

Bipartisan Infrastructure Law

Program Update



Presented to: Airport Sponsors/States

By: Infrastructure Branch Team (APP-540)

Date: October 21, 2024



**Federal Aviation
Administration**

BIL Program Overview

- 5-year, \$25 billion investment in nation's air transportation system
 - Air Traffic Facilities
 - Airport Infrastructure
 - Airport Terminal Program (ATP)



Air Traffic Facilities



- A non-grant program to ...
 - Replace air traffic control facilities and equipment
 - Enhance safety, security, and environmental standards

Airport Infrastructure



- Three grant programs intended on enhancing safety and expanding capacity.
 - Airport Infrastructure Grant (AIG)
 - FAA Contract Tower (FCT)
 - AIG Funding Reallocation (AFR)

Airport Terminal Program (ATP)



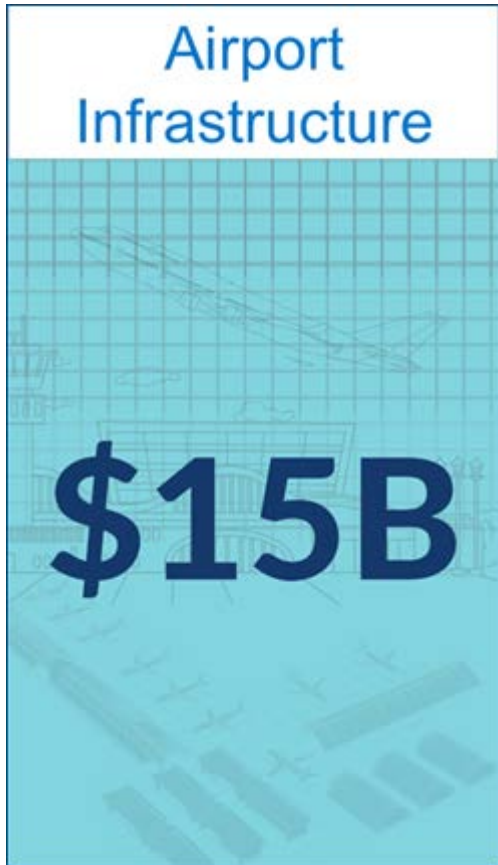
- A competitive program to replace aging terminals and airport-owned towers
- Improve energy efficiency, accessibility, and more.

BIL Program Accomplishments

- Awarded 2,319 BIL grants totaling \$6.8 billion
 - 2,000 AIG grants totaling \$3.9 billion awarded
 - 301 ATP grants totaling \$2.8 billion awarded
 - 65 FCT grants totaling \$53 million awarded
- Seven updates to FAQs
 - 117 questions addressed
- First NOFO issued under BIL programs across government
- First Secretary's Notice of Intent to Fund
- Dedicated APP-540 staff



Airport Infrastructure Grants



\$2.89 billion/year over 5 years based on formula distribution

- Up to \$2.39 billion/year for primary airports based on passenger and cargo volume
- Up to \$500 million/year for non-primary airports based on development cost needs of airports with the same NPIAS role
- Funds not used within 4 years will be lost and converted to FCT and AIG Funding Reallocation program

FY22 to FY24 Allocations Available to Airports

- Funds ready to be put under grant
- Work with your local ADO/RO or State Block Grant State
- [Bipartisan Infrastructure Law](#) website depicts allocations available per airport



AIG FY25 Funds

FY25 allocations will be available in November 2024

- Includes changes related to FAA Reauthorization Act of 2024
- Updated FAQs provide details, released 10/4



Key Changes from FY24

- Best of 3 clause has expired – Primary allocations based on CY23 enplanements
- Minimum primary allocation increased from \$1.0M to \$1.3M
- Cargo allocation increased from 3.5% to 4.0% of primary funding
- Threshold to qualify for a cargo allocation lowered from 100M to 25M pounds landing weight annually



AIG Funds (as of 10/1/2024)

