

Part I: Background

Chapter 2. Compliance Program

2.1 Introduction.

This chapter is an introduction to the Federal Aviation Administration (FAA) Airport Compliance Program. The basis of sponsor federal obligations resides with federal statute, the Airport Improvement Program (AIP) grant program, land transfer documents, and surplus property agreements. It is the responsibility of the FAA Regional Airports Divisions (Regions) and Airport District Offices (ADOs) to advise sponsors of their compliance requirements and to ensure that sponsors comply with their federal obligations.

2.2 Background.

The FAA Airport Compliance Program enforces contractual federal obligations that a sponsor accepts when receiving federal grant funds or the transfer of federal property. These contractual federal obligations serve to protect the public's interest in civil aviation and achieve compliance with federal statutes. Given the great number of federally obligated airports and the variety of federal obligations, the compliance program primarily focuses on education with the goal of achieving voluntary compliance. The program supplements this educational approach with periodic compliance monitoring and vigorous investigation of potential violations.

2.3 Determining if an Airport is Federally Obligated.

a. General Information.

Historically, the FAA published [FAA Order 5190.2, List of Public Airports Affected by Agreements with the Federal Government](#), which provided a listing of all publicly and privately owned public use airports that were affected by agreements with the federal government and handled by the FAA. In addition, the Airport Master Record includes information on whether the airport is federally obligated. To view an Airport Master Record (previously referred to as a Form 5010) or download a PDF version of the Airport Master Record, use the Facility Search within the [Airport Data and Information Portal](#) and select "Download AMR Report".

b. Information Codes.

The FAA presents federal obligation data in the form of codes, such as G, R, S or P. Each code represents a particular federal obligation type. The Federal Obligation Codes and their corresponding definitions are available at: [Agreements with the Federal Government - Code Definitions](#).

2.4 Objectives of the Compliance Program.

a. Voluntary Compliance and Enforcement Actions.

Most violations of sponsor federal obligations are not a deliberate attempt to circumvent federal obligations. Generally, violations occur because sponsors do not understand specific requirements or how a requirement applies to a specific circumstance.

Therefore, the program works to ensure sponsors are fully informed of their federal obligations and of the applicability of those obligations to the circumstances at a given airport. Informal resolution is the preferred course of action. (See chapter 5, *Initiating, Accepting, and Investigating Informal and Formal Complaints.*)

When reasonable efforts have failed to achieve voluntary compliance on the part of the sponsor, the FAA may take more formal compliance actions. This may result in withholding federal funds, issuing a Notice of Investigation (NOI) under 14 CFR part 16, or initiating judicial action if warranted.

Issuing a NOI or initiating formal legal action are options exercised by the FAA Office of Airports Compliance and Management Analysis in accordance with 14 CFR part 16 procedures.

b. Advisory Services.

Generally, the FAA will not substitute its judgment for that of the airport sponsor in matters of administration and management of airport facilities. However, the FAA is in a position to assist airport sponsors in achieving voluntary compliance through guidance and counsel about the nature and applicability of federal compliance obligations affecting their airports.

c. Compliance Oversight.

Given the approximately 3,500 federally obligated airports, the FAA cannot practically conduct compliance oversight with an annual visit or review at each airport. However, periodic monitoring of a certain number of federally obligated airports is necessary to identify individual issues and problems that may be indicative of system deficiencies.

d. Enforcement Action.

FAA personnel involved in compliance should make every effort to obtain voluntary compliance. When enforcement action is taken, it must be fair and applied in a uniform manner. When safety issues are identified, however, prompt corrective action is expected.

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2.5 Program Elements.

Education is the primary tool for achieving program compliance. However, to maintain program integrity, FAA personnel must also include limited surveillance to detect recurring deficiencies, system weaknesses, or prohibited actions by sponsors. Investigation and resolution of complaints is the most important tool of the compliance program. When FAA efforts fail to obtain voluntary compliance, enforcement actions must be pursued.

a. Education.

The education of sponsors may take many forms, beginning when the sponsor receives its first federal grant or transfer of federal property. FAA Regions and ADOs should discuss with first-time sponsors the impact of specific grant assurances and/or land transfer federal obligations and let them know that the offices will continue to provide advisory services.

