

104<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 3539**

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**AN ACT**

To amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes.

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To amend title 49, United States Code, to reauthorize programs of the 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,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the  
 3 “Federal Aviation Authorization Act of 1996”.

4 (b) **TABLE OF CONTENTS.**—

- Sec. 1. Short title; table of contents.
- Sec. 2. Amendments to title 49, United States Code.
- Sec. 3. Applicability.

**TITLE I—REAUTHORIZATION OF FAA PROGRAMS**

- Sec. 101. Airport improvement program.
- Sec. 102. Airway facilities improvement program.
- Sec. 103. Operations of FAA.

**TITLE II—AIRPORT DEVELOPMENT FINANCING**

- Sec. 201. Apportionments.
- Sec. 202. Discretionary fund.
- Sec. 203. Use of apportioned amounts.
- Sec. 204. Designating current and former military airports.
- Sec. 205. National Civil Aviation Review Commission.
- Sec. 206. Innovative financing techniques.

**TITLE III—AIRPORT IMPROVEMENT PROGRAM MODIFICATIONS**

- Sec. 301. Intermodal planning.
- Sec. 302. Compliance with Federal mandates.
- Sec. 303. Runway maintenance program.
- Sec. 304. Access to airports by intercity buses.
- Sec. 305. Cost reimbursement for projects commenced prior to grant award.
- Sec. 306. Issuance of letters of intent.
- Sec. 307. Selection of projects for grants from discretionary fund.
- Sec. 308. Small airport fund.
- Sec. 309. State block grant program.
- Sec. 310. Private ownership of airports.
- Sec. 311. Use of noise set-aside funds by non-airport sponsors.

**TITLE IV—MISCELLANEOUS PROVISIONS**

- Sec. 401. Elimination of dual mandate.
- Sec. 402. Purchase of housing units.
- Sec. 403. Technical correction relating to State taxation.
- Sec. 404. Use of passenger facility fees for debt financing project.
- Sec. 405. Clarification of passenger facility revenues as constituting trust funds.
- Sec. 406. Protection of voluntarily submitted information.
- Sec. 407. Supplemental type certificates.
- Sec. 408. Restriction on use of revenues.
- Sec. 409. Certification of small airports.
- Sec. 410. Employment investigations of pilots.
- Sec. 411. Child pilot safety.
- Sec. 412. Discretionary authority for criminal history records checks.
- Sec. 413. Imposition of fees.

- Sec. 414. Authority to close airport located near closed or realigned military base.
- Sec. 415. Construction of runways.
- Sec. 416. Gadsden Air Depot, Alabama.
- Sec. 417. Regulations affecting intrastate aviation in Alaska.
- Sec. 418. Westchester County Airport, New York.
- Sec. 419. Bedford Airport, Pennsylvania.
- Sec. 420. Location of Doppler radar stations, New York.
- Sec. 421. Worcester Municipal Airport, Massachusetts.
- Sec. 422. Central Florida Airport, Sanford, Florida.
- Sec. 423. Aircraft Noise Ombudsman.
- Sec. 424. Special rule for privately owned reliever airports.

TITLE V—EXTENSION OF AIRPORT AND AIRWAY TRUST FUND  
EXPENDITURES

- Sec. 501. Extension of Airport and Airway Trust Fund Expenditures.

TITLE VI—FEDERAL AVIATION ADMINISTRATION RESEARCH,  
ENGINEERING, AND DEVELOPMENT

- Sec. 601. Short title.
- Sec. 602. Authorization of appropriations.
- Sec. 603. Research priorities.
- Sec. 604. Research advisory committee.
- Sec. 605. National aviation research plan.

**1 SEC. 2. AMENDMENTS TO TITLE 49, UNITED STATES CODE.**

2       Except as otherwise specifically provided, whenever in  
3 this Act an amendment or repeal is expressed in terms  
4 of an amendment to, or repeal of, a section or other provi-  
5 sion of law, the reference shall be considered to be made  
6 to a section or other provision of title 49, United States  
7 Code.

**8 SEC. 3. APPLICABILITY.**

9       (a) IN GENERAL.—Except as otherwise specifically  
10 provided, this Act and the amendments made by this Act  
11 shall apply only to fiscal years beginning after September  
12 30, 1996.

13       (b) LIMITATION ON STATUTORY CONSTRUCTION.—  
14 Nothing in this Act or any amendment made by this Act

1 shall be construed as affecting funds made available for  
2 a fiscal year ending before October 1, 1996.

3 **TITLE I—REAUTHORIZATION OF**  
4 **FAA PROGRAMS**

5 **SEC. 101. AIRPORT IMPROVEMENT PROGRAM.**

6 (a) AUTHORIZATION OF APPROPRIATIONS.—Section  
7 48103 is amended—

8 (1) by striking “September 30, 1981” and in-  
9 serting “September 30, 1996”; and

10 (2) by striking “\$17,583,500,000” and all that  
11 follows through the period at the end and inserting  
12 the following: “\$2,280,000,000 for fiscal years end-  
13 ing before October 1, 1997, \$4,627,000,000 for fis-  
14 cal years ending before October 1, 1998, and  
15 \$7,039,000,000 for fiscal years ending before Octo-  
16 ber 1, 1999.”.

17 (b) OBLIGATIONAL AUTHORITY.—Section 47104(c)  
18 is amended by striking “1996” and inserting “1999”.

19 **SEC. 102. AIRWAY FACILITIES IMPROVEMENT PROGRAM.**

20 (a) AUTHORIZATION OF APPROPRIATIONS.—Section  
21 48101(a) is amended by striking paragraphs (1) through  
22 (4) and inserting the following:

23 “(1) \$2,068,000,000 for fiscal year 1997.

24 “(2) \$2,129,000,000 for fiscal year 1998.

25 “(3) \$2,191,000,000 for fiscal year 1999.”.

1 (b) CLERICAL AMENDMENTS.—Chapter 481 is  
2 amended—

3 (1) by striking the heading for section 48101  
4 and inserting the following:

5 “§ 48101. Air navigation facilities and equipment”; and

6 (2) in the table of sections by striking the item  
7 relating to section 48101 and inserting the follow-  
8 ing:

“48101. Air navigation facilities and equipment.”.

9 **SEC. 103. OPERATIONS OF FAA.**

10 (a) AUTHORIZATION OF APPROPRIATIONS FROM  
11 GENERAL FUND.—Section 106(k) is amended by striking  
12 “\$4,088,000,000” and all that follows through the period  
13 at the end and inserting the following: “\$5,158,000,000  
14 for fiscal year 1997, \$5,344,000,000 for fiscal year 1998,  
15 and \$5,538,000,000 for fiscal year 1999.”.

16 (b) AUTHORIZATION OF APPROPRIATIONS FROM  
17 TRUST FUND.—Section 48104(c) is amended—

18 (1) in the subsection heading by striking  
19 “1996” and inserting “1999”; and

20 (2) by striking “1994, 1995, and 1996” and in-  
21 serting “1994 through 1999”.

22 (c) LIMITATION ON OBLIGATING OR EXPENDING  
23 AMOUNTS.—Section 48108(c) is amended by striking  
24 “1996” and inserting “1999”.

1 (d) CLERICAL AMENDMENTS.—Chapter 481 is  
2 amended—

3 (1) by striking the heading for section 48104  
4 and inserting the following:

5 “§ 48104. **Operations and maintenance**”; and

6 (2) in the table of sections for such chapter by  
7 striking the item relating to section 48104 and in-  
8 sserting the following:

“48104. Operations and maintenance.”.

9 **TITLE II—AIRPORT**  
10 **DEVELOPMENT FINANCING**

11 **SEC. 201. APPORTIONMENTS.**

12 (a) AMOUNTS APPORTIONED TO SPONSORS.—

13 (1) PRIMARY AIRPORTS.—Section  
14 47114(c)(1)(A) is amended—

15 (A) by striking “and” at the end of clause  
16 (iii);

17 (B) in clause (iv) by striking “additional”  
18 and inserting “of the next 500,000”;

19 (C) by striking the period at the end of  
20 clause (iv) and inserting “; and”; and

21 (D) by adding at the end the following:

22 “(v) \$.50 for each additional passenger board-  
23 ing at the airport during the prior calendar year.”.

1           (2)    CARGO    ONLY    AIRPORTS.—Section  
2           47114(c)(2) of such title is amended to read as fol-  
3           lows:

4           “(2) CARGO ONLY AIRPORTS.—

5           “(A) APPORTIONMENT.—Subject to sub-  
6           paragraph (D), the Secretary shall apportion an  
7           amount equal to 2.5 percent of the amount sub-  
8           ject to apportionment each fiscal year to the  
9           sponsors of airports served by aircraft providing  
10          air transportation of only cargo with a total an-  
11          nual landed weight of more than 100,000,000  
12          pounds.

13          “(B) SUBALLOCATION FORMULA.—Any  
14          funds apportioned under subparagraph (A) to  
15          sponsors of airports described in subparagraph  
16          (A) shall be allocated among those airports in  
17          the proportion that the total annual landed  
18          weight of aircraft described in subparagraph  
19          (A) landing at each of those airports bears to  
20          the total annual landed weight of those aircraft  
21          landing at all those airports.

22          “(C) LIMITATION.—Not more than 8 per-  
23          cent of the amount apportioned under subpara-  
24          graph (A) may be apportioned for any one air-  
25          port.

1           “(D) DISTRIBUTION TO OTHER AIR-  
2           PORTS.—Before apportioning amounts to the  
3           sponsors of airports under subparagraph (A)  
4           for a fiscal year, the Secretary may set-aside a  
5           portion of such amounts for distribution to the  
6           sponsors of other airports, selected by the Sec-  
7           retary, that the Secretary finds will be served  
8           primarily by aircraft providing air transpor-  
9           tation of only cargo.

10           “(E) DETERMINATION OF LANDED  
11           WEIGHT.—Landed weight under this paragraph  
12           is the landed weight of aircraft landing at each  
13           airport described in subparagraph (A) during  
14           the prior calendar year.”.

15           (3) REPEAL OF LIMITATION.—Section  
16           47114(c)(3) is repealed.

17           (b) AMOUNTS APPORTIONED TO STATES.—Section  
18           47114(d)(2) of such title is amended—

19           (1) by striking “12” and inserting “18.5”;

20           (2) in subparagraph (A) by striking “one” and  
21           inserting “0.66”;

22           (3) in each of subparagraphs (B) and (C) by  
23           striking “49.5” and inserting “49.67”; and

24           (4) in each of subparagraphs (B) and (C) by  
25           striking “except” the second place it appears and all

1 that follows through “title,” and inserting “exclud-  
2 ing primary airports but including reliever and non-  
3 primary commercial service airports,”.

4 **SEC. 202. DISCRETIONARY FUND.**

5 Section 47115 is amended by striking the second sub-  
6 section (f), relating to minimum amounts to be credited,  
7 and inserting the following:

8 “(g) MINIMUM AMOUNT TO BE CREDITED.—

9 “(1) GENERAL RULE.—In a fiscal year, there  
10 shall be credited to the fund, out of amounts made  
11 available under section 48103 of this title, an  
12 amount that is at least equal to the sum of—

13 “(A) \$50,000,000; plus

14 “(B) the total amount required from the  
15 fund to carry out in the fiscal year letters of in-  
16 tent issued before January 1, 1996, under sec-  
17 tion 47110(e) of this title or the Airport and  
18 Airway Improvement Act of 1982.

19 The amount credited is exclusive of amounts that  
20 have been apportioned in a prior fiscal year under  
21 section 47114 of this title and that remain available  
22 for obligation.

23 “(2) REDUCTION OF APPORTIONMENTS.—In a  
24 fiscal year in which the amount credited under sub-  
25 section (a) is less than the minimum amount to be

1 credited under paragraph (1), the total amount cal-  
2 culated under paragraph (3) shall be reduced by an  
3 amount that, when credited to the fund, together  
4 with the amount credited under subsection (a),  
5 equals such minimum amount.