Fund Year	FY22 Allocation	FY23 Allocation	FY24 Allocation	Total
Allocated	\$2,889,896,000	\$2,889,757,000	\$2,889,843,000	\$8,669,496,000
Under Grant	\$1,918,118,076	\$1,290,585,439	\$670,267,100	\$3,878,970,616
Available Funds	\$971,777,924	\$1,599,177,561	\$2,219,575,900	\$4,790,525,384



AIG Funds: Availability

- AIG funds have a four-year period of availability
- Deadlines to use funds in final year of availability:
 - **May 1:** Notify the FAA of your intent to use expiring AIG funds
 - **Before June 30:** Submit applications for projects using expiring funds based on bids
 - **After June 30:** Final Deadline for expiring AIG funds. FAA will move forward with obligations of expiring funds and the reallocation to competitive programs (FCT and AFR) of any unobligated funds, per law.



AIG Funds: Reminder

FY22 AIG funds will **not** be available after June 30, 2025



AIG Funding Reallocation (AFR) Program

An application based on bids using FY22 AIG allocated funds must be submitted by June 30, 2025, or funds will be moved into a competitive discretionary grant program, provided:

- **First \$100 million** will go toward the existing BIL FCT Program
- **Above \$100 million** will go to BIL priorities in AFR



AIG Funding Reallocation Above \$100 Million

- Anything above \$100 million will go toward BIL priorities in AFR program to include:
 - Reduce Airport Emissions
 - Reduce Dependence on the Electric Grid
 - Reduce Noise Impact on the Surrounding Community
 - Provide General Benefits to the Surrounding Community



AFR Program Project Priorities

- Reduce Airport Emissions
 - Projects under our existing VALE/ZEV program, Sustainable Aviation and unleaded aviation fuel infrastructure
- Reduce Dependence on the Electric Grid
 - Projects targeted towards energy supply, redundancy and microgrid projects (including necessary upgrades to support infrastructure), energy efficiency of airport power sources including renewable energy generation, and self-sustained energy sources for on-airport use



AFR Program Project Priorities II

- Reduce Noise Impact on the Surrounding Community
 - Conducting noise compatibility plan/study, acquiring non-compatible land or easements, and sound insulation program for residences and public buildings
- Provide General Benefits to the Surrounding Community
 - On-airport projects including airport terminal upgrades, developing or supporting multi-modal connections, contributing to environmental mitigation, and contributing to environmental resiliency



AFR NOFO: First Year

- First AFR NOFO planned for Aug/Sept 2025, with 1 year to get projects under grant
 - **There will be no extensions**
 - AFR retains AIG eligibility and other rules as applicable



AFR NOFO Outline

AFR NOFO will outline the following:

- Application submission requirements
- Project types and priorities
- Eligibility requirements
- Evaluation criteria
- Deadlines



Federal Contract Tower (FCT) Program

FCT Competitive Grant Program is subcategory
of \$15 billion BIL AIG Program

- \$20 million/year over 5 years based on competitive award (FY22-26)



First \$100 Million AIG Funds Not Obligated

- First \$100 million of AIG funds not obligated in 4 years are competitively awarded to FCTs for:
 - Eligible projects that sustain, construct, repair, improve, rehabilitate, modernize, replace, or relocate non-approach control towers;
 - Acquire and install air traffic control, communications, and related equipment to be used in those towers



FCT Program

- First \$100 million of AIG funds not obligated in 4 years are competitively awarded to FCTs for
 - Construct a remote tower certified by the FAA, including acquisition and installation of air traffic control, communications, or related equipment.
 - To date, the FAA has no certified Remote Towers. The FAA is currently evaluating this technology to assess its suitability for use in the National Airspace System (NAS).
- Tower must be airport owned



BIL FCT Look Ahead

- 179 eligible airports
 - Few FCT projects planned in our ACIP over the next 5 years
- BIL team will continue to encourage applications and provide sponsors an overview of available funding
- Available amounts by FY:
 - FY22-25: \$20M
 - FY26: Up to \$120M
 - FY27-30: Up to \$100M



BIL FCT Historically

- Historically highly competitive program with 30% of projects selected between FY22 to 24
 - On average received 85 applications requesting \$235M
 - On average funded 25 projects for \$20M



FCT Selection Overview

Selection criteria:

