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

# Memorandum

Subject: Program Guidance Letter 96-1

Date: AUG 1 1996

From: Acting Manager, Airports Financial  
Assistance Division, APP-500

Reply to  
Attn. of:

To: PGL Distribution List

96-1.1 Block Grant Preapplications and Authorization - Mark Beisse (202) 267-8826.

At this time it is unclear whether AIP authorization and transportation appropriations acts will be in place at the beginning of FY 1997. There are, however, some program issues for which early notice and planning are appropriate. The Administration and House proposals for AIP reauthorization would extend and expand the State block grant program. The Senate bill would extend block grants but, as it now stands, would not authorize more States to participate. This PGL item is intended to provide early notice to FAA Airports offices, States and other interested parties on preapplication procedures for consideration as a participating block grant State, should the Administration or House proposals be enacted.

The block grant preapplication procedures for States not presently in the program are contained within Attachment 1. This advanced notice and preliminary procedure would allow interested States to work on preparation of their application at their convenience during the period AIP reauthorization is being considered by Congress. The preapplication/application procedures are similar to those used by current State participants who we anticipate would not need to reapply.

This notice and procedure is available on the FAA's Home Page so that States will have timely access to the requirements in a form that provides for maximum State flexibility. It is located under the "FAA Information on the World Wide Web." States may access the home page of FAA's Office of the Associate Administrator for Airports and find Aviation State Block Grant Program at APP-510 under Airport Planning and Programming.

A hard copy of Attachment 1 should be provided by regions to all States as defined in Title 49, United States Code, section 47102. We need to ensure that no State is inappropriately omitted from consideration, whether they have expressed interest in block grants or not. This information is being made available through the Internet. However,

many States may not have the capability to communicate through that vehicle. Please remember regions may not approve State selections and block grants without notification by APP-500 that an announcement or allocation can be made.

Regions are encouraged to initiate work on a contingency basis with interested States. Regional recommendations, based on evaluations of the strength of the States' applications, their ability to carry out the program, and their ability to meet requirements specified in 49 USC 47128, will be important in selecting new State block grantees.

Regions should request that States withhold submission of applications until it is known whether Congress acts to expand the block grant program. In any case, however, do not send the preapplications to APP-500 until requested. After action by Congress, we would notify you when it may be appropriate to forward preapplications or applications. We anticipate that if, after formal coordination, a State does not have an adequate proposal at that time, regions may want to list deficiencies, forward preapplications, and consult with APP-500. Detailed guidance will be provided when appropriate.

  
Barry Molar  
Attachment

Cancelled

NOTICE TO ALL STATE AVIATION OFFICIALS

AVIATION STATE BLOCK GRANT PROGRAM

In the near future, the States could be invited by the Federal Aviation Administration (FAA) to apply to implement block grants under the Airport Improvement Program (AIP).

Additional action by the Congress is necessary for the continuation beyond September 30, 1996, of the AIP and State block grant program. Congressional action could expand the program to new States. However, the required deadline for State applications could be during this calendar year if the block grant program is expanded, depending upon the authorization which may be enacted.

If your State wishes to be considered for such program, a preapplication process may be used in anticipation of any authorization requiring FAA selection of additional block grant States. The current AIP pilot States should continue working with their respective FAA regional offices since we anticipate they could be included in an extended aviation block grant program without reapplying. Any questions about the block grant program should be directed to the Airports Division Manager in the designated FAA regional office, or the Airports District Office Manager, if applicable.

INSTRUCTIONS FOR PREPARING PREAPPLICATION  
AVIATION STATE BLOCK GRANT PROGRAM

This is a preapplication procedure and format for States that anticipate requesting State block grants under the Airport Improvement Program (AIP) if that program is reauthorized and expanded.

Advanced Notice of Procedures. The preapplication procedures are intended to provide advanced notice for interested States and additional time on preparation of their application if the block grant program is expanded. The current State block grant pilot program under Title 49, United States Code, section 47128 (49 USC 47128), provides the basis for these procedures. The original pilot program was implemented in fiscal year 1990. It involved Illinois, Missouri, and North Carolina for the first 3 years. It was extended to Michigan, New Jersey, Texas, and Wisconsin during the remaining period.