At least once every three years, FAA personnel should advise sponsors in writing to review their grant or land-transfer federal obligations. Compliance personnel should also provide sponsors with information or material to aid sponsors' understanding of their federal obligations.

Finally, sponsors should be encouraged to conduct or participate in periodic seminars or courses for federally obligated airports. In many instances, FAA Regions host or sponsor airport-related events, such as conferences, that are good opportunities to disseminate information regarding airport compliance.

b. Inspections and Surveillance.

Surveillance is the process of gathering data on the condition or operation of an airport to determine the sponsor's compliance with federal obligations. FAA personnel routinely gather such information during their site visits to airports. In addition, information is gathered from other sources, including other FAA offices, state inspectors, airport tenants, and information forms, such as the Airport Master Record.¹

FAA personnel may also conduct surveillance by means of telephone discussions or written correspondence with appropriate airport officials to learn if potential problems exist. Further follow up through inspection may or may not be necessary depending on

¹ In many instances, state aviation inspectors gather the data for inclusion in the Airport Master Record on behalf of the FAA.

the information obtained. The information received should be documented and maintained for future reference. Alternately, FAA personnel may provide sponsors with printed material that identifies and explains the federal obligations accepted by that sponsor.

c. Investigations of Complaints.

Regions and ADOs must investigate informal complaints from aeronautical users alleging that an airport is not complying with its federal obligations. FAA personnel should complete the investigation in a timely manner and notify the complainant in writing of the outcome of any investigation. When an investigation reveals a violation of a federal obligation, Regions and ADOs should initiate a timely dialogue with the airport sponsor and attempt to achieve voluntary compliance as soon as practicable. See chapter 5, *Initiating, Accepting, and Investigating Informal and Formal Complaints*, for more information. Safety-related issues may require expedited action on the part of the FAA. Where appropriate, airport sponsors should also use an airport safety self-inspection checklist as a means to assist in ensuring safe airport operations.

2.6 Priorities and Emphasis.

When pursuing remedial or enforcement actions, the FAA considers all federal airport obligations important. However, consistent with the FAA mission, the most important objective in FAA's oversight of the compliance program is to ensure and preserve safety at all federally obligated airports.

Ensuring safe airport operations includes maintaining runways, taxiways, and other operational areas in a safe and usable condition; keeping runway approaches cleared; providing operable and well-maintained marking and lighting; etc.

In developing priorities for compliance surveillance in the region, FAA personnel should direct attention to those airports with the greatest potential for compliance problems and to those issues that have the largest impact on aeronautical users.

2.7 Responsibilities.

The Airports Compliance Division (ACO-100) within FAA's Office of Airports Compliance and Management Analysis (ACO-1), administers the airport compliance program and provides the following:

- overall guidance and direction for conducting the compliance program.
- conducts evaluations to determine compliance with federal statutes, regulations and grant assurances.

- looks for opportunities to improve the quality of the compliance program.
- offers recurrent training and on-request training to Regions and ADOs.
- develops compliance policy, supporting Regions and ADOs in conducting informal resolution, and resolving formal complaints.
- directs the formal enforcement of FAA grant obligations, as well as surplus and nonsurplus property conveyances.
- prepares generalized educational materials for Regions and ADOs to use in their compliance programs.

Regions and ADOs are responsible for the day-to-day conduct of the compliance program in accordance with the direction provided in this Order. This guidance establishes the basic requirements and goals to be achieved in the compliance program. Compliance is an essential component in safeguarding both the federal investment and the public's interest in civil aviation. This also includes ensuring public access to the national system of airports.

2.8 Analyzing Compliance Status.

a. Data Analysis.

FAA compliance personnel should carefully analyze accumulated data in evaluating a sponsor's compliance performance and identifying appropriate actions to correct any deficiencies noted. More often than not, when apprised of a deficiency, a sponsor will ask for recommendations to correct the problem.

b. Preliminary assessment.

FAA must make a judgment call in all cases as to whether a sponsor is reasonably meeting its federal commitments. A sponsor meets its commitments when:

- (1) the federal obligations are fully understood;
- (2) a program (e.g., preventive maintenance, leasing policies, operating regulations, etc.) is in place that the FAA deems adequate to carry out the sponsor's commitments;
- (3) the sponsor satisfactorily demonstrates that such a program is being carried out; and,
- (4) past compliance issues have been addressed.

c. Follow-up.