6 “(3) AMOUNT OF REDUCTION.—For a fiscal  
7 year, the total amount available to make a reduction  
8 to carry out paragraph (2) is the total of the  
9 amounts determined under sections 47114(c)(1)(A),  
10 47114(c)(2), 47114(d), and 47117(e) of this title.  
11 Each amount shall be reduced by an equal percent-  
12 age to achieve the reduction.

13 “(h) ALLOCATION OF AMOUNTS EXCEEDING LETTER  
14 OF INTENT REQUIREMENTS.—Of the amount credited to  
15 the fund for a fiscal year which exceeds the total amount  
16 required from the fund to carry out in the fiscal year let-  
17 ters of intent issued before January 1, 1996, under section  
18 47110(e) of this title or the Airport and Airway Improve-  
19 ment Act of 1982—

20 “(1) not less than 15 percent shall be used for  
21 system planning and for making grants to airports  
22 that are not commercial service airports; and

23 “(2) not less than 30 percent shall be used for  
24 making grants to commercial service airports that

1 each year have less than .25 percent of the total  
2 passenger boardings in the United States.”.

3 **SEC. 203. USE OF APPORTIONED AMOUNTS.**

4 (a) PERIOD OF AVAILABILITY.—Section 47117(b) is  
5 amended by inserting before the period at the end of the  
6 first sentence the following: “or the 3 fiscal years imme-  
7 diately following that year in the case of a primary airport  
8 that had less than .05 percent of the total boardings in  
9 the United States in the preceding calendar year”.

10 (b) SPECIAL APPORTIONMENT CATEGORIES.—Sec-  
11 tion 47117(e)(1) is amended—

12 (1) by striking “made available under section  
13 48103” and inserting “available to the discretionary  
14 fund under section 47115”;

15 (2) by striking subparagraphs (A), (C), and  
16 (D);

17 (3) by redesignating subparagraphs (B) and  
18 (E) as subparagraphs (A) and (B), respectively;

19 (4) in subparagraph (A), as so redesignated, by  
20 striking “at least 12.5” and inserting “At least 31”;

21 (5) by adding at the end of subparagraph (A),  
22 as so redesignated, the following: “The Secretary  
23 may count the amount of grants made for such plan-  
24 ning and programs with funds apportioned under  
25 section 47114 in that fiscal year in determining

1 whether or not such 31 percent requirement is being  
2 met in that fiscal year.”;

3 (6) in subparagraph (B), as so redesignated, by  
4 striking “at least 2.25” and all that follows through  
5 “1996,” and inserting “At least 4 percent for each  
6 fiscal year thereafter”; and

7 (7) by inserting before the period at the end of  
8 subparagraph (B), as so redesignated, the following:  
9 “and to sponsors of noncommercial service airports  
10 for grants for operational and maintenance expenses  
11 at any such airport if the amount of such grants to  
12 the sponsor of the airport does not exceed \$30,000  
13 in that fiscal year, if the Secretary determines that  
14 the airport is adversely affected by the closure or re-  
15 alignment of a military base, and if the sponsor of  
16 the airport certifies that the airport would otherwise  
17 close if the airport does not receive the grant”.

18 **SEC. 204. DESIGNATING CURRENT AND FORMER MILITARY**

19 **AIRPORTS.**

20 (a) GENERAL REQUIREMENTS.—Section 47118(a) is  
21 amended—

22 (1) by striking “not more than 15”;

23 (2) by inserting after the first sentence the fol-  
24 lowing: “The maximum number of airports which

1 may be designated by the Secretary under this sec-  
2 tion at any time is 10.”; and

3 (3) by striking “reduce delays” and all that fol-  
4 lows through “landings” and inserting the following:  
5 “enhance airport and air traffic control system ca-  
6 pacity in major metropolitan areas and reduce cur-  
7 rent or projected flight delays”.

8 (b) SURVEY AND CONSIDERATIONS.—Section 47118  
9 is amended—

10 (1) in subsections (a) and (d) by striking “sec-  
11 tion 47117(e)(1)(E)” and inserting “section  
12 47117(e)(1)(B)”;

13 (2) by striking subsections (b) and (c) and re-  
14 designating subsections (d), (e), and (f) as sub-  
15 sections (b), (c), and (d), respectively.

16 (c) PARKING LOTS, FUEL FARMS, UTILITIES, AND  
17 HANGARS.—Subsection (d) of section 47118, as redesi-  
18 gnated by subsection (b) of this section, is amended—

19 (1) in the heading by striking “AND UTILITIES”  
20 and inserting “UTILITIES, AND HANGARS”;

21 (2) by striking “for the fiscal years ending Sep-  
22 tember 30, 1993–1996,” and inserting “for fiscal  
23 years beginning after September 30, 1992,”; and

24 (3) by striking “and utilities” and inserting  
25 “utilities, and hangars”.

1 **SEC. 205. NATIONAL CIVIL AVIATION REVIEW COMMISSION.**

2 (a) ESTABLISHMENT.—There is established a com-  
3 mission to be known as the National Civil Aviation Review  
4 Commission (hereinafter in this section referred to as the  
5 “Commission”).

6 (b) FUNCTIONS.—In order to provide Federal policy-  
7 makers with objective information and recommendations  
8 concerning the future of civil aviation in the 21st century,  
9 the Commission shall conduct a comprehensive review of  
10 aviation safety oversight, airport capital needs, and the  
11 long-term capital and operating funding requirements of  
12 the Federal Aviation Administration. Matters to be stud-  
13 ied by the Commission shall include, but not be limited  
14 to, the following:

15 (1) A review of the overall condition of aviation  
16 safety in the United States and emerging trends in  
17 the safety of particular sectors of the aviation indus-  
18 try. This review shall include a review of—

19 (A) the extent to which the dual mission of  
20 the Administration to promote and regulate  
21 civil aviation may undermine aviation safety;

22 (B) the adequacy of staffing and training  
23 resources for safety personnel of the Adminis-  
24 tration, including safety inspectors; and

25 (C) the Administration’s processes for en-  
26 suring the public safety from fraudulent parts

1 in civil aviation and the extent to which use of  
2 suspected unapproved parts requires additional  
3 oversight or enforcement action.

4 (2) A review of current and projected airport  
5 capital development needs and an assessment of var-  
6 ious financing mechanisms to meet these needs by  
7 type and size of airport. This review shall include a  
8 review of—

9 (A) alternate financing mechanisms for  
10 airports, including the airport improvement pro-  
11 gram, passenger facility charges, tax-exempt  
12 bonds, State and local assistance, airport pri-  
13 vatization, infrastructure banks, government-  
14 sponsored enterprises, and leveraging of Fed-  
15 eral airport financing that takes into consider-  
16 ation the special needs of nonhub airports and  
17 general aviation airports; and

18 (B) the effect of alternate funding levels of  
19 the Federal Aviation Administration airport im-  
20 provement program, ranging from elimination  
21 of funding to full funding of airport develop-  
22 ment requirements.

23 (3) A review of the Administration's current  
24 and projected financial requirements, alternate  
25 methods of financing those requirements in the fu-

1       ture, and recommendations on an overall long-range  
2       financial plan for the Administration which would  
3       provide for future growth in the Nation's air traffic  
4       system while improving the management and per-  
5       formance of the system and providing for continued  
6       safety improvements. Such financing methods in-  
7       clude loan guarantees, financial partnerships with  
8       for-profit private sector entities, multiyear appro-  
9       priations, revolving loan funds, mandatory spending  
10      authority, authority to borrow, restructured grant  
11      programs, aviation taxes, and user fees.

12           (4) A review of the air transportation needs of  
13      rural communities, an assessment of the ability of  
14      various financing mechanisms to fund programs de-  
15      signed to meet those needs, and an evaluation and  
16      recommendation concerning innovative financing  
17      mechanisms designed to meet those needs.

18      (c) MEMBERSHIP.—The Commission shall be com-  
19      posed of 13 members, appointed from persons knowledge-  
20      able about civil aviation in the United States and who are  
21      specifically qualified by training and experience to perform  
22      the duties of the Commission, as follows:

23           (1) 3 members appointed by the Secretary of  
24      Transportation, in consultation with the Secretary of  
25      the Treasury.

1           (2) 10 members appointed by Congress as fol-  
2       lows:

3           (A) 1 member appointed by each of the  
4       chairman and ranking minority member of the  
5       Committee on Transportation and Infrastruc-  
6       ture of the House of Representatives.

7           (B) 1 member appointed by each of the  
8       chairman and ranking minority member of the  
9       Committee on Appropriations of the House of  
10      Representatives.

11          (C) 1 member appointed by each of the  
12      chairman and ranking minority member of the  
13      Committee on Commerce, Science, and Trans-  
14      portation of the Senate.

15          (D) 1 member appointed by each of the  
16      chairman and ranking minority member of the  
17      Committee on Appropriations of the Senate.

18          (E) 1 member appointed by each of the  
19      chairman and ranking minority member of the  
20      Committee on Ways and Means of the House of  
21      Representatives.

22      (d) RESTRICTION ON APPOINTMENT OF CURRENT  
23      AVIATION EMPLOYEES.—A member appointed under sub-  
24      section (c)(1) may not be an employee of an airline, air-

1 port, aviation union, or aviation trade association at the  
2 time of appointment or while serving on the Commission.

3 (e) TIMING OF APPOINTMENTS.—The appointing au-  
4 thorities shall make their appointments to the Commission  
5 not later than 30 days after the date of the enactment  
6 of this Act.

7 (f) CHAIRMAN.—In consultation with the Secretary  
8 of Transportation, the Speaker of the House of Represent-  
9 atives and the Majority Leader of the Senate shall des-  
10 ignate a chairman and vice chairman from among the  
11 members of the Commission not later than 30 days after  
12 appointment of the last member to the Commission.

13 (g) PERIOD OF APPOINTMENT AND VACANCIES.—  
14 Members shall be appointed for the life of the Commission,  
15 and any vacancy on the Commission shall not affect its  
16 powers but shall be filled in the same manner, and by the  
17 same appointing authority, as the original appointment.

18 (h) QUORUM.—A majority of the members of the  
19 Commission shall constitute a quorum to conduct busi-  
20 ness, but the Commission may establish a lesser number  
21 for conducting hearings scheduled by the Commission.

22 (i) POWERS OF THE COMMISSION.—

23 (1) HEARINGS.—The Commission may hold  
24 such hearings, sit and act at such times and places,  
25 administer such oaths, take such testimony, and re-

1       ceive such evidence as the Commission considers ad-  
2       visable to carry out its duties.

3               (2) INFORMATION FROM FEDERAL AGENCIES.—

4       The Commission may secure directly from any Fed-  
5       eral department or agency such information or docu-  
6       ments as the Commission considers necessary to  
7       carry out its duties, unless the head of such depart-  
8       ment or agency advises the chairman of the Com-  
9       mission, in writing, that such information is con-  
10      fidential and that its release to the Commission  
11      would jeopardize aviation safety, the national secu-  
12      rity, or pending criminal investigations.

13              (3) DETAIL OF GOVERNMENT EMPLOYEES.—

14      Any Federal Government employee may be detailed  
15      to the Commission without reimbursement, and such  
16      detail shall be without interruption or loss of civil  
17      service status or privilege.

18              (4) TRAVEL AND PER DIEM.—Members and  
19      staff of the Commission shall be paid travel ex-  
20      penses, including per diem in lieu of subsistence,  
21      when away from his or her usual place of residence,  
22      in accordance with section 5703 of title 5, United  
23      States Code.