- Age of facility
- Operational constraints
- Nonstandard facilities conditions
- New FCT entrant requirements



Other FCT Selection Considerations

- Project is justified and can be quickly put under award (FY25 - October 2025)
- Project advances aviation safety or enhances air traffic efficiency
- Project impact on the National Airspace System
- Project creates good paying jobs



FCT Selection Status and Results: FY 22 to FY23

FY22:

- Selected 20 projects at 20 airports in 18 states totaling \$20 million in funding
- 91 applications received requesting \$282.5 million

FY23:

- Selected 33 projects at 29 airports in 22 states and Puerto Rico for \$20 million in funding
- 86 applications received requesting \$201 million



FCT Selection Status and Results: FY 24 to FY25

FY24:

- Selected 20 projects at 20 airports in 17 states for \$20 million in funding
- 80 applications received requesting \$222 million

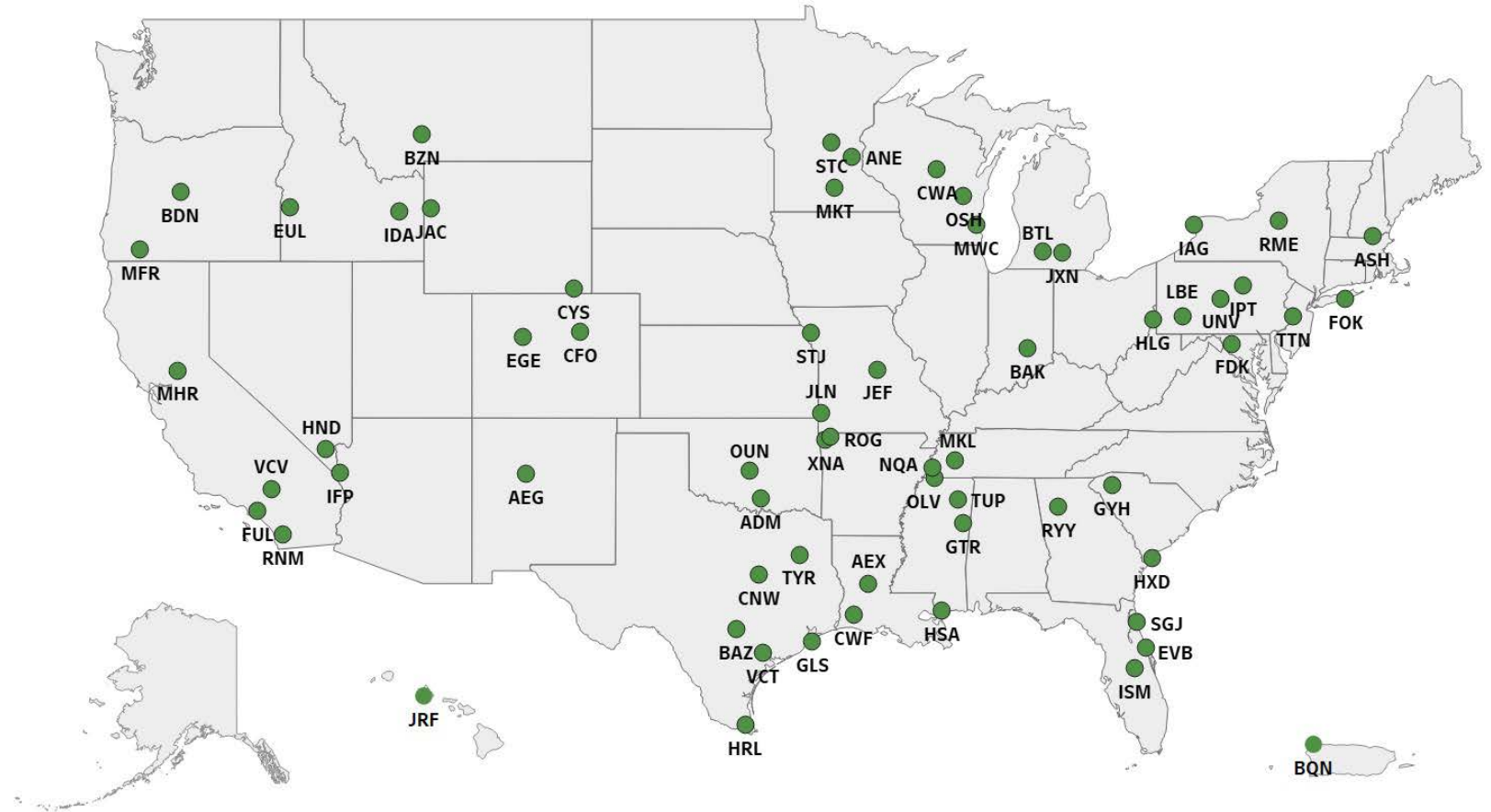
FY25:

