

Calendar No. 639

104TH CONGRESS
2D Session

S. 2161

A BILL

Reauthorizing programs of the Federal Aviation
Administration, and for other purposes.

OCTOBER 1, 1996

Read the second time and placed on the calendar

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 30, 1996

Mr. SIMON (for himself and Mr. KENNEDY) introduced the following bill;
which was read the first time

OCTOBER 1, 1996

Read the second time and placed on the calendar

A BILL

Reauthorizing 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,*

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

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Federal Aviation Reauthorization Act of 1996”.

6 (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—AIRPORT AND AIRWAY IMPROVEMENTS

Subtitle A—Reauthorization of FAA Programs

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

Subtitle B—Airport Development Financing

- Sec. 121. Apportionments.
- Sec. 122. Discretionary fund.
- Sec. 123. Use of apportioned amounts.
- Sec. 124. Designating current and former military airports.
- Sec. 125. Period of applicability of amendments.

Subtitle C—Airport Improvement Program Modifications

- Sec. 141. Intermodal planning.
- Sec. 142. Pavement maintenance program.
- Sec. 143. Access to airports by intercity buses.
- Sec. 144. Cost reimbursement for projects commenced prior to grant award.
- Sec. 145. Selection of projects for grants from discretionary fund.
- Sec. 146. Small airport fund.
- Sec. 147. State block grant program.
- Sec. 148. Innovative financing techniques.
- Sec. 149. Pilot program on private ownership of airports.

TITLE II—FAA REFORM

- Sec. 201. Short title.
- Sec. 202. Definitions.
- Sec. 203. Effective date.

Subtitle A—General Provisions

- Sec. 221. Findings.
- Sec. 222. Purposes.
- Sec. 223. Regulation of civilian air transportation and related services by the
Federal Aviation Administration and Department of Transportation.
- Sec. 224. Regulations.
- Sec. 225. Personnel and services.
- Sec. 226. Contracts.
- Sec. 227. Facilities.
- Sec. 228. Property.
- Sec. 229. Transfers of funds from other Federal agencies.
- Sec. 230. Management Advisory Council.

Subtitle B—Federal Aviation Administration Streamlining Programs

- Sec. 251. Review of acquisition management system.
- Sec. 252. Air traffic control modernization reviews.
- Sec. 253. Federal Aviation Administration personnel management system.
- Sec. 254. Conforming amendment.

Subtitle C—System To Fund Certain Federal Aviation Administration
Functions

- Sec. 271. Findings.
- Sec. 272. Purposes.
- Sec. 273. User fees for various Federal Aviation Administration services.
- Sec. 274. Independent assessment of FAA financial requirements; establishment of National Civil Aviation Review Commission.
- Sec. 275. Procedure for consideration of certain funding proposals.
- Sec. 276. Administrative provisions.
- Sec. 277. Advance appropriations for Airport and Airway Trust Fund activities.
- Sec. 278. Rural Air Service Survival Act.

TITLE III—AVIATION SECURITY

- Sec. 301. Report including proposed legislation on funding for airport security.
- Sec. 302. Certification of screening companies.
- Sec. 303. Weapons and explosive detection study.
- Sec. 304. Requirement for criminal history records checks.
- Sec. 305. Interim deployment of commercially available explosive detection equipment.
- Sec. 306. Audit of performance of background checks for certain personnel.
- Sec. 307. Passenger profiling.
- Sec. 308. Authority to use certain funds for airport security programs and activities.
- Sec. 309. Development of aviation security liaison agreement.
- Sec. 310. Regular joint threat assessments.
- Sec. 311. Baggage match report.
- Sec. 312. Enhanced security programs.
- Sec. 313. Report on air cargo.
- Sec. 314. Sense of the Senate regarding acts of international terrorism.

TITLE IV—AVIATION SAFETY

- Sec. 401. Elimination of dual mandate.
- Sec. 402. Protection of voluntarily submitted information.
- Sec. 403. Supplemental type certificates.
- Sec. 404. Certification of small airports.
- Sec. 405. Authorization for State-specific safety measures.
- Sec. 406. Aircraft engine standards.
- Sec. 407. Accident and safety data classification; report on effects of publication and automated surveillance targeting systems.

TITLE V—PILOT RECORD SHARING

- Sec. 501. Short title.
- Sec. 502. Employment investigations of pilot applicants.
- Sec. 503. Studies of minimum standards for pilot qualifications and of pay for training.
- Sec. 504. Study of minimum flight time.

