

104TH CONGRESS
1ST SESSION

H. R. 1392

To enhance the safety of air travel through a more effective Federal Aviation Administration, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 4, 1995

Mr. LIGHTFOOT introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To enhance the safety of air travel through a more effective Federal Aviation Administration, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Federal Aviation
5 Administration Reform Act of 1995”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) There is widespread agreement within gov-
9 ernment and the aviation industry that reform of the
10 Federal Aviation Administration is necessary to

1 safely and efficiently accommodate the projected
2 growth of aviation within the next decade.

3 (2) Reestablishing the Federal Aviation Admin-
4 istration as an independent agency will ensure that
5 the agency is able to manage and regulate the safety
6 of the air traffic control system without second-
7 guessing or interference by politically appointed De-
8 partment of Transportation officials.

9 (3) The Federal procurement system interferes
10 with the ability of the Federal Aviation Administra-
11 tion to keep pace with new technology.

12 (4) The Federal personnel system is inflexible
13 and unable to match resources with the real person-
14 nel needs of the Federal Aviation Administration.

15 (5) The existing budget system does not allow
16 for long-term planning or timely acquisition of tech-
17 nology by the Federal Aviation Administration.

18 (6) Without reforms in the areas of procure-
19 ment, personnel, and financing, the Federal Aviation
20 Administration will continue to experience delays
21 and cost overruns in its major airspace moderniza-
22 tion programs.

23 (7) Other internal management reforms will
24 help the Federal Aviation Administration become

1 more responsive to the needs of its customers, who
2 are the users of the air traffic control system.

3 **SEC. 3. OBJECTIVES.**

4 The objectives of this Act are—

5 (1) to establish the Federal Aviation Adminis-
6 tration as an independent agency;

7 (2) to provide for appointment by the President
8 of an Administrator of the Federal Aviation Admin-
9 istration with a fixed term in office of 7 years;

10 (3) to appoint a select panel to review and re-
11 port to Congress regarding innovative financing
12 mechanisms for ensuring adequate funding for exist-
13 ing and future aviation infrastructure needs;

14 (4) to establish a management advisory board
15 in the Federal Aviation Administration to advise the
16 Administrator on management, policy, spending, and
17 regulatory matters under the jurisdiction of the
18 agency;

19 (5) to mandate that final action must be taken
20 on all rulemakings of the Federal Aviation Adminis-
21 tration within 18 months after the date of their ini-
22 tiation;

23 (6) to establish a pilot program for procure-
24 ment reform under which the Federal Aviation Ad-

1 ministration is exempt from various laws governing
2 Federal acquisition practices; and

3 (7) to establish a pilot program for personnel
4 reform under which the Federal Aviation Adminis-
5 tration is exempt from the civil service rules of title
6 5, United States Code, except for provisions relating
7 to employee benefits.

8 **SEC. 4. DEFINITIONS.**

9 For the purposes of this Act—

10 (1) the term “Administration” means the Fed-
11 eral Aviation Administration established under sec-
12 tion 4; and

13 (2) the term “Administrator” means the Ad-
14 ministrator of the Federal Aviation Administration
15 appointed under section 6(a).

16 **SEC. 5. ESTABLISHMENT.**

17 There is established as an independent establishment
18 in the executive branch the Federal Aviation Administra-
19 tion. The Administration shall succeed the Federal Avia-
20 tion Administration of the Department of Transportation
21 in existence on the effective date of this Act.

22 **SEC. 6. OFFICERS.**

23 (a) ADMINISTRATOR.—The Administration shall be
24 administered by an Administrator, who shall be appointed
25 by the President to a 7-year term of office, by and with

1 the advice and consent of the Senate. The Administrator
2 shall carry out all functions transferred to the Adminis-
3 trator by this Act and shall have authority and control
4 over all personnel, programs, and activities of the Admin-
5 istration. The Administrator may be removed by the Presi-
6 dent for neglect of duty or malfeasance in office. The Ad-
7 ministrator shall be compensated at the rate prescribed
8 for level II of the Executive Schedule.