24              (j) INDEPENDENT AUDIT.—

1           (1) CONTRACTS.—Immediately following the  
2 designation of the chairman of the Commission, the  
3 Commission shall contract with an entity independ-  
4 ent of the Federal Aviation Administration and the  
5 Department of Transportation to conduct a complete  
6 audit of the financial requirements of the Adminis-  
7 tration, considering anticipated air traffic forecasts,  
8 other workload measures, and estimated productivity  
9 gains which lead to budgetary requirements.

10           (2) DEADLINE.—The independent audit shall  
11 be completed no later than 180 days after the date  
12 of the contract award and shall be submitted to the  
13 Commission.

14           (k) FINAL REPORT.—Not later than 1 year after the  
15 date of the appointment of the last member to the Com-  
16 mission under subsection (c), the Commission shall submit  
17 to Congress and the Administrator a final report on the  
18 findings of the Commission with corresponding rec-  
19 ommendations. Included with this report shall be the inde-  
20 pendent audit required under subsection (j).

21           (l) AUTHORIZATION OF APPROPRIATIONS.—There is  
22 hereby authorized to be appropriated \$2,400,000 for ac-  
23 tivities of the Commission, including the independent  
24 audit under subsection (j), to remain available until ex-  
25 pended.

1 (m) GAO ASSESSMENT.—Not later than 180 days  
2 after the date of the enactment of this Act, the Comptrol-  
3 ler General shall transmit to the Commission and Con-  
4 gress an independent assessment of airport development  
5 needs.

6 **SEC. 206. INNOVATIVE FINANCING TECHNIQUES.**

7 (a) IN GENERAL.—The Secretary of Transportation  
8 is authorized to carry out a demonstration program under  
9 which the Secretary may approve applications under sub-  
10 chapter I of chapter 471 of title 49, United States Code,  
11 for not more than 10 projects for which grants received  
12 under such subchapter may be used to implement innova-  
13 tive financing techniques.

14 (b) PURPOSE.—The purpose of the demonstration  
15 program shall be to provide information on the use of in-  
16 novative financing techniques for airport development  
17 projects to the Congress and the National Civil Aviation  
18 Review Commission established by section 205 of this Act.

19 (c) LIMITATION.—In no case shall the implementa-  
20 tion of an innovative financing technique under the dem-  
21 onstration program result in a direct or indirect guarantee  
22 of any airport debt instrument by the Federal Govern-  
23 ment.

1 (d) INNOVATIVE FINANCING TECHNIQUE DE-  
2 FINED.—In this section, the term “innovative financing  
3 technique” shall be limited to the following:

4 (1) Payment of interest.

5 (2) Commercial bond insurance and other credit  
6 enhancement associated with airport bonds for eligi-  
7 ble airport development.

8 (3) Flexible non-Federal matching require-  
9 ments.

10 (e) EXPIRATION OF AUTHORITY.—The authority of  
11 the Secretary to carry out the demonstration program  
12 shall expire on September 30, 1999.

13 **TITLE III—AIRPORT IMPROVE-**  
14 **MENT PROGRAM MODIFICA-**  
15 **TIONS**

16 **SEC. 301. INTERMODAL PLANNING.**

17 (a) POLICIES.—Section 47101(g) is amended to read  
18 as follows:

19 “(g) INTERMODAL PLANNING.—To carry out the pol-  
20 icy of subsection (a)(5) of this section, the Secretary of  
21 Transportation shall take each of the following actions:

22 “(1) COORDINATION IN DEVELOPMENT OF AIR-  
23 PORT PLANS AND PROGRAMS.—Cooperate with State  
24 and local officials in developing airport plans and  
25 programs that are based on overall transportation

1 needs. The airport plans and programs shall be de-  
2 veloped in coordination with other transportation  
3 planning and considering comprehensive long-range  
4 land-use plans and overall social, economic, environ-  
5 mental, system performance, and energy conserva-  
6 tion objectives. The process of developing airport  
7 plans and programs shall be continuing, cooperative,  
8 and comprehensive to the degree appropriate to the  
9 complexity of the transportation problems.

10 “(2) GOALS FOR AIRPORT MASTER AND SYSTEM  
11 PLANS.—Encourage airport sponsors and State and  
12 local officials to develop airport master plans and  
13 airport system plans that—

14 “(A) foster effective coordination between  
15 aviation planning and metropolitan planning;

16 “(B) include an evaluation of aviation  
17 needs within the context of multimodal plan-  
18 ning; and

19 “(C) are integrated with metropolitan  
20 plans to ensure that airport development pro-  
21 posals include adequate consideration of land  
22 use and ground transportation access.

23 “(3) REPRESENTATION OF AIRPORT OPERA-  
24 TORS ON MPO’S.—Encourage metropolitan planning  
25 organizations, particularly in areas with populations

1 greater than 200,000, to establish membership posi-  
2 tions for airport operators.”.

3 (b) REQUIREMENTS FOR PROJECT GRANT APPLICA-  
4 TIONS.—Section 47106(a) is amended—

5 (1) by inserting “, including transportation and  
6 land use plans” before the semicolon at the end of  
7 paragraph (1);

8 (2) by striking “and” at the end of paragraph  
9 (4);

10 (3) by striking the period at the end of para-  
11 graph (5) and inserting “; and”; and

12 (4) by adding at the end the following:

13 “(6) with respect to a project for the location  
14 of an airport, the sponsor has—

15 “(A) provided the metropolitan planning  
16 organization authorized to conduct metropolitan  
17 planning for the area in which the airport is to  
18 be located with not less than 30 days (i) to re-  
19 view the airport master plan or the airport lay-  
20 out plan in which the project is described and  
21 depicted, and (ii) to submit comments on such  
22 plans to the sponsor; and

23 “(B) included in the sponsor’s application  
24 to the Secretary the sponsor’s written responses

1 to any comments made by the metropolitan  
2 planning organization.”.

3 **SEC. 302. COMPLIANCE WITH FEDERAL MANDATES.**

4 (a) USE OF AIP GRANTS.—Section 47102(3) is  
5 amended—

6 (1) in subparagraph (E) by inserting “or under  
7 section 40117” before the period at the end; and

8 (2) in subparagraph (F) by striking “paid for  
9 by a grant under this subchapter and”.

10 (b) USE OF PASSENGER FACILITY CHARGES.—Sec-  
11 tion 40117(a)(3) is amended by striking subparagraph  
12 (F).

13 **SEC. 303. RUNWAY MAINTENANCE PROGRAM.**

14 (a) AUTHORITY.—Section 47105 is amended by add-  
15 ing at the end the following:

16 “(g) RUNWAY MAINTENANCE PROGRAM.—The Sec-  
17 retary may carry out a pilot program in each of fiscal  
18 years 1997, 1998, and 1999 under which the Secretary  
19 may approve applications under this subchapter for not  
20 more than 10 projects in each of such fiscal years to pre-  
21 serve and extend the useful life of runways and taxiways  
22 at any airport for which an amount is apportioned under  
23 section 47114(d).”.

1 (b) INCLUSION IN AIRPORT DEVELOPMENT ACTIVI-  
2 TIES.—Section 47102(3) is amended by adding at the end  
3 the following:

4 “(H) preserving and extending the useful  
5 life of runways and taxiways at a public-use air-  
6 port under the pilot program authorized by sec-  
7 tion 47105(g) of this title.”.

8 **SEC. 304. ACCESS TO AIRPORTS BY INTERCITY BUSES.**

9 Section 47107(a) is amended—

10 (1) by striking “and” at the end of paragraph  
11 (18);

12 (2) by striking the period at the end of para-  
13 graph (19) and inserting “; and”; and

14 (3) by adding at the end the following:

15 “(20) the airport owner or operator will permit,  
16 to the maximum extent practicable, intercity buses  
17 to have access to the airport.”.

18 **SEC. 305. COST REIMBURSEMENT FOR PROJECTS COM-**  
19 **MENCED PRIOR TO GRANT AWARD.**

20 (a) COST REIMBURSEMENT.—Section  
21 47110(b)(2)(C) is amended to read as follows:

22 “(C) if the Government’s share is paid only  
23 with amounts apportioned under paragraphs (1) and  
24 (2) of section 47114(c) of this title and if the cost  
25 is incurred—

1 “(i) after September 30, 1996;

2 “(ii) before a grant agreement is executed  
3 for the project; and

4 “(iii) in accordance with an airport layout  
5 plan approved by the Secretary and with all  
6 statutory and administrative requirements that  
7 would have been applicable to the project if the  
8 project had been carried out after the grant  
9 agreement had been executed;”.

10 (b) USE OF DISCRETIONARY FUNDS.—Section 47110  
11 is amended by adding at the end the following:

12 “(g) USE OF DISCRETIONARY FUNDS.—A project for  
13 which cost reimbursement is provided under subsection  
14 (b)(2)(C) shall not receive priority consideration with re-  
15 spect to the use of discretionary funds made available  
16 under section 47115 of this title even if the amounts made  
17 available under paragraphs (1) and (2) of section  
18 47114(c) are not sufficient to cover the Government’s  
19 share of the cost of project.”.

20 **SEC. 306. ISSUANCE OF LETTERS OF INTENT.**

21 Section 47110(e) is amended—

22 (1) by redesignating paragraph (6) as para-  
23 graph (9); and

24 (2) by inserting after paragraph (5) the follow-  
25 ing:

1           “(6) COST-BENEFIT REGULATIONS.—The Sec-  
2           retary shall issue regulations to require a cost-bene-  
3           fit analysis for any letter of intent to be issued  
4           under paragraph (1) for a project at an airport that  
5           each year has more than .25 percent of the total  
6           passenger boardings in the United States. Until the  
7           date on which such regulations take effect, the Sec-  
8           retary may not issue a letter of intent under para-  
9           graph (1) for any project that is not yet under con-  
10          struction and that is to be carried out at an airport  
11          described in the preceding sentence.

12           “(7) FINANCING PLANS.—The Secretary shall  
13          require airport sponsors to provide, as part of any  
14          request for a letter of intent for a project under  
15          paragraph (1), specific details on the proposed fi-  
16          nancing plan for the project.

17           “(8) CONSIDERATION.—The Secretary shall  
18          consider the effect of a project on overall national  
19          air transportation policy when reviewing requests for  
20          letters of intent under paragraph (1).”.

21 **SEC. 307. SELECTION OF PROJECTS FOR GRANTS FROM**  
22 **DISCRETIONARY FUND.**

23          Section 47115(d) is amended—

24           (1) by striking “and” at the end of paragraph  
25          (2);

1           (2) by striking the period at the end of para-  
2           graph (3) and inserting a semicolon; and

3           (3) by adding at the end the following:

4           “(4) the priority that the State gives to the  
5           project;

6           “(5) the projected growth in the number of pas-  
7           sengers that will be using the airport at which the  
8           project will be carried out; and

9           “(6) any increase in the number of passenger  
10          boardings in the preceding 12-month period at the  
11          airport at which the project will be carried out, with  
12          priority consideration to be given to projects at air-  
13          ports at which the number of passenger boardings  
14          increased by at least 20 percent as compared to the  
15          number of passenger boardings in the 12-month pe-  
16          riod preceding such period.”.

17 **SEC. 308. SMALL AIRPORT FUND.**

18          Section 47116 is amended by adding at the end the  
19          following:

20          “(d) PRIORITY CONSIDERATION FOR CERTAIN  
21          PROJECTS.—In making grants to sponsors described in  
22          subsection (b)(2), the Secretary shall give priority consid-  
23          eration to multi-year projects for construction of new run-  
24          ways that the Secretary finds are cost beneficial and would  
25          increase capacity in a region of the United States.”.

1 **SEC. 309. STATE BLOCK GRANT PROGRAM.**

2 (a) PARTICIPATING STATES.—Section 47128 is  
3 amended—

4 (1) in subsection (a) by striking “7” and insert-  
5 ing “10”;

6 (2) in subsection (b)(1)—

7 (A) by striking “(1)”; and

8 (B) by redesignating subparagraphs (A)  
9 through (E) as paragraphs (1) through (5), re-  
10 spectively; and

11 (3) by striking subsection (b)(2).