TITLE VI—CHILD PILOT SAFETY

- Sec. 601. Short title.
- Sec. 602. Child pilot safety.

TITLE VII—FAMILY ASSISTANCE

- Sec. 701. Short title.

- Sec. 702. Assistance by National Transportation Safety Board to families of passengers involved in aircraft accidents.
- Sec. 703. Air carrier plans to address needs of families of passengers involved in aircraft accidents.
- Sec. 704. Establishment of task force.
- Sec. 705. Limitation on statutory construction.

TITLE VIII—AIRPORT REVENUE PROTECTION

- Sec. 801. Short title.
- Sec. 802. Findings; purpose.
- Sec. 803. Definitions.
- Sec. 804. Restriction on use of airport revenues.
- Sec. 805. Regulations; audits and accountability.
- Sec. 806. Conforming amendments to the Internal Revenue Code of 1986.

TITLE IX—METROPOLITAN WASHINGTON AIRPORTS

- Sec. 901. Short title.
- Sec. 902. Use of leased property.
- Sec. 903. Board of Directors.
- Sec. 904. Termination of Board of Review.
- Sec. 905. Limitations.
- Sec. 906. Use of Dulles Airport Access Highway.
- Sec. 907. Effect of judicial order.
- Sec. 908. Amendment of lease.
- Sec. 909. Sense of the Senate.

TITLE X—EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURES

- Sec. 1001. Extension of Airport and Airway Trust Fund expenditures.

TITLE XI—FAA RESEARCH, ENGINEERING, AND DEVELOPMENT

- Sec. 1101. Short title.
- Sec. 1102. Authorization of appropriations.
- Sec. 1103. Research priorities.
- Sec. 1104. Research advisory committee.
- Sec. 1105. National aviation research plan.

TITLE XII—MISCELLANEOUS PROVISIONS

- Sec. 1201. Purchase of housing units.
- Sec. 1202. Clarification of passenger facility revenues as constituting trust funds.
- Sec. 1203. Authority to close airport located near closed or realigned military base.
- Sec. 1204. Gadsden Air Depot, Alabama.
- Sec. 1205. Regulations affecting intrastate aviation in Alaska.
- Sec. 1206. Westchester County Airport, New York.
- Sec. 1207. Bedford Airport, Pennsylvania.
- Sec. 1208. Worcester Municipal Airport, Massachusetts.
- Sec. 1209. Central Florida Airport, Sanford, Florida.
- Sec. 1210. Aircraft Noise Ombudsman.
- Sec. 1211. Special rule for privately owned reliever airports.

Sec. 1212. Sense of the Senate regarding the funding of the Federal Aviation Administration.

Sec. 1213. Rural air fare study.

Sec. 1214. Carriage of candidates in State and local elections.

Sec. 1215. Special flight rules in the vicinity of Grand Canyon National Park.

Sec. 1216. Transfer of air traffic control tower; closing of flight service stations.

Sec. 1217. Location of Doppler radar stations, New York.

Sec. 1218. Train whistle requirements.

Sec. 1219. Increased fees.

Sec. 1220. Structures interfering with air commerce.

Sec. 1221. Hawaii cargo.

Sec. 1222. Limitation on authority of States to regulate gambling devices on vessels.

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 apply only to fiscal years beginning after September 30,
12 1996.

13 (b) LIMITATION ON STATUTORY CONSTRUCTION.—
14 Nothing in this Act or any amendment made by this Act
15 shall be construed as affecting funds made available for
16 a fiscal year ending before October 1, 1996.

1 **TITLE I—AIRPORT AND AIRWAY**
 2 **IMPROVEMENTS**
 3 **Subtitle A—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, and \$4,627,000,000 for
 14 fiscal years ending before October 1, 1998.”.

15 (b) OBLIGATIONAL AUTHORITY.—Section 47104(c)
 16 is amended by striking “1996” and inserting “1998”.

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

18 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
 19 48101(a) is amended by striking paragraphs (1) through
 20 (4) and inserting the following:

21 “(1) \$2,068,000,000 for fiscal year 1997.

22 “(2) \$2,129,000,000 for fiscal year 1998.”.

23 (b) CLERICAL AMENDMENTS.—Chapter 481 is
 24 amended—

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

3 **“§ 48101. Air navigation facilities and equipment”**; and

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

“48101. Air navigation facilities and equipment.”.