9 (b) DEPUTY ADMINISTRATOR.—There shall be in the
10 Administration a Deputy Administrator, who shall be ap-
11 pointed by the President, by and with the advice and con-
12 sent of the Senate. The Deputy Administrator shall per-
13 form such functions, duties, and powers as the Adminis-
14 trator shall prescribe. The Deputy Administrator shall act
15 for and perform the functions of the Administrator when
16 the Administrator is absent or unable to serve, or when
17 the office of the Administrator is vacant. The Deputy Ad-
18 ministrator shall be compensated at the rate prescribed
19 for level III of the Executive Schedule.

20 (c) ASSISTANT ADMINISTRATORS.—The Adminis-
21 trator shall appoint no more than 8 Assistant Administra-
22 tors who shall perform such functions as the Adminis-
23 trator shall prescribe. The Administrator shall designate
24 the order in which the Assistant Administrators shall act
25 for and perform the functions of the Administrator when

1 the Administrator, or in the Administrator's place the
2 Deputy Administrator, is absent or unable to serve, or
3 when the offices of the Administrator and the Deputy Ad-
4 ministrator are vacant. An Assistant Administrator shall
5 be compensated at the rate prescribed for level IV in the
6 Executive Schedule.

7 (d) CHIEF COUNSEL.—There shall be in the Adminis-
8 tration a Chief Counsel, who shall be appointed by the
9 Administrator. The Chief Counsel shall be the chief legal
10 officer for all legal matters arising from the conduct of
11 the functions of the Administration. The Chief Counsel
12 shall be compensated at the rate prescribed for level IV
13 of the Executive Schedule.

14 (e) INSPECTOR GENERAL.—There shall be in the Ad-
15 ministration an Inspector General appointed in accordance
16 with the Inspector General Act of 1978 (5 U.S.C. App.).
17 The Inspector General shall be compensated at the rate
18 prescribed for level IV of the Executive Schedule.

19 (f) LIMITATIONS.—Each of the officers referred to in
20 this section must be a citizen of the United States. The
21 Administrator must be a civilian.

22 **SEC. 7. FUNCTIONS OF ADMINISTRATOR.**

23 (a) IN GENERAL.—The Administrator shall be re-
24 sponsible for the exercise of all powers and the discharge
25 of all duties of the Administration.

1 (b) GOVERNANCE OF STATUTES.—In carrying out
2 the functions of the Administration under this Act, the
3 Administrator shall be governed by all applicable statutes,
4 including the policy standards set forth in subtitle VII of
5 title 49, United States Code.

6 (c) LIMITATION ON STATUTORY CONSTRUCTION.—
7 Nothing in this Act shall be construed to limit in any man-
8 ner the authority of the Administrator to promote safety
9 by establishing and administering accident prevention pro-
10 grams, encouraging airport development, educating the
11 public on the importance of aeronautics, and encouraging
12 the adoption of worldwide safety standards.

13 (d) FINALITY OF DECISIONS; APPEALS.—Decisions
14 of the Administrator made pursuant to the exercise of the
15 functions enumerated in subtitle VII of title 49, United
16 States Code, shall be administratively final, and appeals
17 as currently authorized by law shall be taken directly to
18 the National Transportation Safety Board or to any court
19 of competent jurisdiction, as appropriate.

20 **SEC. 8. TRANSFERS AND INCIDENTAL PROVISIONS.**

21 (a) TRANSFER OF FUNCTIONS, PERSONNEL
22 RECORDS, AND ACCOUNTS.—The following are trans-
23 ferred to the Administration:

24 (1) All functions vested by law in the Federal
25 Aviation Administration of the Department of

1 Transportation or its Administrator, and all func-
2 tions vested by law in the Secretary of Transpor-
3 tation or the Department of Transportation which
4 are administered through the Federal Aviation Ad-
5 ministration.

6 (2) The functions of the Department of Trans-
7 portation or the Federal Aviation Administration of
8 the Department of Transportation necessary and ap-
9 propriate for the performance of the functions trans-
10 ferred by paragraph (1).

11 (3) So much of the personnel, property, records,
12 funds, accounts, and unexpended balances of appro-
13 priations, allocations, and other moneys of the De-
14 partment of Transportation as are employed, used,
15 held, available, or to be made available in connection
16 with the functions transferred by paragraphs (1)
17 and (2).