12 (b) USE OF STATE PRIORITY SYSTEM.—Section  
13 47128(c) is amended—

14 (1) by striking “(b)(1)(B) or (C)” and inserting  
15 “(b)(2) or (b)(3)”; and

16 (2) by adding at the end the following: “In car-  
17 rying out this subsection, the Secretary shall permit  
18 a State to use the priority system of the State if  
19 such system is not inconsistent with the national pri-  
20 ority system.”.

21 (c) REPEAL OF EXPIRATION DATE.—

22 (1) IN GENERAL.—Section 47128 is amended—

23 (A) by striking “**pilot**” in the section  
24 heading;

25 (B) by striking “pilot” in subsection (a);

26 and

1 (C) by striking subsection (d).

2 (2) CONFORMING AMENDMENT.—The table of  
3 sections for chapter 471 is amended by striking the  
4 item relating to section 47128 and inserting the fol-  
5 lowing:

“47128. State block grant program.”.

6 **SEC. 310. PRIVATE OWNERSHIP OF AIRPORTS.**

7 (a) ESTABLISHMENT OF PROGRAM.—

8 (1) IN GENERAL.—Subchapter I of chapter 471  
9 is amended by adding at the end the following:

10 **“§ 47132. Private ownership of airports**

11 “(a) SUBMISSION OF APPLICATIONS.—If a sponsor  
12 intends to sell an airport or lease an airport for a long  
13 term to a person (other than a public agency), the sponsor  
14 and purchaser or lessee may apply to the Secretary of  
15 Transportation for exemptions under this section.

16 “(b) APPROVAL OF APPLICATIONS.—The Secretary  
17 may approve, with respect to not more than 6 airports,  
18 applications submitted under subsection (a) granting ex-  
19 emptions from the following provisions:

20 “(1) USE OF REVENUES.—

21 “(A) IN GENERAL.—The Secretary may  
22 grant an exemption to a sponsor from the pro-  
23 visions of sections 44706(d) and 47107(b) of  
24 this title (and any other law, regulation, or  
25 grant assurance) to the extent necessary to per-

1 mit the sponsor to recover from the sale or  
2 lease of the airport such amount as may be ap-  
3 proved—

4 “(i) by at least 60 percent of the air  
5 carriers serving the airport; and

6 “(ii) by the air carrier or air carriers  
7 whose aircraft landing at the airport dur-  
8 ing the preceding calendar year had a total  
9 landed weight during the preceding cal-  
10 endar year of at least 60 percent of the  
11 total landed weight of all aircraft landing  
12 at the airport during such year.

13 “(B) LANDED WEIGHT DEFINED.—In this  
14 paragraph, the term ‘landed weight’ means the  
15 weight of aircraft transporting passengers or  
16 cargo, or both, in intrastate, interstate, and for-  
17 eign air transportation, as the Secretary deter-  
18 mines under regulations the Secretary pre-  
19 scribes.

20 “(2) REPAYMENT REQUIREMENTS.—The Sec-  
21 retary may grant an exemption to a sponsor from  
22 the provisions of sections 47107 and 47152 of this  
23 title (and any other law, regulation, or grant assur-  
24 ance) to the extent necessary to waive any obligation  
25 of the sponsor to repay to the Federal Government

1 any grants, or to return to the Federal Government  
2 any property, received by the airport under this title,  
3 the Airport and Airway Improvement Act of 1982,  
4 or any other law.

5 “(3) COMPENSATION FROM AIRPORT OPER-  
6 ATIONS.—The Secretary may grant an exemption to  
7 a purchaser or lessee from the provisions of sections  
8 44706(d) and 47107(b) of this title (and any other  
9 law, regulation, or grant assurance) to the extent  
10 necessary to permit the purchaser or lessee to earn  
11 compensation from the operations of the airport.

12 “(c) TERMS AND CONDITIONS.—The Secretary may  
13 approve an application under subsection (b) only if the  
14 Secretary finds that the sale or lease agreement includes  
15 provisions satisfactory to the Secretary to ensure the fol-  
16 lowing:

17 “(1) The airport will continue to be available  
18 for public use on reasonable terms and conditions  
19 and without unjust discrimination.

20 “(2) The operation of the airport will not be in-  
21 terrupted in the event that the purchaser or lessee  
22 becomes insolvent or seeks or becomes subject to any  
23 State or Federal bankruptcy, reorganization, insol-  
24 vency, liquidation, or dissolution proceeding or any  
25 petition or similar law seeking the dissolution or re-

1 organization of the purchaser or lessee or the ap-  
2 pointment of a receiver, trustee, custodian, or liq-  
3 uidator for the purchaser or lessee or a substantial  
4 part of the purchaser or lessee's property, assets, or  
5 business.

6 “(3) The purchaser or lessee will maintain and  
7 improve the facilities of the airport and will submit  
8 to the Secretary a plan for carrying out such main-  
9 tenance and improvements.

10 “(4) Every fee of the airport imposed on an air  
11 carrier on the day before the date of the sale or  
12 lease of the airport will not increase faster than the  
13 rate of inflation unless a higher amount is ap-  
14 proved—

15 “(A) by at least 60 percent of the air car-  
16 riers serving the airport; and

17 “(B) by the air carrier or air carriers  
18 whose aircraft landing at the airport during the  
19 preceding calendar year had a total landed  
20 weight during the preceding calendar year of at  
21 least 60 percent of the total landed weight of all  
22 aircraft landing at the airport during such year.

23 “(5) Safety and security at the airport will be  
24 maintained at the highest possible levels.

1           “(6) The adverse effects of noise from oper-  
2           ations at the airport will be mitigated to the same  
3           extent as at a public airport.

4           “(7) Any adverse effects on the environment  
5           from airport operations will be mitigated to the same  
6           extent as at a public airport.

7           “(8) Any collective bargaining agreement that  
8           covers employees of the airport and is in effect on  
9           the date of the sale or lease of the airport will not  
10          be abrogated by the sale or lease.

11          “(d) PARTICIPATION OF CERTAIN AIRPORTS.—If the  
12          Secretary approves under subsection (b) applications with  
13          respect to 6 airports, at least one of the airports must  
14          be an airport that is not a commercial service airport.

15          “(e) PASSENGER FACILITY FEES; APPORTIONMENTS;  
16          SERVICE CHARGES.—Notwithstanding that the sponsor of  
17          an airport receiving an exemption under subsection (b) is  
18          not a public agency, the sponsor shall not be prohibited  
19          from—

20                 “(1) imposing a passenger facility fee under  
21                 section 40117 of this title;

22                 “(2) receiving apportionments under section  
23                 47114 of this title; or

1           “(3) collecting reasonable rental charges, land-  
2           ing fees, and other service charges from aircraft op-  
3           erators under section 40116(e)(2) of this title.

4           “(f) EFFECTIVENESS OF EXEMPTIONS.—An exemp-  
5           tion granted under subsection (b) shall continue in effect  
6           only so long as the facilities sold or leased continue to be  
7           used for airport purposes.

8           “(g) REVOCATION OF EXEMPTIONS.—The Secretary  
9           may revoke an exemption issued to a purchaser or lessee  
10          of an airport under subsection (b)(3) if, after providing  
11          the purchaser or lessee with notice and an opportunity to  
12          be heard, the Secretary determines that the purchaser or  
13          lessee has knowingly violated any of the terms specified  
14          in subsection (c) for the sale or lease of the airport.

15          “(h) NONAPPLICATION OF PROVISIONS TO AIRPORTS  
16          OWNED BY PUBLIC AGENCIES.—The provisions of this  
17          section requiring the approval of air carriers in determina-  
18          tions concerning the use of revenues, and imposition of  
19          fees, at an airport shall not be extended so as to apply  
20          to any airport owned by a public agency that is not partici-  
21          pating in the program established by this section.”.

22          (2) CONFORMING AMENDMENT.—The table of  
23          sections for such chapter is further amended by add-  
24          ing at the end the following:

“47132. Private ownership of airports.”.

25          (b) TAXATION.—Section 40116(b) is amended—

1 (1) by striking “a State or” and inserting “a  
2 State, a”; and

3 (2) by inserting after “of a State” the follow-  
4 ing: “, and any person that has purchased or leased  
5 an airport under section 47132 of this title”.

6 (c) RESOLUTION OF AIRPORT-AIR CARRIER DIS-  
7 PUTES CONCERNING AIRPORT FEES.—Section 47129(a)  
8 is amended by adding at the end the following:

9 “(4) FEES IMPOSED BY PRIVATELY-OWNED AIR-  
10 PORTS.—In evaluating the reasonableness of a fee  
11 imposed by an airport receiving an exemption under  
12 section 47132 of this title, the Secretary shall con-  
13 sider whether the airport has complied with section  
14 47132(c)(4).”.

15 **SEC. 311. USE OF NOISE SET-ASIDE FUNDS BY NON-AIR-**  
16 **PORT SPONSORS.**

17 Section 47505 is amended—

18 (1) by redesignating subsection (b) as sub-  
19 section (c);

20 (2) in subsection (c), as so redesignated, by  
21 striking “subsection (a) of” and inserting “sub-  
22 section (a) or (b) of”; and

23 (3) by inserting after subsection (a) the follow-  
24 ing:

25 “(b) GRANTS TO NON-AIRPORT SPONSORS.—

1           “(1) AUTHORITY.—The Secretary may make a  
2           grant under this subsection to a State or unit of  
3           local government that is not the owner or operator  
4           of the airport for preparation of an airport land use  
5           compatibility plan or implementation of an airport  
6           land use compatibility project.

7           “(2) PLANNING AUTHORITY.—In order to be el-  
8           igible to receive a grant under this subsection for  
9           preparation of an airport land use compatibility  
10          plan, the State or unit of local government must  
11          have authority to plan and adopt land use control  
12          measures, including zoning, in the planning area.

13          “(3) COORDINATION OF PLANNING ACTIVI-  
14          TIES.—

15                 “(A) CONSISTENCY WITH OTHER PLAN-  
16                 NING.—An airport land use compatibility plan  
17                 prepared by a State or unit of local government  
18                 under this subsection may not duplicate or be  
19                 inconsistent with an airport noise compatibility  
20                 program prepared by an airport operator under  
21                 this chapter or with other planning carried out  
22                 by the airport operator.

23                 “(B) CONSULTATION WITH AIRPORT OWN-  
24                 ERS AND OPERATORS.—A State or unit of local  
25                 government receiving a grant under this sub-

1 section for preparation of an airport land use  
2 compatibility plan shall consult with the owner  
3 or operator of the airport for which the plan is  
4 being prepared regarding any recommended air-  
5 port land use compatibility measure identified  
6 in the plan and any aviation data on which such  
7 recommendation is made.

8 “(4) APPROVAL OF AIRPORT OWNER OR OPERA-  
9 TOR REQUIRED.—The Secretary may make a grant  
10 to a State or unit of local government under this  
11 subsection for preparation of an airport land use  
12 compatibility plan or implementation of an airport  
13 land use compatibility project only after receiving  
14 the approval of the owner or operator of the airport  
15 for which the plan or project is being prepared or  
16 implemented. Such approval shall be based on  
17 whether the plan or program, including the use of  
18 any noise exposure contours on which the plan or  
19 project is based, has been coordinated with the air-  
20 port and is consistent with the airport’s operations  
21 and planning.

22 “(5) WRITTEN ASSURANCES.—The Secretary  
23 may make a grant to a State or unit of local govern-  
24 ment under this subsection only after receiving from  
25 the State or unit of local government such written

1       assurances as the Secretary determines necessary to  
2       achieve the purposes of this subsection.