7 **SEC. 103. FAA OPERATIONS.**

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

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

16 (1) in the subsection heading by striking
 17 “1996” and inserting “1998”;

18 (2) in the matter preceding paragraph (1) by
 19 striking “1994, 1995, and 1996” and inserting
 20 “1994 through 1998”; and

21 (3) in paragraph (2)(A) by striking “70 per-
 22 cent” and inserting “72.5 percent”.

23 (c) LIMITATION ON OBLIGATING OR EXPENDING
 24 AMOUNTS.—Section 48108(c) is amended by striking
 25 “1996” and inserting “1998”.

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 by striking the item
7 relating to section 48104 and inserting the follow-
8 ing:

“48104. Operations and maintenance.”.

9 **Subtitle B—Airport Development** 10 **Financing**

11 **SEC. 121. 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 passenger boarding” and inserting “of the next
19 500,000 passenger boardings”;

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

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

23 “(v) \$.50 for each additional passenger board-
24 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. 122. 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) \$148,000,000; 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 “(4) SPECIAL RULE.—For a fiscal year in
14 which the amount credited to the fund under this
15 subsection exceeds \$300,000,000, the Secretary shall
16 allocate the amount of such excess as follows:

17 “(A) $\frac{1}{3}$ shall be made available to airports
18 for which apportionments are made under sec-
19 tion 47114(d) of this title.

20 “(B) $\frac{1}{3}$ shall be made available for airport
21 noise compatibility planning under section
22 47505(a)(2) of this title and for carrying out
23 noise compatibility programs under section
24 47504(c)(1) of this title.

1 “(C) $\frac{1}{3}$ shall be made available to current
 2 or former military airports for which grants
 3 may be made under section 47117(e)(1)(B) of
 4 this title.”.

5 **SEC. 123. USE OF APPORTIONED AMOUNTS.**

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

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

14 (1) by striking “made available under section
 15 48103” and inserting “available to the discretionary
 16 fund under section 47115”;

17 (2) by striking subparagraphs (A), (C), and
 18 (D);

19 (3) by redesignating subparagraphs (B) and
 20 (E) as subparagraphs (A) and (B), respectively;

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

23 (5) by adding at the end of subparagraph (A),
 24 as so redesignated, the following: “The Secretary
 25 may count the amount of grants made for such plan-

1 ning and programs with funds apportioned under
 2 section 47114 in that fiscal year in determining
 3 whether or not such 31 percent requirement is being
 4 met in that fiscal year.”;

5 (6) in subparagraph (B), as so redesignated, by
 6 striking “at least 2.25” and all that follows through
 7 “1996,” and inserting “At least 4 percent for each
 8 fiscal year thereafter”; and

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

20 (c) CONFORMING AMENDMENTS.—Section 47117(e)
 21 is amended—

22 (1) by striking paragraph (2); and

23 (2) by redesignating paragraph (3) as para-
 24 graph (2).

1 **SEC. 124. DESIGNATING CURRENT AND FORMER MILITARY**
2 **AIRPORTS.**

3 (a) GENERAL REQUIREMENTS.—Section 47118(a) is
4 amended to read as follows:

5 “(a) GENERAL REQUIREMENTS.—The Secretary of
6 Transportation shall designate current or former military
7 airports for which grants may be made under section
8 47117(e)(1)(B) of this title. The maximum number of air-
9 ports bearing such designation at any time is 12. The Sec-
10 retary may only so designate an airport (other than an
11 airport so designated before August 24, 1994) if—

12 “(1) the airport is a former military installation
13 closed or realigned under—

14 “(A) section 2687 of title 10;

15 “(B) section 201 of the Defense Authoriza-
16 tion Amendments and Base Closure and Re-
17 alignment Act (10 U.S.C. 2687 note); or

18 “(C) section 2905 of the Defense Base
19 Closure and Realignment Act of 1990 (10
20 U.S.C. 2687 note); or

21 “(2) the Secretary finds that such grants
22 would—

23 “(A) reduce delays at an airport with more
24 than 20,000 hours of annual delays in commer-
25 cial passenger aircraft takeoffs and landings; or

1 “(B) enhance airport and air traffic con-
 2 trol system capacity in a metropolitan area or
 3 reduce current and projected flight delays.”.