18 (b) DELEGATION AND EXERCISE OF FUNCTIONS.—
19 The Administrator shall exercise all functions transferred
20 by subsection (a) of this section and any other function
21 vested in the Federal Aviation Administration or the Ad-
22 ministrator of the Federal Aviation Administration by any
23 law enacted on or after the date of the enactment of this
24 Act. The Administrator may from time to time make such
25 provisions as the Administrator shall deem appropriate

1 authorizing the performance by any other officer, em-
2 ployee, or office of the Administration of such functions.

3 **SEC. 9. REGULATIONS.**

4 In the performance of the functions of the Adminis-
5 trator and the Administration, the Administrator is au-
6 thorized to issue, rescind, and amend such regulations as
7 are necessary to carry such functions. The issuance of
8 such regulations shall be governed by the provisions of
9 chapter 5 of title 5, United States Code. The Adminis-
10 trator must issue a final regulation not later than 18
11 months after the date of initiation of any rulemaking pro-
12 ceeding by the Administration or notify Congress in writ-
13 ing of the reasons for not issuing such regulation.

14 **SEC. 10. DELEGATION.**

15 Except as otherwise provided in this Act, the Admin-
16 istrator may delegate any function to such officers and
17 employees of the Administration as the Administrator may
18 designate and may authorize such successive redelegations
19 of such functions in the Administration as may be nec-
20 essary or appropriate. No delegation of functions by the
21 Administrator under this section or under any other provi-
22 sion of this Act shall relieve the Administrator of respon-
23 sibility for the administration of such functions.

1 **SEC. 11. PERSONNEL AND SERVICES.**

2 (a) OFFICERS AND EMPLOYEES.—In the perform-
3 ance of the functions of the Administrator and in addition
4 to the officers provided for by section 6, the Administrator
5 is authorized to appoint, transfer, and fix the compensa-
6 tion of such officers and employees, including attorneys,
7 as may be necessary to carry out the functions of the Ad-
8 ministrator and the Administration. Except as otherwise
9 provided by law, such officers and employees shall be ap-
10 pointed in accordance with the civil service laws and com-
11 pensated in accordance with title 5, United States Code.

12 (b) EXPERTS AND CONSULTANTS.—The Adminis-
13 trator is authorized to obtain the services of experts and
14 consultants in accordance with section 3109 of title 5,
15 United States Code.

16 (c) TRANSPORTATION AND PER DIEM EXPENSES.—
17 The Administrator is authorized to pay transportation ex-
18 penses, and per diem in lieu of subsistence expenses, in
19 accordance with chapter 57 of title 5, United States Code.

20 (d) USE OF PERSONNEL FROM OTHER AGENCIES.—
21 The Administrator is authorized to utilize, on a reimburs-
22 able basis, the services of personnel of any other Federal
23 agency.

24 (e) VOLUNTARY SERVICES.—(1)(A) The Adminis-
25 trator is authorized to accept voluntary and uncompen-
26 sated services without regard to the provisions of section

1 1342 of title 31, United States Code, if such services will
2 not be used to displace Federal employees employed on
3 a full-time, part-time, or seasonal basis.

4 (B) The Administrator is authorized to accept volun-
5 teer service in accordance with the provisions of section
6 3111 of title 5, United States Code.

7 (2) The Administrator is authorized to provide for
8 incidental expenses, including transportation, lodging, and
9 subsistence for such volunteers.

10 (3) An individual who provides voluntary services
11 under this subsection shall not be considered a Federal
12 employee for any purpose other than for purposes of chap-
13 ter 81 of title 5, United States Code, relating to com-
14 pensation for work injuries, and chapter 171 of title 28,
15 United States Code, relating to tort claims.