The Federal Aviation Administration (FAA) has been committed to using the block grant program for further development of the State/Federal partnership. Criteria to be used by the FAA for selecting State participants would be based on those listed in 49 USC 47128 or further statutory authority which could be enacted. We anticipate that selection of additional State participants due to expansion of the block grant program would be conducted in a manner similar to the existing pilot program with only minor changes to accommodate any changes in the statute.

State Flexibility. The FAA intends to continue providing States with flexibility to tailor the number or types of airports included in the block grant depending upon their needs and capabilities. For instance, States could opt to have the FAA continue administering grants for some or all relievers, commercial service airports, and locations in the Military Airports Program. A block grant State might expand the scope of its program in a subsequent year. The strength or ranking of a State application would not necessarily depend on including all nonprimary airports. Applicants may consult with FAA regions on how a potential State block

grant might be appropriately tailored to the specific situation.

As another possible example of State flexibility, the FAA could consider requests for exemptions from section 156.5(b) of Federal Aviation Regulations, which indicates no AIP funds may be used for program administration costs. In response to previous requests, FAA has approved use of up to 1 percent of a State's apportionment funds, or \$75,000, whichever is greater, to help defray State block grant program administrative costs. In any case, project administrative costs associated with individual implementation projects, would qualify as allowable project costs subject to limitations in current guidance for development project costs.

Preapplication Deadline. No dates have been established at this time for submission of preapplications to the FAA regional offices or for the selection of States. A schedule of events, including meetings, ongoing FAA review, and issuance of grants, could be announced at a later time if the block grant program is extended.

A State interested in such a block grant program should contact the regional Airports division or district office, as applicable, at any time for information and assistance about completing or returning preapplications. Please note that a preapplication would not be a prerequisite of the program and a State may choose to wait until deadlines are announced before submittal of an application. We anticipate that the schedule, when set, would allow only a short notification period, which is the reason for this advanced notice and preapplication process.

Procedure for State Preapplications. The three-part forms following this set of instructions, as well as standard assurances, are to be used for preapplications. Barring unforeseen events, the same forms will be used for the applications. A copy of Standard Form 424 may be used in place of Part I.

The preapplication forms should be sent electronically, by U.S. Mail, or through other delivery services, to the regional Airports Division Manager. A list of Internet

addresses for the regional Airports division managers is provided below.

1. New England: vincent\_scarano@mail.hq.faa.gov
2. Eastern: bill\_degraaff@mail.hq.faa.gov
3. Southern: steve\_brill@mail.hq.faa.gov
4. Great Lakes: wbillingsley@mail.hq.faa.gov
5. Central: george\_hendon@mail.hq.faa.gov
6. Southwest: naomi\_saunders@mail.hq.faa.gov
7. Northwest Mountain: lowell\_johnson@mail.hq.faa.gov
8. Western-Pacific: herman\_bliss@mail.hq.faa.gov
9. Alaskan: ron\_simpson@mail.hq.faa.gov

State Selection Process. Applications received by FAA regions within the deadline to be established would be reviewed to determine whether the mandatory requirements of 49 USC 47128 have been met. Regions will be expected to make recommendations for State selection by the FAA Administrator based on the State's qualifications for administering nonprimary airport projects under the AIP at that time.

PART I - PREAPPLICATION/APPLICATION FORM  
STATE INFORMATION  
AVIATION BLOCK GRANT PROGRAM

Part I of the application for the State block grant program under the Airport Improvement Program (AIP) includes selected information from Standard Form (SF) 424, Application for Federal Assistance. States may use SF 424 or any written format they choose to address the information below for the U.S. Department of Transportation (DOT), Federal Aviation Administration (FAA). Each item should be completed.