4 (b) **ADDITIONAL DESIGNATION PERIODS.**—Section
 5 47118(d) is amended by striking “designation.” and in-
 6 serting “designation, and for subsequent 5-fiscal-year pe-
 7 riods if the Secretary determines that the airport satisfies
 8 the designation criteria under subsection (a) at the begin-
 9 ning of each such subsequent 5-fiscal-year period.”.

10 (c) **PARKING LOTS, FUEL FARMS, UTILITIES, AND**
 11 **HANGARS.**—Section 47118(f) is amended—

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

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

17 (3) by striking “and utilities” and inserting
 18 “utilities, and hangars”.

19 (d) **2-YEAR EXTENSION.**—Section 47117(e)(1)(B),
 20 as redesignated by section 123(b) of this Act, is amended
 21 by striking “and 1996,” and inserting “1996, 1997, and
 22 1998”.

23 **SEC. 125. PERIOD OF APPLICABILITY OF AMENDMENTS.**

24 The amendments made by this subtitle shall cease to
 25 be effective on September 30, 1998. On and after such

1 date, sections 47114, 47115, 47117, and 47118 of title
 2 49, United States Code, shall read as if such amendments
 3 had not been enacted.

4 **Subtitle C—Airport Improvement** 5 **Program Modifications**

6 **SEC. 141. INTERMODAL PLANNING.**

7 Section 47101(g) is amended to read as follows:

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

11 “(1) COORDINATION IN DEVELOPMENT OF AIR-
 12 PORT PLANS AND PROGRAMS.—Cooperate with State
 13 and local officials in developing airport plans and
 14 programs that are based on overall transportation
 15 needs. The airport plans and programs shall be de-
 16 veloped in coordination with other transportation
 17 planning and considering comprehensive long-range
 18 land-use plans and overall social, economic, environ-
 19 mental, system performance, and energy conserva-
 20 tion objectives. The process of developing airport
 21 plans and programs shall be continuing, cooperative,
 22 and comprehensive to the degree appropriate to the
 23 complexity of the transportation problems.

24 “(2) GOALS FOR AIRPORT MASTER AND SYSTEM
 25 PLANS.—Encourage airport sponsors and State and

1 local officials to develop airport master plans and
2 airport system plans that—

3 “(A) foster effective coordination between
4 aviation planning and metropolitan planning;

5 “(B) include an evaluation of aviation
6 needs within the context of multimodal plan-
7 ning; and

8 “(C) are integrated with metropolitan
9 plans to ensure that airport development pro-
10 posals include adequate consideration of land
11 use and ground transportation access.

12 “(3) REPRESENTATION OF AIRPORT OPERA-
13 TORS ON MPO’S.—Encourage metropolitan planning
14 organizations, particularly in areas with populations
15 greater than 200,000, to establish membership posi-
16 tions for airport operators.”.

17 **SEC. 142. PAVEMENT MAINTENANCE PROGRAM.**

18 (a) PAVEMENT MAINTENANCE.—Subchapter I of
19 chapter 471 is amended by adding at the end the follow-
20 ing:

21 **“§ 47132. Pavement maintenance**

22 “(a) IN GENERAL.—The Administrator of the Fed-
23 eral Aviation Administration shall issue guidelines to carry
24 out a pavement maintenance pilot project to preserve and
25 extend the useful life of runways, taxiways, and aprons

1 at airports for which apportionments are made under sec-
 2 tion 47114(d). The guidelines shall provide that the Ad-
 3 ministrator may designate not more than 10 projects. The
 4 guidelines shall provide criteria for the Administrator to
 5 use in choosing the projects. At least 2 such projects must
 6 be in States without a primary airport that had 0.25 per-
 7 cent or more of the total boardings in the United States
 8 in the preceding calendar year. In designating a project,
 9 the Administrator shall take into consideration geographi-
 10 cal, climatological, and soil diversity.

11 “(b) EFFECTIVE DATE.—This section shall be effec-
 12 tive beginning on the date of the enactment of this section
 13 and ending on September 30, 1999.”.

14 (b) COMPLIANCE WITH FEDERAL MANDATES.—

15 (1) USE OF AIP GRANTS.—Section 47102(3) is
 16 amended—

17 (A) in subparagraph (E) by inserting “or
 18 under section 40117” before the period at the
 19 end; and

20 (B) in subparagraph (F) by striking “paid
 21 for by a grant under this subchapter and”.