- Application submissions closed on September 18
- Selections scheduled for announcement in November 2024
- 82 applications received requesting \$191M in funding



FCT Airport Selections for FY22 to FY24

64 of 179 (36%)
FCT airports have
been selected for a
grant



Prepare for Additional FCT Funding

- Projects that can be implemented quickly
 - \$100M is one year funding
 - Projects that require little design are ideal
 - Given the limited nature of this funding, all projects must strictly meet the timeliness requirement for grant award as outlined in the NOFO
 - **No extensions will be granted to timeliness requirements**
 - All grants will be based on bids or equivalent



Siting Studies

- VISTA (Virtual Immersive Siting Tower Assessment) studies
- A 3D or VR siting modeling process is required for new tower locations.
 - Can be completed by ATO through a reimbursable agreement, but there remains a backlog



Siting Studies: Private Consultant

Option to complete through private consultants to move process forward

- Coordinate with ADOs/ROs on:
 - Process for contracting specific services with private consultants
 - How to build your own models for review and approval by ATO



Siting Studies: General Guidelines

- Applicable to smaller airport locations, with less complex airfield configurations
- Most applicable to FCT tower locations
- Contact Air Traffic Organization
 - Zane Edwards, Zane.Edwards@faa.gov
 - Shari Teel, Shari.A-CTR.Teel@faa.gov



Design Requirements

- [Sustainable Airport Traffic Control Tower Design Initiative \(Small Tower\)](#)
 - Awarded in April 2023 to Practice for Architecture and Urbanism (PAU)
 - Basic design, which does not require a base building
 - Ideal for towers that are **under 120ft**
- Design (30%) will need to be adapted to the applicable site, and sponsors will be responsible for those costs
- Contact your ADO/RO



Design Requirements II

- Adaptable design meets key sustainability requirements including:
 - All-electric building systems
 - Materials and products free from chemicals known to pose health risks
 - Thermally efficient facade
 - High-recycled steel and metal products
 - Renewable mass timber when usable
 - Ground-source heating and cooling in some environments



Design Requirements III

We encourage airports to take advantage of the Sustainable ATCT Design Initiative (Small Tower) design when possible, if designing a new or replacement airport owned tower.

- Will ensure airports are in the best position to compete for BIL discretionary funding or use allowable AIP funding.
- FY25 NOFO for BIL FCT program was published August 19, 2024.
 - Secretary's Notice of Intent to Fund expected late November.



Environmental Review Requirements

- For grants issued under BIL, the process for compliance with the NEPA is the same as it is for grants issued under the AIP:
 - Make a Categorical Exclusion (CATEX) determination, *sponsors must consult with their FAA EPS to determine if a CATEX is applicable.*
 - [Prepare an Environmental Assessment](#) (*normally required for construction/replacement of ATCTs*)
 - Prepare an Environmental Impact Statement (*if necessary*)



Environmental Review Requirements II

- Key points:
 - Sponsors should communicate with their FAA ADO/RO EPS' as early as possible to avoid delays
 - Do not assume a CATEX will apply
 - Consider potential environmental impacts during the planning phase and consult with the FAA ADO/RO EPS



Airport Terminal Program (ATP) Overview



\$1 Billion/Year - Over 5 years – Competitive Grants

- Eligible projects include:
 - Airport terminals and associated roadways
 - Multimodal terminal projects
 - On airport rail access projects
 - Airport sponsor owned towers