16 **SEC. 12. CONTRACTS.**

17 The Administrator is authorized to enter into and
18 perform such contracts, leases, cooperative agreements, or
19 other transactions as may be necessary to carry out the
20 functions of the Administrator and the Administration.
21 The Administrator may enter into such contracts, leases,
22 agreements, and transactions with any Federal agency or
23 any instrumentality of the United States, or with any
24 State, territory, or possession, or with any political sub-
25 division thereof, or with any person, firm, association, cor-

1 poration, or educational institution, on such terms and
2 conditions as the Administrator may consider appropriate.
3 The authority of the Administrator to enter into contracts
4 and leases under this section shall be to such extent or
5 in such amounts as are provided in appropriation Acts.

6 **SEC. 13. BUDGET.**

7 Each year the Administrator shall prepare a budget
8 for the Administration, which shall contain estimates of
9 the financial condition and operations of the Administra-
10 tion for the current and ensuing 4 fiscal years, and the
11 actual condition and results of operations for the last com-
12 pleted fiscal year. Such budget shall be submitted to the
13 Office of Management and Budget, under such rules and
14 regulations as the President may establish as to the date
15 of submission, the form and content, the classification of
16 data, and the manner in which such reports shall be pre-
17 pared and presented. The budget submission shall include
18 a statement of income and expenses and analysis of the
19 surplus or deficit in the Airport and Airway Trust Fund,
20 and any other such supplementary information as is nec-
21 essary or desirable to make known about the financial con-
22 dition and operations of the Administration. The annual
23 budget shall be included in the budget submitted by the
24 President pursuant to chapter 11 of title 31, United
25 States Code.

1 **SEC. 14. USE OF FACILITIES.**

2 With their consent, the Administrator may, with or
3 without reimbursement, use the services, equipment, per-
4 sonnel, and facilities of Federal agencies and other public
5 and private agencies and may cooperate with other public
6 and private agencies and instrumentalities in the use of
7 services, equipment, personnel, and facilities. The head of
8 each Federal agency shall cooperate with the Adminis-
9 trator in making the services, equipment, personnel, and
10 facilities of the Federal agency available to the Adminis-
11 trator. The head of a Federal agency is authorized, not-
12 withstanding any other provision of law, to transfer to or
13 to receive from the Administration, without reimburse-
14 ment, supplies and equipment other than administrative
15 supplies or equipment.

16 **SEC. 15. ACQUISITION AND MAINTENANCE OF PROPERTY.**

17 (a) ACQUISITION.—The Administrator is author-
18 ized—

19 (1) to acquire (by purchase, lease, condemna-
20 tion, or otherwise), construct, improve, repair, oper-
21 ate, and maintain—

22 (A) air traffic control facilities and equip-
23 ment;

24 (B) research and testing sites and facili-
25 ties; and

1 (C) such other real and personal property
2 (including office space and patents), or any in-
3 terest therein, within and outside the continen-
4 tal United States as the Administrator consid-
5 ers necessary;

6 (2) to lease to others such real and personal
7 property; and

8 (3) to provide by contract or otherwise for eat-
9 ing facilities and other necessary facilities for the
10 welfare of employees of the Administration at its in-
11 stallations and to purchase and maintain equipment
12 for such facilities.

13 (b) TITLE.—Title to any property or interest therein
14 acquired pursuant to this section shall be in the United
15 States.

16 **SEC. 16. MANAGEMENT ADVISORY COMMITTEE.**

17 (a) ESTABLISHMENT.—There is established an advi-
18 sory committee which shall be known as the Federal Avia-
19 tion Management Advisory Committee (hereinafter in this
20 section referred to as the “Management Advisory Commit-
21 tee”).

22 (b) MEMBERSHIP.—The Management Advisory Com-
23 mittee shall consist of 11 members, who shall consist of—

1 (1) the Secretary of Transportation or the des-
2 ignee of the Secretary (who shall serve as Chair-
3 man);

4 (2) the Secretary of Defense or the designee of
5 the Secretary;

6 (3) 5 members appointed by the President;

7 (4) 2 members, 1 appointed by the majority
8 leader of the Senate and the other appointed by the
9 minority leader of the Senate; and

10 (5) 2 members, 1 appointed by the Speaker of
11 the House of Representatives and the other ap-
12 pointed by the minority leader of the House of Rep-
13 resentatives.