22 (2) USE OF PASSENGER FACILITY CHARGES.—
 23 Section 40117(a)(3) is amended—

24 (A) by inserting “and” at the end of sub-
 25 paragraph (D);

1 (B) by striking “; and” at the end of sub-
 2 paragraph (E) and inserting a period; and

3 (C) by striking subparagraph (F).

4 (c) CONFORMING AMENDMENT.—The table of sec-
 5 tions for such subchapter is amended by inserting after
 6 the item relating to section 47131 the following:

“47132. Pavement maintenance.”.

7 **SEC. 143. ACCESS TO AIRPORTS BY INTERCITY BUSES.**

8 Section 47107(a) is amended—

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

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

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

14 “(20) the airport owner or operator will permit,
 15 to the maximum extent practicable, intercity buses
 16 or other modes of transportation to have access to
 17 the airport, but the sponsor does not have any obli-
 18 gation under this paragraph, or because of it, to
 19 fund special facilities for intercity bus service or for
 20 other modes of transportation.”.

21 **SEC. 144. COST REIMBURSEMENT FOR PROJECTS COM-**
 22 **MENCED PRIOR TO GRANT AWARD.**

23 (a) COST REIMBURSEMENT.—Section
 24 47110(b)(2)(C) is amended to read as follows:

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

5 “(i) after September 30, 1996;

6 “(ii) before a grant agreement is executed
7 for the project; and

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

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

16 “(g) USE OF DISCRETIONARY FUNDS.—A project for
17 which cost reimbursement is provided under subsection
18 (b)(2)(C) shall not receive priority consideration with re-
19 spect to the use of discretionary funds made available
20 under section 47115 of this title even if the amounts made
21 available under paragraphs (1) and (2) of section
22 47114(c) are not sufficient to cover the Government’s
23 share of the cost of project.”.

1 **SEC. 145. SELECTION OF PROJECTS FOR GRANTS FROM**
2 **DISCRETIONARY FUND.**

3 (a) SELECTION OF PROJECTS FOR GRANTS.—Section
4 47115(d) is amended—

5 (1) by striking “; and” at the end of paragraph
6 (2) and inserting the following: “, including, in the
7 case of a project at a reliever airport, the number
8 of operations projected to be diverted from a pri-
9 mary airport to the reliever airport as a result of the
10 project, as well as the cost savings projected to be
11 realized by users of the local airport system;”;

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

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

15 “(4) the airport improvement priorities of the
16 States, and regional offices of the Administration, to
17 the extent such priorities are not in conflict with
18 paragraphs (1) and (2);

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

22 “(6) any increase in the number of passenger
23 boardings in the preceding 12-month period at the
24 airport at which the project will be carried out, with
25 priority consideration to be given to projects at air-
26 ports at which the number of passenger boardings

1 increased by at least 20 percent as compared to the
 2 number of passenger boardings in the 12-month pe-
 3 riod preceding such period.”.

4 (b) PRIORITY FOR LETTERS OF INTENT.—Section
 5 47115, as amended by section 122 of this Act, is further
 6 amended by adding at the end the following:

7 “(h) PRIORITY FOR LETTERS OF INTENT.—In mak-
 8 ing grants in a fiscal year with funds made available under
 9 this section, the Secretary shall fulfill intentions to obli-
 10 gate under section 47110(e).”.

11 **SEC. 146. SMALL AIRPORT FUND.**

12 Section 47116 is amended by adding at the end the
 13 following:

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

20 **SEC. 147. STATE BLOCK GRANT PROGRAM.**

21 (a) PARTICIPATING STATES.—Section 47128 is
 22 amended—

23 (1) in subsection (a) by striking “7 qualified
 24 States” and inserting “8 qualified States for fiscal

1 year 1997 and 9 qualified States for each fiscal year
2 thereafter”;

3 (2) in subsection (b)(1)—

4 (A) by striking “(1)”; and

5 (B) by redesignating subparagraphs (A)
6 through (E) as paragraphs (1) through (5), re-
7 spectively; and

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

9 (b) USE OF STATE PRIORITY SYSTEM.—Section
10 47128(c) is amended—

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

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

18 (c) REPEAL OF EXPIRATION DATE.—

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

20 (A) by striking “**pilot**” in the section
21 heading;

22 (B) by striking “pilot” in subsection (a);
23 and

24 (C) by striking subsection (d).

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

“47128. State block grant program.”.