ATP Selection Criteria

- Improve airfield safety through terminal relocation
- Replace aging facilities
- Increase capacity and passenger access
- Encourage competition
- Improve Energy Efficiency (including LEED accreditation)
- Expand access for persons with disabilities
- Improve airport access for historically disadvantaged populations



ATP Selection: Other Considerations

- Project is justified and can be quickly put under award (FY25 to July 2025)
- Project creates good paying jobs
- Project advances White House priorities and Executive Orders
- Funding will complete a project, or the project has already received a partial award



ATP Selection Overview II

- Tower projects have an additional four selection criteria:
 - Impact on the National Airspace System
 - Age of facility
 - Operational constraints
 - Nonstandard facility conditions
- ATO is consulted on evaluation of tower project applications



Funding Limitations in BIL: Reminder

Type	Maximum Percentage	Dollars (Million)
Large Hubs (less admin)	55% max	\$520
Medium Hubs	15%	\$150
Small Hubs	20%	\$200
Nonhub / Primary	10%	\$100
Admin (including OIG)	3%	\$30
Total	Not Applicable	\$1,000



FY 2025 ATP Applications

- 575 total applications for about \$8.1 billion in projects received by July 31st at 5pm ET deadline
 - Includes 41 applications requesting \$321M for tower project

Hub Size	Airports with Applications	Number Applications Submitted	Funding Requests
Large Hubs	26	51	\$ 4,187,598,753
Med Hubs	26	41	\$ 991,386,823
Small Hubs	59	75	\$ 1,259,987,506
Nonhub/Nonprimary	362	408	\$ 1,659,829,315
Total	473	575	\$ 8,098,802,397



ATP Status and Results: FY22 and FY23

FY22:

- Selected 91 projects at 85 airports totaling \$968.6 million in funding
- 658 applications received requesting \$14.0 billion

FY23:

- Selected 104 projects at 99 airports totaling \$967.4 million in funding
- 658 applications received requesting \$9.6 billion



ATP Status and Results: FY24 and FY25

FY24:

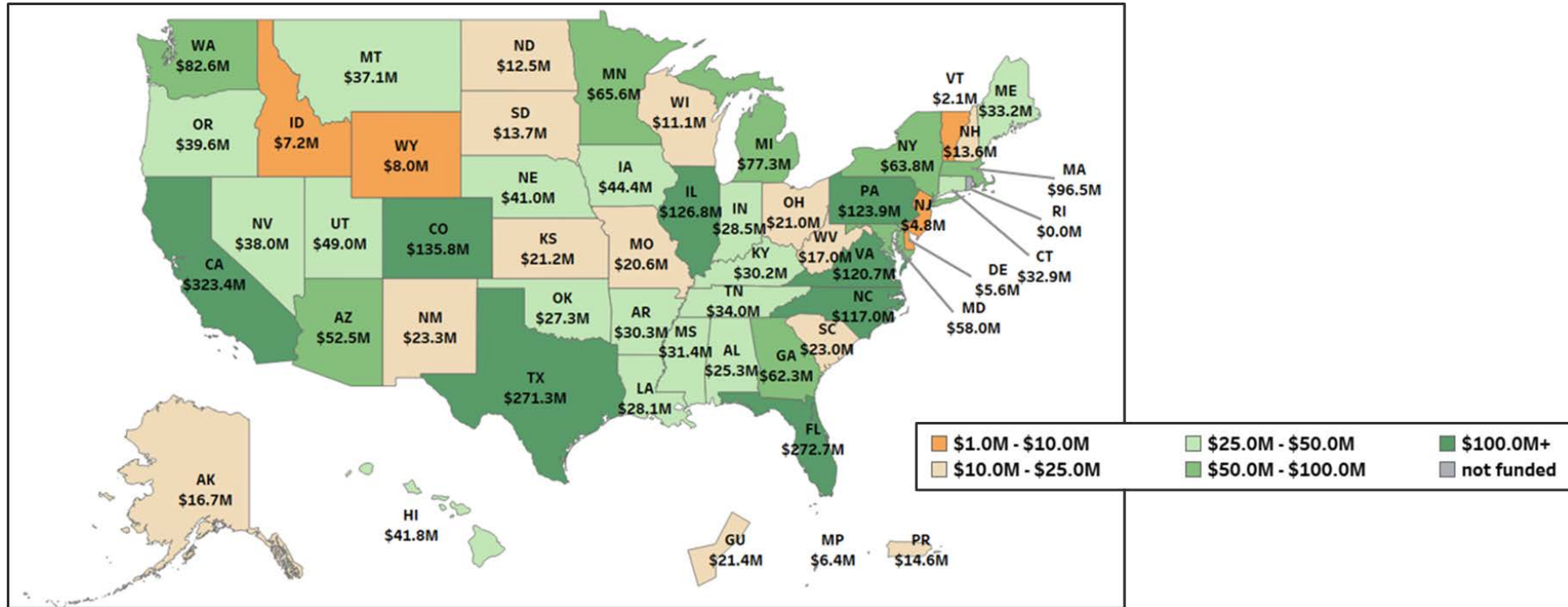
- Selected 118 projects at 114 airports totaling \$970.0 million in funding.
- 636 applications received requesting \$7.7 billion

