

FY 2018-2020 **Round 2** Airport Improvement Program  
**Supplemental Appropriation**  
Frequently Asked Questions (FAQs)  
May 15, 2019

This document was designed to answer frequently asked questions (FAQs) stakeholders may have following the U.S. Secretary of Transportation's Intent to Award supplemental Airport Improvement Program (AIP) funding under the Consolidated Appropriations Act, 2018 on May 15, 2019. Direct additional questions to your local FAA Airports District Office and/or state aeronautical agency for those airports covered under the FAA's State Block Grant Program.

**1. How many unfunded Round 1 and new Round 2 airport projects were evaluated, and how much did those requests total?**

The FAA received 2,652 requests totaling \$10.9 billion for airport projects between the unfunded Round 1 requests and new Round 2 requests, compared to the remaining \$779 million in available funding.

**2. Did requests come from all regions of the United States in Round 2?**

The FAA received requests from airports in every state in the Nation, including Puerto Rico and a few other territories. State subtotals ranged from \$22 million to more than \$1.1 billion. The average number of requests from within each state was 43 projects.

**3. How were project requests evaluated?**

Given the FAA received an enormous number of project requests for the remaining 2018 supplemental funds, competition for funding was extremely strong. To be eligible, all project requests must have been submitted in accordance with the stated deadlines and addressed the evaluation criteria outlined in the FRN. In addition, all project requests must have met basic AIP eligibility and justification requirements as a first step. The FAA used multiple criteria, similar to the normal AIP discretionary selection process, to help determine final project selections. Both quantitative and qualitative factors were considered.

The FAA applied a national approach to ensure that the remaining funding was distributed with due consideration of the needs of the national system of airports. The high demand, as noted by the large number of project requests received under Round 2, is proof of the overall airport infrastructure needs at airports of all sizes across the system. Finally, the FAA also considered the availability of other types of AIP funds, including the fiscal year (FY) 2019 regular AIP program.

**4. How many projects were included in the May 15, 2019, Notice of Intent to award under Round 2 of supplemental funding?**

On May 15, 2019, the Secretary announced an Intent to Award projects totaling approximately \$779 million at 127 airports. The airports are located in all 50 states and Puerto Rico. Please see the Secretary's press release for more details.

**5. How geographically diverse is the Intent to Award funding?**

Airports in every state, as well as Puerto Rico, have been designated to receive funding for airport projects under Round 2. Under Round 2, no one state will be receiving more than 4% of the funds available.

**6. What types of airport categories received an Intent to Award?**

The following is the breakdown on the 127 projects by airport category (note: the numbers below do not total 127 because 1 of the projects awarded is for a planning study in the Washington, D.C., metro area):

- 44 Primary Airports
  - 2 Medium hubs
  - 11 Small hubs
  - 31 Nonhubs
- 82 Nonprimary airports
  - 2 National
  - 7 Regional
  - 45 Local
  - 28 Basic

**7. How many of the projects awarded in Round 2 were “priority consideration” airports, as defined in the FRN?**

Of the 127 projects, 105 projects totaling \$671 million, or 86% of the funds, are at “Priority Consideration” airports. The remaining 22 projects are at airports designated as “Nonpriority Consideration” and they total \$107 million, or 14% of the funds.

**8. My project was selected; however, I am receiving less funding than my application requested for the project. Why?**

Many airports submitted large multi-phase projects for consideration. To optimize the benefit of these funds nationwide, in some cases the FAA had to consider smaller, usable units of work. This is consistent with the normal Airport Capital Improvement Plan (ACIP) process, in which larger projects are divided into phases.

**9. My project was not selected under Round 2. Why is that? What should I do? Are there any other funding options for my project?**

The FAA Reauthorization Act of 2018 contained authority for an additional \$1 billion in discretionary funding per year through 2023, subject to annual appropriations.

For FY 2019, the Consolidated Appropriations Act of 2019 provided a supplemental discretionary amount of \$500 million from the General Fund for AIP projects. These funds have some specific rules, and the Act allows them to remain available for obligation until September 30, 2021. The 2019 supplemental will continue to focus on smaller airports. The FAA intends to manage these funds in accordance with the long-established ACIP process, within existing statutory requirements.

Given the overwhelming number of funding requests received, the FAA will work with airports to consider unfunded requests as part of the normal ACIP process for FY 2019-2021. Airport sponsors are encouraged to contact their local Airport District Offices or Regional Offices, or, in the case of airports in the State Block Grant Program, their state aeronautical agencies.

**10. What is the Federal funding percentage rate?**

As explained in the FRN, based on statute, the Federal share (at the time of grant award) for nonprimary airports is 100%. Normal AIP share percentages applies to all other airports.

**11. My project was selected as part of the May 15, 2019, Round 2 Secretary's Notice of Intent announcement. What do I do now?**

Projects selected under Round 2 for supplemental funding will need to complete all statutory and administrative requirements prior to FAA moving forward with an official grant award. Grants will be awarded during FY 2019 and FY 2020 when all pre-grant requirements are complete, including submission of an application based on bids for construction projects and negotiated contracts for consultant services. Airport sponsors should work with their FAA Regional or Airports District Offices or, in the case of airports in the State Block Grant Program, with their state aeronautical agencies.

**12. My project was selected during Round 2, but I will not be ready to begin the project as soon as originally planned, OR, my project select cannot go forward for whatever reason. Can I substitute another project for the one that was selected?**

The FAA has some flexibility in the timing of grants to be awarded under Round 2 of the 2018 supplemental. Airport sponsors should work with their Regional or Airports District Office (or, if appropriate, with their state aeronautical agency) to discuss the timing of grant award. However, the selected projects are specific to the merits of those projects; therefore, project substitutions cannot be permitted.

**13. Can supplemental funding be combined with other types of AIP funding on the same project? Can supplemental funds be added to existing AIP grants?**

Yes, but with one important caveat. The FAA **cannot** combine the funds in a single grant, and each grant must result in a complete and useable unit of work. Accordingly, this will most typically be accomplished by using the supplemental funding for a discrete phase of a multi-phase project.

**14. Can supplemental funds be granted for work that is already underway?**

Supplemental funding follows normal AIP discretionary rules for reimbursement. Discretionary funds cannot be provided for construction costs incurred prior to grant award.

**15. What happens if there is an unavoidable cost increase on a grant funded with the supplemental funds?**

As always, the FAA intends to award these Round 2 supplemental grants based on bids once the projects have met all statutory and administrative requirements. The FAA expects airport sponsors to manage projects within the available funds granted. The FAA does not have the latitude to add regular AIP funds to help address any cost increases.

If any projects come in under budget, the FAA will recover the unused funds and may obligate them on other grants, either to amend prior grants made from the supplemental funds (subject to the normal statutory 15-percent limitation), or potentially to award new grants, but only until September 30, 2020. Any funds still unobligated or recovered after that date must be returned to the U.S. Treasury.

**16. How long does an airport have to draw down funds on a grant from the supplemental funding?**

Like other AIP grants, grants from the supplemental funds will be subject to the "Period of Performance" requirements set forth in 2 CFR Part 200. This establishes an upper limit of 1,460 days from grant award.

**17. What role will block grant states and/or channeling act states play in administering these funds?**

Each state aeronautical agency will fulfill the same roles and responsibilities with respect to the supplemental funding that it does with respect to other AIP funds.