14 (c) FUNCTIONS.—The Management Advisory Com-
15 mittee shall provide advice and counsel to the Adminis-
16 trator on issues which affect or are affected by the oper-
17 ations of the Administrator. The Management Advisory
18 Committee shall hold quarterly meetings. The Administra-
19 tion shall give the Management Advisory Committee ac-
20 cess to internal documents and personnel of the Adminis-
21 tration. The Management Advisory Committee shall func-
22 tion as an oversight resource for management, policy,
23 spending, and regulatory matters under the jurisdiction
24 of the Administration.

1 (d) QUALIFICATIONS.—Members appointed to the
2 Management Advisory Committee under this section shall
3 be selected from among individuals who are experts in dis-
4 ciplines relevant to the aviation industry and who are able
5 collectively to represent a balanced view of the issues im-
6 portant to airlines, general aviation, business aviation, air-
7 ports, shippers, industry and Administration employees,
8 aircraft manufacturers, and the traveling public.

9 (e) TERMS OF MEMBERS.—Members of the Manage-
10 ment Advisory Committee appointed under subsection
11 (b)(3) shall be appointed for a term of 3 years, except
12 that the initial appointment of such members shall be for
13 1, 2, and 3 years so that their terms as members will be
14 staggered. Members of the Management Advisory Com-
15 mittee appointed under subsections (b)(4) and (b)(5) shall
16 be appointed for a term of 2 years.

17 (f) TRAVEL AND PER DIEM.—Each member of the
18 Management Advisory Committee shall be paid actual
19 travel expenses, and per diem in lieu of subsistence ex-
20 penses when away from his or her usual place of residence,
21 in accordance with section 5703 of title 5, United States
22 Code.

23 (g) DETAIL OF PERSONNEL FROM FAA.—The Ad-
24 ministrator shall make available to the Management Advi-
25 sory Committee such staff, information, and administra-

1 tive services and assistance as may reasonably be required
2 to enable the Management Advisory Committee to carry
3 out its responsibilities under this section.

4 (h) APPLICABILITY OF FEDERAL ADVISORY COMMIT-
5 TEE ACT.—The Management Advisory Committee shall be
6 subject to the Federal Advisory Committee Act (5 U.S.C.
7 App.).

8 **SEC. 17. SELECT PANEL TO REVIEW INNOVATIVE FUNDING**
9 **MECHANISMS.**

10 (a) ESTABLISHMENT.—The Administrator shall es-
11 tablish a select panel to review and report to Congress re-
12 garding innovative financing mechanisms for ensuring
13 adequate funding for existing and future aviation infra-
14 structure needs. The financing mechanisms to be reviewed
15 shall include, but not be limited to, loan guarantees, finan-
16 cial partnerships with for-profit private sector entities,
17 multi-year appropriations, revolving loan funds, manda-
18 tory spending authority, authority to borrow, and restruc-
19 tured grant programs.

20 (b) APPOINTMENT OF MEMBERS.—Not later than 90
21 days after the date of the appointment of the Adminis-
22 trator, the Administrator shall appoint members to the
23 panel established under this section. Such members shall
24 consist of appropriate Federal Government officials and
25 representatives of the aviation industry, Administration

1 employees, the financial community, and State and local
2 governments.

3 (c) TRAVEL AND PER DIEM.—Each member of the
4 panel established under this section shall be paid actual
5 travel expenses, and per diem in lieu of subsistence ex-
6 penses when away from his or her usual place of residence,
7 in accordance with section 5703 of title 5, United States
8 Code.

9 (d) APPLICABILITY OF FEDERAL ADVISORY COMMIT-
10 TEES ACT.—The select panel established under this sec-
11 tion shall be subject to the Federal Advisory Committee
12 Act (5 U.S.C. App.).

13 (e) REPORT.—Not later than 1 year after the date
14 of the appointment of the last member to the panel under
15 subsection (b), the panel shall submit to Congress and the
16 Administration a report on the results of the review con-
17 ducted under this section.

18 **SEC. 18. TRANSFERS OF FUNDS FROM OTHER FEDERAL**
19 **AGENCIES.**

20 The Administrator is authorized to accept transfers
21 from other Federal agencies to funds which are available
22 to carry out functions transferred by this Act to the Ad-
23 ministrator or functions assigned by law to the Adminis-
24 trator on or after the date of the enactment of this Act.