FY25:

- 575 applications received requesting \$8.1B in funding
- Application submissions closed on July 31
- Selection announcement scheduled for October 2024



FY22 to 24 ATP Funding Distribution



[Bipartisan Infrastructure Law Airport Terminal Program Grants files](#)



Tips for a Successful Application

- Submit application early to avoid last minute technical difficulties
- Confirm project is eligible and justified
- Have a detailed and complete financial plan
- Write to applicable areas of consideration and detail how the project achieves the criteria
- Make sure narratives are clear and concise
- Sign the application



Tips for a Successful Application II

- Be ready to take a grant based on bids or negotiated price by the deadline in the NOFO
- Receive bids as early as possible. Getting bids near the NOFO deadline (usually July) may result in losing selected funding and missing the deadline for the following years' application
- **Work with your ADO (or block grant state) throughout the year on planned projects, including ATP/FCT and AFR**



FAA Buy American Preference

- Preserved under Infrastructure Investment & Jobs Act (IIJA)
- Exceeds Build America Buy America (BABA)
- Required on **all projects** that result in the permanent use of iron, steel, manufactured goods, or construction materials not 100% domestic.
- Type III Waiver – When more than 60 percent of the cost of all components of the facility or equipment procured in the U.S. and final assembly of the facility or equipment occurred in the U.S.
 - Approvable within FAA.



FAA Buy American Preference II

- [Structural] Steel and [Reinforcement] Iron must be 100% domestic.
- Submit to the FAA: [Certification](#), [Content Percentage Worksheet](#), and [Final assembly Questionnaire](#).
 - Sealed Bids: After Winning Bidder/Offerer declared.
 - Alternative Delivery: After FAA approval. When the BOM is complete.
Before the end of the project!
- Field Office submits approved waivers for required publication.



FAA Buy American Preference III

- Approved waivers
 - Posted on [FAA Buy American Requirements webpage](#) for 10 days
 - Effective for use by sponsor for reimbursement on day 11.
 - Effective for five years unless revoked.
- Best Practice
 - Formulate projects with consideration of more than 60% domestic source materials.



Proration/Companion Grants

- Updating the Grant Proration Alternative Program Guidance Letter (PGL)
 - Now named Companion Grant Alternative PGL
- A few notable changes proposed in the update:
 - Simplifies the drawdown process
 - Clarifies that companion grants are an alternative option to “phased” approach defined in the AIP Handbook
 - Clarifies companion grants must use the same “Period of Performance” and “Budget Period” end dates as the FIRST executed companion grant



Proration/Companion Grants Internal Review

- Update is being reviewed internally to ensure consistent application across funding programs



FAQ Updates

- Updated as of Oct. 4, 2024, now available on our website, <https://www.faa.gov/BIL>
 - AIG FY25 updates
 - AIG Funding Reallocation (AFR) Program, beginning FY26
 - FCT funding up to \$120M beginning FY26
 - FAA Reauthorization updates incorporated
 - General eligibility updates



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AIRPORT TERMINAL PROGRAM

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