	ST MARY'S	KSM	15,316	\$300,000
374	NY	NEW YORK	FORT AUTHORITY-WES	JRA	15,239	\$300,000
375	AK	WRANGELL	WRANGELL	WRG	14,816	\$300,000
376	GA	VALDOSTA	VALDOSTA REGIONAL	VLD	14,785	\$300,000
377	PA	LATROBE	WESTMORELAND COUNT	LBE	14,465	\$300,000
379	CA	IMPERIAL	IMPERIAL COUNTY	IFL	14,067	\$300,000
380	CA	CHICO	CHICO MUNI	CIC	13,560	\$300,000
382	AK	GALENA	GALENA	GAL	13,486	\$300,000
383	WA	WALLA WALLA	WALLA WALLA CITY C	ALW	13,346	\$300,000
384	CA	VISALIA	VISALIA MUNI	VIS	13,266	\$300,000

REPORT 05

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RANK	STATE	ASSOCIATED CITY	AIRPORT NAME	LOCID	ENPLANEMENTS	ESTIMATED ENTITLEMENT FUNDS
385	WY	SHERIDAN	SHERIDAN COUNTY	SHR	13,178	\$300,000
386	GA	ATHENS	ATHENS MUNI	AHN	13,153	\$300,000
388	KY	OWENSBORO	OWENSBORO-DAVIESS	OWB	13,057	\$300,000
389	AK	VALDEZ	VALDEZ NR 2	VDZ	12,912	\$300,000
390	WY	GILLETTE	GILLETTE-CAMPRELL	GCC	12,877	\$300,000
391	NV	LAS VEGAS	NORTH LAS VEGAS AI	UGT	12,530	\$300,000
392	MO	CAPE GIRARDEAU	CAPE GIRARDEAU MUN	CGI	12,477	\$300,000
393	TQ	FOHAPE ISLAND	FOHNPEI INTL	FNI	12,419	\$300,000
394	AK	SOLDOTNA	SOLDOTNA	SXD	12,358	\$300,000
395	AL	TUSCALOOSA	TUSCALOOSA MUNI	TCL	12,194	\$300,000
396	TX	VICTORIA	VICTORIA REGIONAL	VCT	11,904	\$300,000
397	CA	OXNARD	OXNARD	OXR	11,764	\$300,000
398	SD	PIERRE	PIERRE MUNI	FIR	11,566	\$300,000
399	NE	NORTH FLATTE	LEE BIRD FIELD	LSF	11,167	\$300,000
400	OH	PORT CLINTON	CARL R KELLER FIEL	PCW	11,092	\$300,000
401	AK	METLAKATLA	METLAKATLA	MTM	11,066	\$300,000
402	UT	SAINT GEORGE	SAINT GEORGE MUNI	SGU	11,045	\$300,000
403	AK	FORT YUKON	FORT YUKON	FYU	10,936	\$300,000
404	TQ	MOEN ISLAND	TRUK INTL	Z07	10,875	\$300,000
405	AK	UNALASKA	UNALASKA	DUT	10,856	\$300,000
406	WV	BECKLEY	RALEIGH COUNTY MEM	BKW	10,632	\$300,000
407	NV	ELKO	ELKO MUNI-J.C. HAR	EKO	10,597	\$300,000
408	OR	PENDLETON	PENDLETON MUNI	PDT	10,523	\$300,000
409	VA	STAUNTON/WAYNESE/	SHENANDOAH VALLEY	SHD	10,506	\$300,000
410	GA	BRUNSWICK	GLYNCO JETPORT	BQK	10,496	\$300,000
411	CA	INYOKERN	INYOKERN	IYK	10,466	\$300,000
413	NC	WINSTON SALEM	SMITH REYNOLDS	INT	10,307	\$300,000
414	WY	RIVERTON	RIVERTON REGIONAL	RIW	10,255	\$300,000
415	AK	GUSTAVUS	GUSTAVUS	GST	10,242	\$300,000
416	IN	BLOOMINGTON	MONROE COUNTY	BMG	10,196	\$300,000
417	AL	ANNISTON	ANNISTON-CALHOUN C	ANB	10,173	\$300,000
418	DE	WILMINGTON	GREATER WILMINGTON	ILG	10,157	\$300,000
419	CR	PEIPEINIMARU	WEST TINIAN	TNI	10,129	\$300,000

TOTAL FOR JUST 144 ADDITIONAL QUALIFYING AIRPORTS 3,124,547 \$43,420,199

NEW U.S. TOTAL FOR 408 PRIMARY AIRPORTS WOULD BE 440,891,397 \$571,392,497

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ATTACHMENT B

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NEW/MODIFIED ASSURANCES (New text is underlined)

1. **General Federal Requirements. Federal Legislation :** Add new item
u. Merchant Marine Act, 1936 - 42 U.S.C. 1241(b)

Federal Regulations. add new items:

- j. 49 CFR Part 29 - Debarments, Suspensions and Voluntary Exclusions
k. 46 CFR Part 381 - Cargo Preference - U.S. Flag Vessels

19. **Operation and Maintenance.**

a. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for nonaeronautical purposes must first be approved by the Secretary. The airport and all facilities...

20. **Hazard Removal and Mitigation.** It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

22. **Economic Nondiscrimination. ...**

e. Each air carrier using such airport (whether as a tenant, nontenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and which utilize similar facilities, subject to reasonable classifications such as tenants or nontenants and signatory carriers and nonsignatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

25. **Airport Revenue.** If the airport is under the control of a public agency, all revenues generated by the airport and any local taxes on aviation fuel established after (date) will be expended by it for the capitol or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and directly related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. Provided, however, that if covenants or assurances in debt obligations issued before September 3, 1982 by the owner or operator of the airport, or provisions enacted before September 3, 1982 in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt

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obligations or other facilities, then this limitation on the use of all revenues generated by the airport shall not apply.

29. Airport Layout Plan.

a. It will keep up to date...The sponsor will not make or permit any changes or alterations in the airport or in any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary or which might, in the opinion of the Secretary, adversely affect the safety, utility, or efficiency of the airport.

b. If a change or alteration in the airport or its facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities.

32. Disposal of Land.

a. For land purchased under grant before, on, after (date of enactment) for airport noise compatibility purposes, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States share of acquisition of such land will, at the discretion of the Secretary, be paid to the Secretary for deposit in the Trust Fund or be invested in an approved noise compatibility project as prescribed by the Secretary.

b. For land purchased for airport purposes (other than noise compatibility) under grant before, on, or after (date of enactment), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value. That portion of the proceeds of such disposition which is proportionate to the United States share of the cost of acquisition of such land will be paid to the Secretary for deposit in the Trust Fund.

c. Disposition of such land under a. and b. above will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with the operation of the airport.

33. Disadvantaged Business Enterprises. It will take such action as necessary to ensure that, to the maximum extent practicable, at least 10 percent of all businesses at the airport which sell food, beverages, printed materials, or other consumer products to the public are small business concerns owned and controlled by socially and economically

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disadvantaged individuals, as defined under section 505(d) of the Airport and Airway Improvement Act of 1982, as amended.

34. Engineering and Design Services. It will award contracts and subcontracts for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping, or related services with respect to the project in the same manner as a contract for architectural and engineering services is negotiated under title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

35. Foreign Market Restrictions. It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

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