1 **SEC. 19. SEAL OF ADMINISTRATION.**

2 The Administrator shall cause a seal of office to be
3 made for the Administration of such design as the Admin-
4 istrator shall approve. Judicial notice shall be taken of
5 such seal.

6 **SEC. 20. STATUS OF ADMINISTRATION UNDER CERTAIN**
7 **LAWS.**

8 For purposes of section 551(1) of title 5, United
9 States Code, the Administration is an agency. For pur-
10 poses of chapter 9 of such title, the Administration is an
11 independent regulatory agency.

12 **SEC. 21. SAVINGS PROVISIONS.**

13 (a) ORDERS, REGULATIONS, CONTRACTS, AND CER-
14 TIFICATES.—All orders, determinations, rules, regula-
15 tions, permits, contracts, certificates, licenses, and privi-
16 leges—

17 (1) which have been issued, made, granted, or
18 allowed to become effective by the President or any
19 Federal department or agency or official thereof or
20 by a court of competent jurisdiction, on or after the
21 date of the enactment of this Act, in regard to func-
22 tions which are transferred under this Act to the
23 Administration, and

24 (2) which are in effect at the time of the effec-
25 tive date of this Act,

1 shall continue in effect according to their terms until
2 modified, terminated, superseded, set aside, or revoked in
3 accordance with law by the President, the Administrator,
4 or other authorized officials, by a court of competent juris-
5 diction, or by operation of law.

6 (b) PROCEEDINGS AND APPLICATIONS.—The provi-
7 sions of this Act shall not affect any proceedings or any
8 application for any license, permit, certificate, or financial
9 assistance pending at the time of the effective date of this
10 Act; and such proceedings and applications, to the extent
11 that they relate to functions so transferred, shall be con-
12 tinued. Orders shall be issued in such proceedings, appeals
13 shall be taken therefrom, and payments shall be made pur-
14 suant to such orders, as if this Act had not been enacted;
15 and orders issued in any such proceedings shall continue
16 in effect until modified, terminated, superseded, or re-
17 voked by a duly authorized official, by a court of com-
18 petent jurisdiction, or by operation of law. Nothing in this
19 subsection shall be deemed to prohibit the discontinuance
20 or modification of any such proceeding under the same
21 terms and conditions and to the extent that such proceed-
22 ing could have been discontinued or modified if this Act
23 had not been enacted.

1 (c) SUITS.—(1) The provisions of this Act shall not
2 affect suits commenced prior to the effective date of this
3 Act.

4 (2) In all such suits, proceedings shall be had, ap-
5 peals taken, and judgments rendered in the same manner
6 and effect as if this Act had not been enacted.

7 (d) OFFICERS.—In any case involving one or more
8 officers required by this Act to be appointed by and with
9 the advice and consent of the Senate who shall not have
10 entered upon office on the effective date of this Act, the
11 President may designate any officer whose appointment
12 was required to be made by and with the advice and con-
13 sent of the Senate and who was such an officer imme-
14 diately prior to the effective date of this Act, to act in
15 such office until the office is filled as provided in this Act.
16 While so acting, any such person shall receive compensa-
17 tion at the rates provided by this Act of the respective
18 office in which he or she acts.

19 **SEC. 22. LAWS AND REGULATIONS.**

20 Except to the extent otherwise provided in this Act,
21 all laws, rules, and regulations in effect and applicable to
22 the Federal Aviation Administration of the Department
23 of Transportation and to the Administrator of such Ad-
24 ministration on the date immediately preceding the effec-
25 tive date of this Act shall, on and after such effective date,

1 be applicable to the Federal Aviation Administration and
2 the Administrator established by this Act, until such law,
3 rule, or regulation is repealed or otherwise modified or
4 amended.

5 **SEC. 23. PILOT PROGRAM FOR PROCUREMENT REFORM.**

6 (a) PILOT PROGRAM.—The Administrator shall con-
7 duct a pilot program under which a trial acquisition man-
8 agement system is used to procure goods and services by
9 the Administration.