3               “(6) GUIDELINES.—The Secretary may estab-  
4       lish guidelines in carrying out this subsection.

5               “(7) DEFINITIONS.—In this subsection, the fol-  
6       lowing definitions apply:

7                       “(A) AIRPORT COMPATIBLE LAND USE.—  
8       The term ‘airport compatible land use’ means  
9       any land use that is usually compatible with—

10                      “(i) the noise levels associated with an  
11                      airport, as established under this chapter;

12                      “(ii) airport design standards issued  
13                      by the Administrator; and

14                      “(iii) regulations issued to carry out  
15                      section 44718 of this title.

16                      “(B) AIRPORT LAND USE COMPATIBILITY  
17       PLAN.—The term ‘airport land use compatibil-  
18       ity plan’ means the product of a process to de-  
19       termine the extent, type, nature, location, and  
20       timing of measures to improve the compatibility  
21       of land use with the existing forecast level of  
22       aviation activity at an airport.

23                      “(C) AIRPORT LAND USE COMPATIBILITY  
24       PROJECT.—The term ‘airport land use compat-  
25       ibility project’ means a project that is contained

1 in an airport land use compatibility plan and  
2 determined by the Administrator to enhance  
3 airport compatible land use.”.

4 **TITLE IV—MISCELLANEOUS**  
5 **PROVISIONS**

6 **SEC. 401. ELIMINATION OF DUAL MANDATE.**

7 (a) SAFETY AS HIGHEST PRIORITY.—Section  
8 40101(d) is amended—

9 (1) by redesignating paragraphs (1) through  
10 (6) as paragraphs (2) through (7), respectively; and

11 (2) by inserting before paragraph (2), as so re-  
12 designated, the following:

13 “(1) assigning, maintaining, and enhancing  
14 safety and security as the highest priorities in air  
15 commerce.”.

16 (b) ELIMINATION OF PROMOTION.—

17 (1) POLICY.—Section 40101(d) is further  
18 amended—

19 (A) in paragraph (2), as redesignated by  
20 subsection (a)(1) of this section, by striking “its  
21 development and”; and

22 (B) in paragraph (3), as so redesignated—

23 (i) by striking “promoting, encourag-  
24 ing,” and inserting “encouraging”; and

1 (ii) by inserting before the period at  
2 the end “, including new aviation tech-  
3 nology”.

4 (2) DEVELOPMENT.—Section 40104(a) is  
5 amended by striking “and air commerce”.

6 (3) CONFORMING AMENDMENTS.—Chapter 401  
7 is amended—

8 (A) in the heading to section 40104 by  
9 striking “**and air commerce**”;

10 (B) in the subsection heading to section  
11 40104(a) by striking “AND AIR COMMERCE”;  
12 and

13 (C) in the item relating to section 40104  
14 in the table of sections at the beginning of the  
15 chapter by striking “and air commerce”.

16 **SEC. 402. PURCHASE OF HOUSING UNITS.**

17 Section 40110 is amended—

18 (1) by redesignating subsection (b) as sub-  
19 section (c); and

20 (2) by inserting after subsection (a) the follow-  
21 ing:

22 “(b) PURCHASE OF HOUSING UNITS.—

23 “(1) AUTHORITY.—In carrying out this part,  
24 the Administrator may purchase a housing unit (in-  
25 cluding a condominium or a housing unit in a build-

1 ing owned by a cooperative) that is located outside  
2 the contiguous United States if the cost of the unit  
3 is \$200,000 or less.

4 “(2) CONTINUING OBLIGATIONS.—Notwith-  
5 standing section 1341 of title 31, the Administrator  
6 may purchase a housing unit under paragraph (1)  
7 even if there is an obligation thereafter to pay nec-  
8 essary and reasonable fees duly assessed upon such  
9 unit, including fees related to operation, mainte-  
10 nance, taxes, and insurance.

11 “(3) CERTIFICATION TO CONGRESS.—The Ad-  
12 ministrator may purchase a housing unit under  
13 paragraph (1) only if, at least 30 days before com-  
14 pleting the purchase, the Administrator transmits to  
15 the Committee on Transportation and Infrastructure  
16 of the House of Representatives and the Committee  
17 on Commerce, Science, and Transportation of the  
18 Senate a report containing—

19 “(A) a description of the housing unit and  
20 its price;

21 “(B) a certification that the price does not  
22 exceed the median price of housing units in the  
23 area; and

24 “(C) a certification that purchasing the  
25 housing unit is the most cost-beneficial means

1 of providing necessary accommodations in car-  
2 rying out this part.

3 “(4) PAYMENT OF FEES.—The Administrator  
4 may pay, when due, fees resulting from the purchase  
5 of a housing unit under this subsection from any  
6 amounts made available to the Administrator.”.

7 **SEC. 403. TECHNICAL CORRECTION RELATING TO STATE**  
8 **TAXATION.**

9 Section 40116(b) is amended by striking “subsection  
10 (c) of this section and”.

11 **SEC. 404. USE OF PASSENGER FACILITY FEES FOR DEBT FI-**  
12 **NANCING PROJECT.**

13 Section 40117(a)(3) is amended by adding at the end  
14 the following:

15 “(G) for debt financing of a terminal de-  
16 velopment project at a commercial service air-  
17 port that each year has .05 percent or less of  
18 the total passenger boardings in the United  
19 States if construction began on the project after  
20 November 5, 1988, and before November 5,  
21 1990, and the eligible agency certifies that no  
22 other eligible airport-related projects affecting  
23 safety, security, or capacity will be deferred by  
24 the debt financing project.”.

1 **SEC. 405. CLARIFICATION OF PASSENGER FACILITY REVE-**  
2 **NUES AS CONSTITUTING TRUST FUNDS.**

3 Section 40117(g) is amended by adding at the end  
4 the following:

5 “(4) Passenger facility revenues that are held by an  
6 air carrier or an agent of the carrier after collection of  
7 a passenger facility fee constitute a trust fund that is held  
8 by the air carrier or agent for the beneficial interest of  
9 the eligible agency imposing the fee. Such carrier or agent  
10 holds neither legal nor equitable interest in the passenger  
11 facility revenues except for any handling fee or retention  
12 of interest collected on unremitted proceeds as may be al-  
13 lowed by the Secretary.”.

14 **SEC. 406. PROTECTION OF VOLUNTARILY SUBMITTED IN-**  
15 **FORMATION.**

16 (a) IN GENERAL.—Chapter 401 is amended by redess-  
17 ignating section 40120 as section 40121 and by inserting  
18 after section 40119 the following:

19 **“§ 40120. Protection of voluntarily submitted infor-**  
20 **mation**

21 “(a) GENERAL RULE.—Notwithstanding any other  
22 provision of law, neither the Administrator of the Federal  
23 Aviation Administration, nor any agency receiving infor-  
24 mation from the Administrator, may disclose voluntarily  
25 provided safety or security related information if the Ad-  
26 ministrator finds that—

1           “(1) the disclosure of the information would in-  
2           hibit the voluntary provision of that type of informa-  
3           tion;

4           “(2) the receipt of that type of information  
5           would aid in fulfilling the Administrator’s safety and  
6           security responsibilities; and

7           “(3) the withholding of the information would  
8           not be inconsistent with the Administrator’s safety  
9           and security responsibilities.

10          “(b) REGULATIONS.—The Administrator shall issue  
11 regulations to carry out this section.”.

12          (b) CONFORMING AMENDMENT.—The table of sec-  
13 tions for chapter 401 is amended by striking the item re-  
14 lating to section 40120 and inserting the following:

“40120. Protection of voluntarily submitted information.

“40121. Relationship to other laws.”.

15 **SEC. 407. SUPPLEMENTAL TYPE CERTIFICATES.**

16          Section 44704 is amended—

17           (1) by redesignating subsections (b) and (c) as  
18           subsections (c) and (d), respectively; and

19           (2) by inserting after subsection (a) the follow-  
20           ing:

21          “(b) SUPPLEMENTAL TYPE CERTIFICATES.—

22           “(1) ISSUANCE.—The Administrator may issue  
23           a type certificate designated as a supplemental type

1 certificate for a change to an aircraft, aircraft en-  
2 gine, propeller, or appliance.

3 “(2) CONTENTS.—A supplemental type certifi-  
4 cate issued under paragraph (1) shall consist of the  
5 change to the aircraft, aircraft engine, propeller, or  
6 appliance with respect to the previously issued type  
7 certificate for the aircraft, aircraft engine, propeller,  
8 or appliance.

9 “(3) REQUIREMENT.—If the holder of a supple-  
10 mental type certificate agrees to permit another per-  
11 son to use the certificate to modify an aircraft, air-  
12 craft engine, propeller, or appliance, the holder shall  
13 provide the other person with written evidence, in a  
14 form acceptable to the Administrator, of that agree-  
15 ment. A person may change an aircraft, aircraft en-  
16 gine, propeller, or appliance based on a supplemental  
17 type certificate only if the person requesting the  
18 change is the holder of the supplemental type certifi-  
19 cate or has permission from the holder to make the  
20 change.”.

21 **SEC. 408. RESTRICTION ON USE OF REVENUES.**

22 (a) IN GENERAL.—Section 44706 is amended by  
23 adding at the end the following:

24 “(d) USE OF REVENUES.—

1           “(1) PROHIBITION.—A person holding an air-  
2           port operating certificate under this section may not  
3           expend local taxes on aviation fuel (except taxes in  
4           effect on December 30, 1987) or the revenues gen-  
5           erated by the airport for any purpose other than the  
6           capital or operating costs of—

7                   “(A) the airport;

8                   “(B) the local airport system; or

9                   “(C) other local facilities owned or oper-  
10           ated by the person and directly and substan-  
11           tially related to the air transportation of pas-  
12           sengers or property.

13           “(2) EXCEPTIONS.—Paragraph (1) does not  
14           apply—

15                   “(A) if a provision enacted not later than  
16           September 2, 1982, in a law controlling financ-  
17           ing by the owner or operator, or a covenant or  
18           assurance in a debt obligation issued not later  
19           than September 2, 1982, by the owner or oper-  
20           ator, provides that the revenues, including local  
21           taxes on aviation fuel at public airports, from  
22           any of the facilities of the owner or operator,  
23           including the airport, be used to support not  
24           only the airport but also the general debt obli-

1           gations or other facilities of the owner or opera-  
2           tor; or

3                   “(B) if the airport operating certificate is  
4           for a heliport.

5           “(3) AUTHORITY TO ISSUE WAIVERS TO AIR-  
6           PORTS NOT RECEIVING GRANT ASSISTANCE.—The  
7           Administrator may waive the application of para-  
8           graph (1) with respect to any airport that has not  
9           received grant assistance under chapter 471 of this  
10          title or the Airport and Airway Improvement Act of  
11          1982 in the 10-year period ending on the date of the  
12          enactment of this subsection.

13                   “(4) LIMITATION ON STATUTORY CONSTRUC-  
14          TION.—This subsection does not prevent the use of  
15          a State tax on aviation fuel to support a State avia-  
16          tion program or the use of airport revenue on or off  
17          the airport for a noise mitigation purpose.”.

18          (b) PENALTIES.—Section 46301(a)(5) is amended to  
19          read as follows:

20                   “(5) PENALTY FOR DIVERSION OF AVIATION  
21          REVENUES.—The amount of a civil penalty assessed  
22          under this section for a violation of section 47107(b)  
23          of this title (or any assurance made under such sec-  
24          tion) or section 44706(d) of this title may be in-  
25          creased above the otherwise applicable maximum

1 amount under this section to an amount not to ex-  
2 ceed 3 times the amount of revenues that are used  
3 in violation of such section.”.