- (1) Each Region or ADO should develop a system to follow up and ensure that airports take action on any identified compliance deficiencies until the airport sponsor achieves compliance. Failing to follow up on compliance issues at the Region or ADO level may lead to unnecessary and resource-intensive formal complaints.
- (2) FAA compliance personnel must initiate action at those airports that are not being maintained or operated in accordance with the sponsor's commitments, especially if safety is involved. There should be an effort to help the sponsor voluntarily meet these commitments. When the sponsor has demonstrated an unwillingness to make the corrections necessary to achieve compliance, FAA may pursue corrective enforcement and document such actions.
- (3) FAA may undertake a formal compliance inspection in response to a complaint. Such an inspection may also take place whenever the FAA has any reason to believe that a sponsor may be in violation of one or more of its federal obligations.

2.9 Compliance Determination.

FAA personnel must remain aware of which airports are not in compliance in their areas of responsibility. Before the Region or ADO can issue a federal airport grant, it must make an official determination that the sponsor is in compliance with its federal obligations.

A determination of compliance is based on a review of all available data concerning the airport and the circumstances involving its operation. The review need not include a formal compliance inspection or a formal compliance determination. It should, however, include the properly documented review of available data on hand. The Region or ADO may rely on a sponsor's self-certification of compliance when making a compliance determination prior to issuing a grant. However, it is important that all data used to support this determination, including informal complaints and related materials, be analyzed and recorded in the appropriate files.

a. Notification.

When the Region's or ADO's assessment of the sponsor's performance concludes that the sponsor is not meeting its federal compliance obligations, the Region or ADO must give the sponsor notification of potential noncompliance. Failure to provide such notice delays the corrective action and the problem may become more difficult to resolve at a future date. Prompt communication between the Region or ADO and the sponsor about compliance deficiencies is essential to solving problems early before they become more

difficult to resolve. See chapter 5, *Initiating, Accepting, and Investigating Informal and Formal Complaints*, for more information.

b. Actions Needed to Correct Noncompliance.

The Region or ADO notification must clearly spell out the actions needed to correct the potential noncompliance. The office should also perform a timely follow-up review to ensure completion of the corrective action.

c. Withholding AIP Payments and Grant Application Approval.

Through the formal Part 16 process, the FAA can initiate the withholding of a payment on an AIP grant or approval of an AIP grant application. Additionally, the Regions and ADOs – in conjunction with ACO-100 – can make decisions to suspend discretionary funding, including nonprimary entitlement grants.

2.10 Grants Watch List.

As a result of its compliance functions, ACO-100 maintains a Grants Watch List.

The Grants Watch List lists obligated airport sponsors that have been determined through various surveillance method to be in noncompliance with its grant assurances and/or surplus property obligations. An airport is placed on the Grants Watch List if it falls in one or more of the following categories and the violations are so egregious as to preclude additional federal financial assistance until the issues are resolved:

- Airports with a formal finding of noncompliance under 14 CFR part 16 if corrective action has not been taken; and/or
- Airports listed in the National Plan of Integrated Airport Systems, Non-compliant Airports under 49 U.S.C. § 47103(d) for certain unresolved violations of their grant assurances or other requirements with respect to airport lands; and/or
- Airports with persistent unresolved compliance deficiencies despite FAA requests to the sponsor for corrective action.

The Grants Watch List is an internal notification from ACO-100 to other FAA Airports offices regarding which airports are not to receive any further discretionary grants authorized under 49 U.S.C. § 47115 and the General Aviation \$150,000 apportionment under 49 U.S.C. § 47114(d)(2)(A) until corrective action is achieved. The Grants Watch List may also include formal findings of noncompliance under 14 CFR part 16 that support the withholding of grants under 49 U.S.C. § 47114(c). The Grants Watch List is updated on an as-needed basis and is in addition to other FAA Office of Airports (ARP) generated watch lists concerning airport sponsor compliance and eligibility for grants.

2.11 through 2.15 Reserved.