10 (b) EXEMPTION FROM PROCUREMENT LAWS.—(1)
11 The following laws and regulations shall not apply to the
12 trial acquisition management system used under the pilot
13 program:

14 (A) Title III of the Federal Property and Ad-
15 ministrative Services Act of 1949 (41 U.S.C. 251–
16 266).

17 (B) The Office of Federal Procurement Policy
18 Act (41 U.S.C. 401 et seq.).

19 (C) The Federal Acquisition Streamlining Act
20 of 1994 (Public Law 103–355).

21 (D) The Brooks Automatic Data Processing
22 Act (40 U.S.C. 759).

23 (E) The Federal Acquisition Regulation and
24 any laws not listed in subparagraphs (A) through

1 (D) providing authority to promulgate regulations in
2 the Federal Acquisition Regulation.

3 (2) The exemption from procurement laws provided
4 by paragraph (1) shall not take effect until the expiration
5 of the 90-day period referred to in subsection (d)(2).

6 (c) DEVELOPMENT OF TRIAL ACQUISITION MANAGE-
7 MENT SYSTEM.—Not later than 2 years after the effective
8 date of this Act, the Administrator shall develop a trial
9 acquisition management system for use in the pilot pro-
10 gram under subsection (a). In developing the trial system,
11 the Administrator shall ensure that the benefits of com-
12 petition, efficient management, and oversight of the acqui-
13 sition process are attained.

14 (d) NOTICE TO CONGRESS.—(1) Upon completion of
15 the development of the trial acquisition management sys-
16 tem, the Administrator shall submit a comprehensive plan
17 describing the trial acquisition management system to
18 Congress, along with all existing or proposed rules or regu-
19 lations relevant to the system.

20 (2) The Administrator may begin to implement the
21 trial acquisition management system only after the expira-
22 tion of the 90-day period that begins on the date on which
23 the plan is submitted to Congress under paragraph (1).

24 (e) TERMINATION.—Effective October 1, 2002, au-
25 thority for the trial acquisition management system under

1 this section shall terminate, and acquisitions of the Ad-
2 ministration shall become subject to all otherwise applica-
3 ble acquisition laws and regulations.

4 **SEC. 24. PILOT PROGRAM FOR PERSONNEL MANAGEMENT**
5 **REFORM.**

6 (a) PILOT PROGRAM.—The Administrator shall con-
7 duct a pilot program under which a trial personnel man-
8 agement system is used for the management, compensa-
9 tion, and advancement of Administration employees.

10 (b) EXEMPTION FROM CERTAIN PROVISIONS OF
11 TITLE 5, UNITED STATES CODE.—(1) Except as other-
12 wise provided in this section, under the pilot program, the
13 Administration shall be exempt from parts II and III of
14 title 5, United States Code.

15 (2) Such exemption shall not take effect until the ex-
16 piration of the later of the periods referred to in subsection
17 (d)(2).

18 (c) DEVELOPMENT OF TRIAL PERSONNEL MANAGE-
19 MENT SYSTEM.—Not later than 2 years after the effective
20 date of this Act, the Administrator shall develop a trial
21 personnel management system for use in the pilot program
22 under subsection (a). In developing the trial system, the
23 Administrator shall ensure that the benefits of a merit-
24 based system are preserved and that the trial system pro-
25 vides for training of employees, as well as an adverse ac-

1 tion procedure in cases where performance is unaccept-
2 able.

3 (d) NOTICE TO CONGRESS.—(1) Upon completion of
4 the development of the trial personnel management sys-
5 tem, the Administrator shall submit a comprehensive plan
6 describing the trial personnel management system to Con-
7 gress, along with all existing or proposed rules or regula-
8 tions relevant to the system.

9 (2) The Administrator may begin to implement the
10 trial personnel management system only after—

11 (A) the expiration of the 90-day period that be-
12 gins on the date on which the plan is submitted to
13 Congress under paragraph (1); or

14 (B) the expiration of the 2-year period begin-
15 ning on the effective date of this Act;

16 whichever is later.