4 **SEC. 409. CERTIFICATION OF SMALL AIRPORTS.**

5 (a) IN GENERAL.—Section 44706(a) is amended—

6 (1) by redesignating paragraph (2) as para-  
7 graph (3);

8 (2) by inserting after paragraph (1) the follow-  
9 ing:

10 “(2) that is not located in the State of Alaska  
11 and serves any scheduled passenger operation of an  
12 air carrier operating aircraft designed for more than  
13 9 passenger seats but less than 31 passenger seats;  
14 and”;

15 (3) by striking “and” at the end of paragraph  
16 (3), as redesignated by paragraph (1) of this sub-  
17 section;

18 (4) by striking “(3) when” and inserting “if”;  
19 and

20 (5) by moving the matter following paragraph  
21 (3), as redesignated by paragraph (1) of this sub-  
22 section, to the left flush full measure.

23 (b) COMMUTER AIRPORTS.—Section 44706 is amend-  
24 ed by adding at the end the following:

1           “(e) COMMUTER AIRPORTS.—In developing the terms  
2 required by subsection (b) for airports covered by sub-  
3 section (a)(2), the Administrator shall identify and con-  
4 sider a reasonable number of regulatory alternatives and  
5 select from such alternatives the least costly, most cost-  
6 effective or the least burdensome alternative that will pro-  
7 vide comparable safety at airports described in subsections  
8 (a)(1) and (a)(2).”.

9           (c) EFFECTIVE DATE.—Section 44706 is further  
10 amended by adding at the end the following:

11           “(f) EFFECTIVE DATE.—Any regulation establishing  
12 the terms required by subsection (b) for airports covered  
13 by subsection (a)(2) shall not take effect until such regula-  
14 tion, and a report on the economic impact of the regula-  
15 tion on air service to the airports covered by the rule, has  
16 been submitted to Congress and 120 days have elapsed  
17 following the date of such submission.”.

18           (d) LIMITATION ON STATUTORY CONSTRUCTION.—  
19 Section 44706 is further amended by adding at the end  
20 the following:

21           “(g) LIMITATION ON STATUTORY CONSTRUCTION.—  
22 Nothing in this title may be construed as requiring a per-  
23 son to obtain an airport operating certificate if such per-  
24 son does not desire to operate an airport described in sub-  
25 section (a).”.

1 **SEC. 410. EMPLOYMENT INVESTIGATIONS OF PILOTS.**

2 (a) EMPLOYMENT INVESTIGATIONS.—

3 (1) IN GENERAL.—Chapter 447 is amended by  
4 adding at the end the following:

5 **“§ 44724. Preemployment review of prospective pilot**  
6 **records**

7 “(a) PILOT RECORDS.—

8 “(1) IN GENERAL.—Before allowing an individ-  
9 ual to begin service as a pilot, an air carrier shall  
10 request and receive the following information:

11 “(A) FAA RECORDS.—From the Adminis-  
12 trator of the Federal Aviation Administration,  
13 information pertaining to the individual that is  
14 maintained by the Administrator concerning—

15 “(i) current airman certificates (in-  
16 cluding airman medical certificates) and  
17 associated type ratings, including any limi-  
18 tations thereon; and

19 “(ii) summaries of legal enforcement  
20 actions which have resulted in a finding by  
21 the Administrator of a violation of this  
22 title or a regulation prescribed or order is-  
23 sued under this title and which have not  
24 been subsequently overturned.

25 “(B) AIR CARRIER RECORDS.—From any  
26 air carrier (or the trustee in bankruptcy for the

1 air carrier) that has employed the individual at  
2 any time during the 5-year period preceding the  
3 date of the employment application of the indi-  
4 vidual—

5 “(i) records pertaining to the individ-  
6 ual that are maintained by an air carrier  
7 (other than records relating to flight time,  
8 duty time, or rest time) under regulations  
9 set forth in—

10 “(I) section 121.683 of title 14,  
11 Code of Federal Regulations;

12 “(II) paragraph (A) of section  
13 VI, appendix I, part 121 of such title;

14 “(III) paragraph (A) of section  
15 IV, appendix J, part 121 of such title;

16 “(IV) section 125.401 of such  
17 title; and

18 “(V) section 135.63(a)(4) of such  
19 title; and

20 “(ii) other records pertaining to the  
21 individual that are maintained by the air  
22 carrier concerning—

23 “(I) the training, qualifications,  
24 proficiency, or professional com-  
25 petence of the individual, including

1           comments and evaluations made by a  
2           check airman designated in accord-  
3           ance with section 121.411, 125.295,  
4           or 135.337 of such title;

5           “(II) any disciplinary action re-  
6           lating to the training, qualifications,  
7           proficiency, or professional com-  
8           petence of the individual which was  
9           taken by the air carrier with respect  
10          to the individual and which was not  
11          subsequently overturned by the air  
12          carrier; and

13          “(III) any release from employ-  
14          ment or resignation, termination (if  
15          related to the individual’s training,  
16          professional qualification, proficiency,  
17          or professional competence), or dis-  
18          qualification with respect to employ-  
19          ment.

20          “(C) NATIONAL DRIVER REGISTER  
21          RECORDS.—From the chief driver licensing offi-  
22          cial of a State, information concerning the  
23          motor vehicle driving record of the individual in  
24          accordance with section 30305(b)(7) of this  
25          title.

1           “(2) 5-YEAR REPORTING PERIOD.—A person is  
2 not required to furnish a record in response to a re-  
3 quest made under paragraph (1) if the record was  
4 entered more than 5 years before the date of the re-  
5 quest, unless the information is about a revocation  
6 or suspension of an airman certificate or motor vehi-  
7 cle license that is still in effect on the date of the  
8 request.

9           “(3) REQUIREMENT TO MAINTAIN RECORDS.—  
10 The Administrator and each air carrier (or the  
11 trustee in bankruptcy for the air carrier) shall main-  
12 tain pilot records described in paragraph (1) for a  
13 period of at least 5 years.

14           “(4) WRITTEN CONSENT FOR RELEASE.—Nei-  
15 ther the Administrator nor any air carrier may fur-  
16 nish a record in response to a request made under  
17 paragraph (1) (A) or (B) without first obtaining the  
18 written consent of the individual whose records are  
19 being requested.

20           “(5) DEADLINE FOR PROVISION OF INFORMA-  
21 TION.—A person who receives a request for records  
22 under paragraph (1) shall furnish, on or before the  
23 30th day following the date of receipt of the request  
24 (or on or before the 30th day following the date of  
25 obtaining the written consent of the individual in the

1 case of a request under paragraph (1) (A) or (B)),  
2 all of the records maintained by the person that  
3 have been requested.

4 “(6) RIGHT TO RECEIVE NOTICE AND COPY OF  
5 ANY RECORD FURNISHED.—A person who receives a  
6 request for records under paragraph (1) shall pro-  
7 vide to the individual whose records have been re-  
8 quested—

9 “(A) on or before the 20th day following  
10 the date of receipt of the request, written notice  
11 of the request and of the individual’s right to  
12 receive a copy of such records; and

13 “(B) in accordance with paragraph (9), a  
14 copy of such records, if requested by the indi-  
15 vidual.

16 “(7) REASONABLE CHARGES FOR PROCESSING  
17 REQUESTS AND FURNISHING COPIES.—A person who  
18 receives a request for records under paragraph (1)  
19 or (9) may establish a reasonable charge for the cost  
20 of processing the request and furnishing copies of  
21 the requested records.

22 “(8) RIGHT TO CORRECT INACCURACIES.—An  
23 air carrier that receives the records of an individual  
24 under paragraph (1)(B) shall provide the individual  
25 with a reasonable opportunity to submit written

1        comments to correct any inaccuracies contained in  
2        the records before making a final hiring decision  
3        with respect to the individual.

4            “(9) RIGHT OF PILOT TO REVIEW CERTAIN  
5        RECORDS.—Notwithstanding any other provision of  
6        a law or agreement, an air carrier shall, upon writ-  
7        ten request from a pilot employed by such carrier,  
8        make available, within a reasonable time of the re-  
9        quest, to the pilot for review any and all employment  
10       records referred to in paragraph (1)(B) pertaining  
11       to the pilot’s employment.

12           “(10) PRIVACY PROTECTIONS.—

13                “(A) USE OF RECORDS.—An air carrier or  
14        employee of an air carrier that receives the  
15        records of an individual under paragraph (1)  
16        may use such records only to assess the quali-  
17        fications of the individual in deciding whether  
18        or not to hire the individual as a pilot.

19                “(B) REQUIRED ACTIONS.—Subject to  
20        subsection (c), the air carrier or employee of an  
21        air carrier shall take such actions as may be  
22        necessary to protect the privacy of the pilot and  
23        the confidentiality of the records, including en-  
24        suring that the information contained in the

1 records is not divulged to any individual that is  
2 not directly involved in the hiring decision.

3 “(C) INDIVIDUALS NOT HIRED.—If the in-  
4 dividual is not hired, the air carrier shall de-  
5 stroy or return the records of the individual re-  
6 ceived under paragraph (1); except that the air  
7 carrier may retain any records needed to defend  
8 its decisions not to hire the individual.

9 “(11) STANDARD FORMS.—The Administrator  
10 may promulgate—

11 “(A) standard forms which may be used by  
12 an air carrier to request the records of an indi-  
13 vidual under paragraph (1); and

14 “(B) standard forms which may be used by  
15 a person who receives a request for records  
16 under paragraph (1) to obtain the written con-  
17 sent of the individual and to inform the individ-  
18 ual of the request and of the individual’s right  
19 to receive a copy of any records furnished in re-  
20 sponse to the request.

21 “(12) REGULATIONS.—The Administrator may  
22 prescribe such regulations as may be necessary—

23 “(A) to protect the personal privacy of any  
24 individual whose records are requested under

1 paragraph (1) and to protect the confidentiality  
2 of those records;

3 “(B) to preclude the further dissemination  
4 of records received under paragraph (1) by the  
5 air carrier who requested them; and

6 “(C) to ensure prompt compliance with  
7 any request under paragraph (1).

8 “(b) LIMITATION ON LIABILITY; PREEMPTION OF  
9 STATE AND LOCAL LAW.—

10 “(1) LIMITATION ON LIABILITY.—No action or  
11 proceeding may be brought by or on behalf of an in-  
12 dividual who is seeking a position with an air carrier  
13 as a pilot against—

14 “(A) the air carrier for requesting the indi-  
15 vidual’s records under subsection (a)(1);

16 “(B) a person who has complied with such  
17 request and in the case of a request under sub-  
18 section (a)(1) (A) or (B) has obtained the writ-  
19 ten consent of the individual;

20 “(C) a person who has entered information  
21 contained in the individual’s records; or

22 “(D) an agent or employee of a person de-  
23 scribed in subparagraph (A) or (B);

24 in the nature of an action for defamation, invasion  
25 of privacy, negligence, interference with contract, or

1 otherwise, or under any Federal, State, or local law  
2 with respect to the furnishing or use of such records  
3 in accordance with subsection (a).

4 “(2) PREEMPTION.—No State or political sub-  
5 division thereof may enact, prescribe, issue, continue  
6 in effect, or enforce any law, regulation, standard, or  
7 other provision having the force and effect of law  
8 that prohibits, penalizes, or imposes liability for fur-  
9 nishing or using records in accordance with sub-  
10 section (a).

11 “(3) PROVISION OF KNOWINGLY FALSE INFOR-  
12 MATION.—Paragraphs (1) and (2) shall not apply  
13 with respect to a person that furnishes in response  
14 to a request made under subsection (a)(1) informa-  
15 tion that the person knows is false.

16 “(c) LIMITATION ON STATUTORY CONSTRUCTION.—  
17 Nothing in this section shall be construed as precluding  
18 the availability of the records of a pilot in an investigation  
19 or other proceeding concerning an accident or incident  
20 conducted by the Secretary, the National Transportation  
21 Safety Board, or a court.”.