1. Date that State application for the block grant program is submitted to FAA regional office.
2. Legal name of State applicant's primary organizational unit that will administer the block grant program.
3. Address of State applicant.
4. Employer identification number as has been assigned by the U.S. Internal Revenue Service.
5. Is the State applicant organization delinquent on any Federal debt, such as audit disallowances, loans, or taxes.
6. If the State applicant is delinquent on Federal debt, what is the explanation of that situation.
7. Typed name of authorized State representative for whom a copy of the governing body's authorization to sign this application is on file in the applicant's office.
8. Title of authorized State representative.
9. Telephone number of authorized State representative.
10. Signature of authorized State representative.

PART II - PREAPPLICATION/APPLICATION FORM  
STATE PROGRAM INFORMATION  
AVIATION BLOCK GRANT PROGRAM

Part II of the application will provide the principal information used to select the successful candidates for the AIP block grant program. States receiving block grants will be expected to carry out the program in accordance with the information which they present in the application. States may use any written format they choose to provide the information below. Each item should be addressed.

1. Describe your State's general approach to the block grant program.
2. Describe your agency or organization to show that it is capable of administering effectively a block grant.
3. Describe your airport system planning process. Specify how safety and security projects are justified in your airport system planning process.
4. Describe your environmental study and protection requirements as they apply to airport development.
5. Define your project programming process as well as the project priority ranking system and compare it with the FAA system. This item must include how your programming process provides for meeting critical safety and security projects. It must also describe how the programming process ensures that the needs of the national airport system are addressed.
6. Describe your procedure for compliance with Federal procedural and other standard requirements.
7. Describe any State channeling act which requires you to be an agent, sponsor, or otherwise participate, in financial oversight of a Federal airport project.

PART III - PREAPPLICATION/APPLICATION FORM  
STATE ASSURANCES  
AVIATION BLOCK GRANT PROGRAM

1. General. These assurances are required to be submitted as Part III of the application form by States applying to participate in the State block grant program under Title 49, United States Code, section 47128, and Title 14, Code of Federal Regulations, Part 156. Participating States shall comply with these assurances in the performance of any grant agreement executed as a result of this application.

2. Inclusion in Grant Agreement. Upon acceptance by the State of the grant offer, these assurances are incorporated in and become part of the grant agreement.

3. Standard Federal Requirements. The State agrees to comply with Federal procedural and other standard requirements for administering the block grant.

4. Program Reporting. The State agrees to provide the FAA with such program or project information as the DOT Secretary may require.

5. Obligation to Standard Assurances. For all projects where the State is the owner of the airport(s), the State shall be obligated to comply with the standard AIP Assurances entitled "Assurances - Airport Sponsors" and "Assurances - Nonairport Sponsors Undertaking Noise Compatibility Program Projects," as appropriate to the individual project. These standard assurances are attached to and become part of these Aviation Block Grant Program State Assurances.

For all projects benefiting an airport owner other than the State, the State shall enter into an agreement with that airport owner which shall obligate that airport owner, or the State, to comply with each of the attached assurances which would have been applicable to the airport owner had it applied directly to the FAA for a grant to undertake the project. That agreement shall address the transfer and delegation to the airport owner of State obligations to the

FAA, if desired. That agreement and changes thereto must be satisfactory to the Administrator of the FAA.

6. Compliance Responsibilities. The State shall take steps to enforce its agreement with each airport owner benefiting from the block grant program if noncompliance with the terms of the agreement is evident. This compliance responsibility shall be assumed by the FAA at the termination of the block grant program, or as otherwise agreed to by the State and the FAA.

7. Environmental Responsibilities. A State which is subject to its own environmental requirements comparable to requirements of the National Environmental Policy Act (NEPA) of 1969 ("NEPA-like," as defined in regulations issued by the U.S. Council on Environmental Quality (CEQ)) shall follow its own requirements. If the State has no such requirements, it shall follow applicable CEQ regulations.

8. State Resource Availability. The State assures that sufficient funds will be available for that portion of project costs which are not paid by the United States, and that sufficient qualified personnel will be available to carry out its responsibilities under this grant in a timely manner satisfactory to the FAA.