17 (e) EMPLOYEE RIGHTS AND BENEFITS.—The enact-
18 ment of this section shall not result in the exemption of
19 employees of the Administration from any of the following
20 provisions of title 5, United States Code:

21 (1) Chapter 63 (relating to leave).

22 (2) Chapter 71 (relating to labor-management
23 relations).

24 (3) Chapter 73 (relating to suitability, security,
25 and conduct).

1 (4) Chapter 81 (relating to compensation for
2 work injuries).

3 (5) Chapter 83 (relating to retirement).

4 (6) Chapter 84 (relating to the Federal Em-
5 ployees' Retirement System).

6 (7) Chapter 87 (relating to life insurance).

7 (8) Chapter 89 (relating to health insurance).

8 (f) EMPLOYEE PROTECTIONS.—Employment rights,
9 wages, and benefits of employees of the Administration
10 shall not be adversely affected, except for unacceptable
11 performance or by reason of a reduction in force or reorga-
12 nization, during the period commencing on the effective
13 date of this Act and ending on the date determined under
14 subsection (b)(2).

15 (g) COLLECTIVE-BARGAINING AGREEMENTS.—All
16 collective-bargaining agreements covering employees of the
17 Administration that are in effect on the effective date of
18 this Act shall remain in effect until their normal expiration
19 date, unless the Administrator and the exclusive bargain-
20 ing representative agree to the contrary.

21 (h) TERMINATION.—Effective October 1, 2002, au-
22 thority for the trial personnel management system under
23 this section shall terminate, and employees of the Admin-
24 istration shall become subject to all provisions of parts II
25 and III of title 5, United States Code.

1 **SEC. 25. EVALUATION AND REPORT ON PILOT PROGRAMS.**

2 Not later than 120 days before the termination of au-
3 thority for the trial acquisition and personnel management
4 systems authorized under sections 23 and 24 of this Act,
5 the Management Advisory Panel shall prepare and submit
6 to the Administrator and to Congress a report evaluating
7 the results of the pilot programs in acquisition and person-
8 nel reform. The report shall fully discuss those elements
9 of the programs that the Panel judges to be effective and
10 those that were not successful, and the report shall make
11 recommendations with respect to extending, modifying, or
12 terminating the acquisition and personnel management
13 systems established under the pilot programs.

14 **SEC. 26. AMENDMENT TO INSPECTOR GENERAL ACT OF**
15 **1978.**

16 Section 11 of the Inspector General Act of 1978 (5
17 U.S.C. App.) is amended—

18 (1) in paragraph (1) by striking “or Small
19 Business,” and inserting “Small Business, Federal
20 Aviation Administration,”; and

21 (2) in paragraph (2) by inserting “the Federal
22 Aviation Administration,” after “United States In-
23 formation Agency,”.

1 **SEC. 27. AMENDMENTS TO EXECUTIVE SCHEDULE.**

2 (a) ADMINISTRATOR.—Section 5313 of title 5, United
3 States Code, is amended by adding at the end the follow-
4 ing:

5 “Administrator, Federal Aviation Adminis-
6 tration.”.

7 (b) DEPUTY ADMINISTRATOR.—Section 5314 of title
8 5, United States Code, is amended by striking “Adminis-
9 trator, Federal Aviation Administration.” and inserting
10 the following:

11 “Deputy Administrator, Federal Aviation Ad-
12 ministration.”.

13 (c) ASSISTANT ADMINISTRATORS; CHIEF COUN-
14 SEL.—Section 5315 of title 5, United States Code, is
15 amended by striking “Deputy Administrator, Federal
16 Aviation Administration.” and inserting the following:

17 “Assistant Administrators, Federal Aviation
18 Administration (8).

19 “Chief Counsel, Federal Aviation Administra-
20 tion.”.

21 (d) INSPECTOR GENERAL.—Section 5316 of title 5,
22 United States Code, is amended by adding at the end of
23 the following:

24 “Inspector General, Federal Aviation Adminis-
25 tration.”.

1 **SEC. 28. EFFECTIVE DATE.**

2 The provisions of this Act shall take effect upon the
3 expiration of the 180-day period following the date of the
4 enactment of this Act.

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HR 1392 IH—2