22 (2) CHAPTER ANALYSIS AMENDMENT.—The  
23 analysis for chapter 447 is amended by adding at  
24 the end the following:

“44724. Preemployment review of prospective pilot records.”.

1           (3) CONFORMING AMENDMENT.—Section  
2           30305(b) is amended by redesignating paragraph (7)  
3           as paragraph (8) and by inserting after paragraph  
4           (6) the following:

5           “(7) An individual who is employed or seeking em-  
6           ployment by an air carrier as a pilot may request the chief  
7           driver licensing official of a State to provide information  
8           about the individual under subsection (a) of this section  
9           to the individual’s prospective employer or to the Secretary  
10          of Transportation. Information may not be obtained from  
11          the Register under this paragraph if the information was  
12          entered in the Register more than 5 years before the re-  
13          quest, unless the information is about a revocation or sus-  
14          pension still in effect on the date of the request.”.

15          (4) CIVIL PENALTIES.—Section 46301 is  
16          amended by inserting “44724,” after “44716,” in  
17          each of subsections (a)(1)(A), (a)(2)(A), (d)(2), and  
18          (f)(1)(A)(i).

19          (5) APPLICABILITY.—The amendments made  
20          by this subsection shall apply to an air carrier hiring  
21          an individual as a pilot if the application of the indi-  
22          vidual for employment as a pilot is initially received  
23          by the air carrier on or after the 120th day after the  
24          date of the enactment of this Act.

1 (b) RULEMAKING TO ESTABLISH MINIMUM STAND-  
2 ARDS FOR PILOT QUALIFICATIONS.—Not later than 18  
3 months after the date of the enactment of this Act, the  
4 Administrator of the Federal Aviation Administration  
5 shall issue a notice of a proposed rulemaking to estab-  
6 lish—

7 (1) minimum standards and criteria for  
8 preemployment screening tests measuring the bio-  
9 graphical factors (psychomotor coordination), gen-  
10 eral intellectual capacity, instrument and mechanical  
11 comprehension, and physical fitness of an applicant  
12 for employment as a pilot by an air carrier; and

13 (2) minimum standards and criteria for pilot  
14 training facilities which will be licensed by the Ad-  
15 ministrator and which will assure that pilots trained  
16 at such facilities meet the preemployment screening  
17 standards and criteria described in paragraph (1).

18 (c) SHARING ARMED SERVICES RECORDS.—

19 (1) STUDY.—The Administrator, in conjunction  
20 with the Secretary of Defense, shall conduct a study  
21 to determine the relevance and appropriateness of  
22 requiring the Secretary of Defense to provide to an  
23 air carrier, upon request in connection with the hir-  
24 ing of an individual as a pilot, records of the individ-  
25 ual concerning the individual's training, qualifica-

1 tions, proficiency, professional competence, or terms  
2 of discharge from the Armed Forces.

3 (2) REPORT.—Not later than 1 year after the  
4 date of the enactment of this Act, the Administrator  
5 shall transmit to Congress a report on the results of  
6 the study.

7 (d) MINIMUM FLIGHT TIME.—

8 (1) STUDY.—The Administrator shall conduct a  
9 study to determine whether current minimum flight  
10 time requirements applicable to individuals seeking  
11 employment as a pilot with an air carrier are suffi-  
12 cient to ensure public safety.

13 (2) REPORT.—Not later than 1 year after the  
14 date of the enactment of this Act, the Administrator  
15 shall transmit to Congress a report on the results of  
16 the study.

17 **SEC. 411. CHILD PILOT SAFETY.**

18 (a) MANIPULATION OF FLIGHT CONTROLS.—

19 (1) IN GENERAL.—Chapter 447 is amended by  
20 adding at the end the following:

21 **“§ 44725. Manipulation of flight controls**

22 “(a) PROHIBITION.—No pilot in command of an air-  
23 craft may allow an individual who does not hold—

24 “(1) a valid private pilots certificate issued by  
25 the Administrator of the Federal Aviation Adminis-

1       tration under part 61 of title 14, Code of Federal  
2       Regulations; and

3             “(2) the appropriate medical certificate issued  
4       by the Administrator under part 67 of such title,  
5       to manipulate the controls of an aircraft if the pilot knows  
6       or should have known that the individual is attempting  
7       to set a record or engage in an aeronautical competition  
8       or aeronautical feat, as defined by the Administrator.

9             “(b) REVOCATION OF AIRMEN CERTIFICATES.—The  
10       Administrator shall issue an order revoking a certificate  
11       issued to an airman under section 44703 of this title if  
12       the Administrator finds that while acting as a pilot in  
13       command of an aircraft, the airman has permitted another  
14       individual to manipulate the controls of the aircraft in vio-  
15       lation of subsection (a).

16            “(c) PILOT IN COMMAND DEFINED.—In this section,  
17       the term ‘pilot in command’ has the meaning given such  
18       term by section 1.1 of title 14, Code of Federal Regula-  
19       tions.”.

20            (2) CONFORMING AMENDMENT.—The table of  
21       sections at the beginning of such chapter is amended  
22       by adding at the end the following:

“44725. Manipulation of flight controls.”.

23       (b) CHILDREN FLYING AIRCRAFT.—

1           (1) STUDY.—The Administrator of the Federal  
2 Aviation Administration shall conduct a study of the  
3 impacts of children flying aircraft.

4           (2) CONSIDERATIONS.—In conducting the  
5 study, the Administrator shall consider the effects of  
6 imposing any restrictions on children flying aircraft  
7 on safety and on the future of general aviation in  
8 the United States.

9           (3) REPORT.—Not later than 6 months after  
10 the date of the enactment of this Act, the Adminis-  
11 trator shall issue a report containing the results of  
12 the study, together with recommendations on—

13           (A) whether the restrictions established by  
14 the amendment made by subsection (a)(1)  
15 should be modified or repealed; and

16           (B) whether certain individuals or groups  
17 should be exempt from any age, altitude, or  
18 other restrictions that the Administrator may  
19 impose by regulation.

20           (4) REGULATIONS.—As a result of the findings  
21 of the study, the Administrator may issue regula-  
22 tions imposing age, altitude, or other restrictions on  
23 children flying aircraft.

1 **SEC. 412. DISCRETIONARY AUTHORITY FOR CRIMINAL HIS-**  
2 **TORY RECORDS CHECKS.**

3 (a) IN GENERAL.—Section 44936(a)(1) is amend-  
4 ed—

5 (1) by redesignating subparagraphs (A) and  
6 (B) as clauses (i) and (ii), respectively;

7 (2) by striking “(1) The Administrator” and in-  
8 serting the following:

9 “(1) EMPLOYEES.—

10 “(A) PERSONS WITH ACCESS TO AIRCRAFT  
11 AND OTHER SECURED AREAS.—The Adminis-  
12 trator”;

13 (3) by moving the remainder of the text of sub-  
14 paragraph (A) (as designated by paragraph (2) of  
15 this subsection), including clauses (i) and (ii) (as  
16 designated by paragraph (1) of this subsection), 2  
17 ems to the right; and

18 (4) by adding at the end the following:

19 “(B) PERSONS RESPONSIBLE FOR SCREEN-  
20 ING PASSENGERS AND PROPERTY.—

21 “(i) IN GENERAL.—The Administrator  
22 may require by regulation that an employ-  
23 ment investigation (including a criminal  
24 history record check in cases in which the  
25 employment investigation reveals a gap in  
26 employment of 12 months or more that the

1 individual does not satisfactorily account  
2 for) be conducted for individuals who will  
3 be responsible for screening passengers  
4 and property under section 44901 of this  
5 title and their supervisors.

6 “(ii) SPECIAL RULE.—If an individual  
7 requires a criminal history record check  
8 under clause (i), the individual may be em-  
9 ployed as a screener until the check is  
10 completed if the individual is subject to su-  
11 pervision.”.

12 (b) CONFORMING AMENDMENTS.—Section  
13 44936(a)(2) is amended—

14 (1) by striking “(2) An air carrier” and insert-  
15 ing the following:

16 “(2) RESPONSIBILITY OF AIR CARRIERS, FOR-  
17 EIGN AIR CARRIERS, AND AIRPORT OPERATORS.—An  
18 air carrier”; and

19 (2) by moving the remainder of the text of the  
20 paragraph 2 ems to the right.

21 (c) APPLICABILITY.—The amendment made by sub-  
22 section (a)(4) shall not apply to an individual employed  
23 as a screener, or a supervisor of screeners, on the day be-  
24 fore the date of the enactment of this Act.

1 **SEC. 413. IMPOSITION OF FEES.**

2 (a) IN GENERAL.—Chapter 453 is amended by add-  
3 ing at the end the following:

4 **“§ 45304. Prohibition on imposition of unauthorized**  
5 **fees; fees for services provided to certain**  
6 **aircraft**

7 “(a) PROHIBITION.—Notwithstanding any other pro-  
8 vision of law, the Administrator of the Federal Aviation  
9 Administration shall not impose any fee that is not in ef-  
10 fect on the date of the enactment of this section unless  
11 the fee is expressly authorized by law.

12 “(b) AUTHORITY TO IMPOSE FEES.—

13 “(1) IN GENERAL.—The Administrator is au-  
14 thorized to establish a schedule of fees (and a collec-  
15 tion process for such fees), to be effective not later  
16 than 60 days after the date of the enactment of this  
17 section, solely to recover the costs incurred by the  
18 Administrator in providing air traffic control serv-  
19 ices to aircraft that neither take off from nor land  
20 in the United States.

21 “(2) PERSONS SUBJECT TO FEE.—Fees may be  
22 assessed under paragraph (1) only on aircraft that  
23 neither take off from nor land in the United States;  
24 except that such fees shall not apply to foreign gov-  
25 ernment aircraft.

1           “(3) LIMITATION ON MANNER OF COLLEC-  
2           TION.—Fees may be assessed and collected under  
3           this subsection only in such manner as may reason-  
4           ably be expected to result in the collection of an ag-  
5           gregate amount of fees during any fiscal year which  
6           does not exceed the aggregate costs of the Adminis-  
7           trator for such year in providing the services re-  
8           ferred to in paragraph (1).

9           “(4) LIMITATION ON AMOUNT OF FEE.—The  
10           amount of any fee assessed under this subsection on  
11           any aircraft may not exceed the amount which is  
12           reasonably based on the proportion of the services  
13           referred to in paragraph (1) which relate to such  
14           aircraft.

15           “(5) TARGET AMOUNT OF AGGREGATE FEES.—  
16           To the extent permitted by the preceding provisions  
17           of this subsection, fees under the schedule referred  
18           to in paragraph (1) shall be at levels that will re-  
19           cover not less than \$30,000,000 in the first year in  
20           which the fees are implemented.”.

21           (b) CONFORMING AMENDMENT.—The table of sec-  
22           tions for such chapter is amended by adding at the end  
23           the following new item:

“45304. Prohibition on imposition of unauthorized fees; fees for services pro-  
vided to certain aircraft.”.

1 **SEC. 414. AUTHORITY TO CLOSE AIRPORT LOCATED NEAR**  
2 **CLOSED OR REALIGNED MILITARY BASE.**

3 Notwithstanding any other provision of a law, rule,  
4 or grant assurance, an airport that is not a commercial  
5 service airport may be closed by its sponsor without any  
6 obligation to repay grants made under chapter 471 of title  
7 49, United States Code, the Airport and Airway Improve-  
8 ment Act of 1982, or any other law if the airport is located  
9 within 3 miles of a military base which has been closed  
10 or realigned.

11 **SEC. 415. CONSTRUCTION OF RUNWAYS.**

12 Notwithstanding section 332 of the Department of  
13 Transportation and Related Agencies Appropriations Act,  
14 1996 (109 Stat. 457) or any other provision of law that  
15 specifically restricts the number of runways at a single  
16 international airport, the Secretary of Transportation may  
17 obligate funds under chapters 471 and 481 of title 49,  
18 United States Code, for any project to construct a new  
19 runway at such airport, unless this section is expressly re-  
20 pealed.

21 **SEC. 416. GADSDEN AIR DEPOT, ALABAMA.**

22 (a) **AUTHORITY TO GRANT WAIVERS.**—Notwith-  
23 standing section 16 of the Federal Airport Act (as in ef-  
24 fect on May 4, 1949), the Secretary is authorized, subject  
25 to the provisions of section 47153 of title 49, United  
26 States Code, and the provisions of subsection (b) of this

1 section, to waive any of the terms contained in the deed  
2 of conveyance dated May 4, 1949, under which the United  
3 States conveyed certain property to the city of Gadsden,  
4 Alabama, for airport purposes.

5 (b) CONDITIONS.—Any waiver granted under sub-  
6 section (a) shall be subject to the following conditions:

7 (1) The city of Gadsden, Alabama, shall agree  
8 that, in conveying any interest in the property which  
9 the United States conveyed to the city by a deed de-  
10 scribed in subsection (a), the city will receive an  
11 amount for such interest which is equal to the fair  
12 market value of such interest (as determined pursu-  
13 ant to regulations issued by the Secretary).

14 (2) Any such amount so received by the city  
15 shall be used by the city for the development, im-  
16 provement, operation, or maintenance of a public  
17 airport, lands (including any improvements thereto)  
18 which produce revenues that are used for airport de-  
19 velopment purposes, or both.

20 **SEC. 417. REGULATIONS AFFECTING INTRASTATE AVIA-**  
21 **TION IN ALASKA.**

22 In modifying regulations contained in title 14, Code  
23 of Federal Regulations, in a manner affecting intrastate  
24 aviation in Alaska, the Administrator of the Federal Avia-  
25 tion Administration shall consider the extent to which

1 Alaska is not served by transportation modes other than  
2 aviation, and shall establish such regulatory distinctions  
3 as the Administrator considers appropriate.

4 **SEC. 418. WESTCHESTER COUNTY AIRPORT, NEW YORK.**

5 Notwithstanding sections 47107(b) and 44706(d) of  
6 title 49, United States Code, and any other law, regula-  
7 tion, or grant assurance, all fees received by Westchester  
8 County Airport in the State of New York may be paid  
9 into the treasury of Westchester County pursuant to sec-  
10 tion 119.31 of the Westchester County Charter if the Sec-  
11 retary finds that the expenditures from such treasury for  
12 the capital and operating costs of the Airport after Decem-  
13 ber 31, 1990, have been and will be equal to or greater  
14 than the fees that such treasury receives from the Airport.

15 **SEC. 419. BEDFORD AIRPORT, PENNSYLVANIA.**

16 If the Administrator of the Federal Aviation Admin-  
17 istration decommissions an instrument landing system in  
18 Pennsylvania, the Administrator shall, if feasible, transfer  
19 and install the system at Bedford Airport, Pennsylvania.

20 **SEC. 420. LOCATION OF DOPPLER RADAR STATIONS, NEW**  
21 **YORK.**

22 (a) PROHIBITION.—No Federal funds may be used  
23 for the construction of a Doppler radar station at the  
24 Coast Guard station in Brooklyn, New York.

25 (b) CONSTRUCTION OF OFFSHORE PLATFORMS.—

1           (1) STUDY.—The Administrator of the Federal  
2           Aviation Administration shall conduct a study of the  
3           feasibility of constructing 2 offshore platforms to  
4           serve as sites for the location of Doppler radar sta-  
5           tions for John F. Kennedy International Airport and  
6           LaGuardia Airport in New York City, New York.

7           (2) REPORT.—Not later than 1 year after the  
8           date of the enactment of this Act, the Administrator  
9           shall transmit to Congress a report on the results of  
10          the study conducted under paragraph (1), including  
11          proposed locations for the offshore platforms. Such  
12          locations shall be as far as possible from populated  
13          areas while providing appropriate safety measures  
14          for John F. Kennedy International Airport and  
15          LaGuardia Airport.

16          (c) LIMITATION.—The Administrator shall not begin  
17          construction of a Doppler radar station for John F. Ken-  
18          nedy International Airport or LaGuardia Airport at any  
19          location before submitting a report under subsection (b).

20   **SEC. 421. WORCESTER MUNICIPAL AIRPORT, MASSACHU-**  
21                           **SETTS.**

22          The Secretary of Transportation shall take such ac-  
23          tions as may be necessary to improve the safety of aircraft  
24          landing at Worcester Municipal Airport, Massachusetts,  
25          including, if appropriate, providing air traffic radar service

1 to such airport from the Providence Approach Radar Con-  
2 trol in Coventry, Rhode Island.

3 **SEC. 422. CENTRAL FLORIDA AIRPORT, SANFORD, FLORIDA.**

4 The Secretary of Transportation shall take such ac-  
5 tions as may be necessary to improve the safety of aircraft  
6 landing at Central Florida Airport, Sanford, Florida, in-  
7 cluding, if appropriate, providing a new instrument land-  
8 ing system on Runway 27R.

9 **SEC. 423. AIRCRAFT NOISE OMBUDSMAN.**

10 Section 106 is amended by redesignating subsection  
11 (k), as amended by section 103 of this Act, as subsection  
12 (l) and by inserting after subsection (j) the following:

13 “(k) AIRCRAFT NOISE OMBUDSMAN.—

14 “(1) ESTABLISHMENT.—There shall be in the  
15 Administration an Aircraft Noise Ombudsman.

16 “(2) GENERAL DUTIES AND RESPONSIBIL-  
17 ITIES.—The Ombudsman shall—

18 “(A) be appointed by the Administrator;

19 “(B) serve as a liaison with the public on  
20 issues regarding aircraft noise; and

21 “(C) be consulted when the Administration  
22 proposes changes in aircraft routes so as to  
23 minimize any increases in aircraft noise over  
24 populated areas.”.

1 **SEC. 424. SPECIAL RULE FOR PRIVATELY OWNED RE-**  
2 **LIEVER AIRPORTS.**

3 Section 47109 is amended by adding at the end the  
4 following:

5 “(c) SPECIAL RULE FOR PRIVATELY OWNED RE-  
6 LIEVER AIRPORTS.—If a privately owned reliever airport  
7 contributes any lands, easements, or rights-of-way to carry  
8 out a project under this subchapter, the current fair mar-  
9 ket value of such lands, easements, or rights-of-way shall  
10 be credited toward the non-Federal share of allowable  
11 project costs.”.

12 **TITLE V—EXTENSION OF AIR-**  
13 **PORT AND AIRWAY TRUST**  
14 **FUND EXPENDITURES**

15 **SEC. 501. EXTENSION OF AIRPORT AND AIRWAY TRUST**  
16 **FUND EXPENDITURES.**

17 (a) EXTENSION OF EXPENDITURE AUTHORITY.—  
18 Paragraph (1) of section 9502(d) of the Internal Revenue  
19 Code of 1986 is amended by striking “October 1, 1996”  
20 and inserting “October 1, 1999”.

21 (b) EXTENSION OF TRUST FUND PURPOSES.—Sub-  
22 paragraph (A) of section 9502(d)(1) of such Code is  
23 amended by inserting before the semicolon at the end “or  
24 the Federal Aviation Authorization Act of 1996”.

1 **TITLE VI—FEDERAL AVIATION**  
2 **ADMINISTRATION RESEARCH,**  
3 **ENGINEERING, AND DEVEL-**  
4 **OPMENT**

5 **SEC. 601. SHORT TITLE.**

6 This title may be cited as the “FAA Research, Engi-  
7 neering, and Development Management Reform Act of  
8 1996”.

9 **SEC. 602. AUTHORIZATION OF APPROPRIATIONS.**

10 Section 48102(a) is amended—

11 (1) by striking “and” at the end of paragraph  
12 (1)(J);

13 (2) by striking the period at the end of para-  
14 graph (2)(J) and inserting in lieu thereof “; and”;  
15 and

16 (3) by adding at the end the following new  
17 paragraph:

18 “(3) for fiscal year 1997—

19 “(A) \$10,000,000 for system development  
20 and infrastructure projects and activities;

21 “(B) \$39,911,000 for capacity and air  
22 traffic management technology projects and ac-  
23 tivities;

1           “(C) \$20,371,000 for communications,  
2 navigation, and surveillance projects and activi-  
3 ties;

4           “(D) \$6,411,000 for weather projects and  
5 activities;

6           “(E) \$6,000,000 for airport technology  
7 projects and activities;

8           “(F) \$37,978,000 for aircraft safety tech-  
9 nology projects and activities;

10           “(G) \$36,045,000 for system security tech-  
11 nology projects and activities;

12           “(H) \$23,682,000 for human factors and  
13 aviation medicine projects and activities;

14           “(I) \$3,800,000 for environment and en-  
15 ergy projects and activities; and

16           “(J) \$1,500,000 for innovative/cooperative  
17 research projects and activities.”.

18 **SEC. 603. RESEARCH PRIORITIES.**

19 Section 48102(b) is amended—

20           (1) by redesignating paragraph (2) as para-  
21 graph (3); and

22           (2) by striking “AVAILABILITY FOR RE-  
23 SEARCH.—(1)” and inserting in lieu thereof “RE-  
24 SEARCH PRIORITIES.—(1) The Administrator shall  
25 consider the advice and recommendations of the re-

1 search advisory committee established by section  
2 44508 of this title in establishing priorities among  
3 major categories of research and development activi-  
4 ties carried out by the Federal Aviation Administra-  
5 tion.

6 “(2)”.

7 **SEC. 604. RESEARCH ADVISORY COMMITTEE.**

8 Section 44508(a)(1) is amended—

9 (1) by striking “and” at the end of subpara-  
10 graph (B);

11 (2) by striking the period at the end of sub-  
12 paragraph (C) and inserting in lieu thereof “; and”;  
13 and

14 (3) by inserting after subparagraph (C) the fol-  
15 lowing new subparagraph:

16 “(D) annually review the allocation made by the  
17 Administrator of the amounts authorized by section  
18 48102(a) of this title among the major categories of  
19 research and development activities carried out by  
20 the Administration and provide advice and rec-  
21 ommendations to the Administrator on whether such  
22 allocation is appropriate to meet the needs and ob-  
23 jectives identified under subparagraph (A).”.

24 **SEC. 605. NATIONAL AVIATION RESEARCH PLAN.**

25 Section 44501(c) is amended—

1           (1) in paragraph (2)(A) by striking “15-year”  
2           and inserting in lieu thereof “5-year”;

3           (2) by amending subparagraph (B) to read as  
4           follows:

5           “(B) The plan shall—

6           “(i) provide estimates by year of the schedule,  
7           cost, and work force levels for each active and  
8           planned major research and development project  
9           under sections 40119, 44504, 44505, 44507, 44509,  
10          44511–44513, and 44912 of this title, including ac-  
11          tivities carried out under cooperative agreements  
12          with other Federal departments and agencies;

13          “(ii) specify the goals and the priorities for allo-  
14          cation of resources among the major categories of  
15          research and development activities, including the  
16          rationale for the priorities identified;

17          “(iii) identify the allocation of resources among  
18          long-term research, near-term research, and develop-  
19          ment activities; and

20          “(iv) highlight the research and development  
21          activities that address specific recommendations of  
22          the research advisory committee established under  
23          section 44508 of this title, and document the rec-  
24          ommendations of the committee that are not accept-  
25          ed, specifying the reasons for nonacceptance.”; and

1           (3) in paragraph (3) by inserting “, including  
2           a description of the dissemination to the private sec-  
3           tor of research results and a description of any new  
4           technologies developed” after “during the prior fiscal  
5           year”.

Passed the House of Representatives September 11,  
1996.

Attest:

*Clerk.*