5 **SEC. 148. INNOVATIVE FINANCING TECHNIQUES.**

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

13 (b) PURPOSE.—The purpose of the demonstration
14 program shall be to provide information on the use of in-
15 novative financing techniques for airport development
16 projects to Congress and the National Civil Aviation Re-
17 view Commission.

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

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

1 (1) Payment of interest.

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

5 (3) Flexible non-Federal matching require-
6 ments.

7 (e) EXPIRATION OF AUTHORITY.—The authority of
8 the Secretary to carry out the demonstration program
9 shall expire on September 30, 1998.

10 **SEC. 149. PILOT PROGRAM ON PRIVATE OWNERSHIP OF**
11 **AIRPORTS.**

12 (a) ESTABLISHMENT OF PROGRAM.—

13 (1) IN GENERAL.—Subchapter I of chapter
14 471, as amended by section 804 of this Act, is fur-
15 ther amended by adding after section 47133 the fol-
16 lowing:

17 **“§ 47134. Pilot program on private ownership of air-**
18 **ports**

19 “(a) SUBMISSION OF APPLICATIONS.—If a sponsor
20 intends to sell or lease a general aviation airport or lease
21 any other type of airport for a long term to a person (other
22 than a public agency), the sponsor and purchaser or lessee
23 may apply to the Secretary of Transportation for exemp-
24 tions under this section.

1 “(b) APPROVAL OF APPLICATIONS.—The Secretary
 2 may approve, with respect to not more than 5 airports,
 3 applications submitted under subsection (a) granting ex-
 4 emptions from the following provisions:

5 “(1) USE OF REVENUES.—

6 “(A) IN GENERAL.—The Secretary may
 7 grant an exemption to a sponsor from the pro-
 8 visions of sections 47107(b) and 47133 of this
 9 title (and any other law, regulation, or grant
 10 assurance) to the extent necessary to permit the
 11 sponsor to recover from the sale or lease of the
 12 airport such amount as may be approved—

13 “(i) by at least 65 percent of the air
 14 carriers serving the airport; and

15 “(ii) by air carriers whose aircraft
 16 landing at the airport during the preceding
 17 calendar year had a total landed weight
 18 during the preceding calendar year of at
 19 least 65 percent of the total landed weight
 20 of all aircraft landing at the airport during
 21 such year.

22 “(B) LANDED WEIGHT DEFINED.—In this
 23 paragraph, the term ‘landed weight’ means the
 24 weight of aircraft transporting passengers or
 25 cargo, or both, in intrastate, interstate, and for-

1 eign air transportation, as the Secretary deter-
2 mines under regulations the Secretary pre-
3 scribes.

4 “(2) REPAYMENT REQUIREMENTS.—The Sec-
5 retary may grant an exemption to a sponsor from
6 the provisions of sections 47107 and 47152 of this
7 title (and any other law, regulation, or grant assur-
8 ance) to the extent necessary to waive any obligation
9 of the sponsor to repay to the Federal Government
10 any grants, or to return to the Federal Government
11 any property, received by the airport under this title,
12 the Airport and Airway Improvement Act of 1982,
13 or any other law.

14 “(3) COMPENSATION FROM AIRPORT OPER-
15 ATIONS.—The Secretary may grant an exemption to
16 a purchaser or lessee from the provisions of sections
17 47107(b) and 47133 of this title (and any other law,
18 regulation, or grant assurance) to the extent nec-
19 essary to permit the purchaser or lessee to earn
20 compensation from the operations of the airport.

21 “(c) TERMS AND CONDITIONS.—The Secretary may
22 approve an application under subsection (b) only if the
23 Secretary finds that the sale or lease agreement includes
24 provisions satisfactory to the Secretary to ensure the fol-
25 lowing:

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

4 “(2) The operation of the airport will not be in-
5 terrupted in the event that the purchaser or lessee
6 becomes insolvent or seeks or becomes subject to any
7 State or Federal bankruptcy, reorganization, insol-
8 vency, liquidation, or dissolution proceeding or any
9 petition or similar law seeking the dissolution or re-
10 organization of the purchaser or lessee or the ap-
11 pointment of a receiver, trustee, custodian, or liq-
12 uidator for the purchaser or lessee or a substantial
13 part of the purchaser or lessee’s property, assets, or
14 business.

15 “(3) The purchaser or lessee will maintain, im-
16 prove, and modernize the facilities of the airport
17 through capital investments and will submit to the
18 Secretary a plan for carrying out such maintenance,
19 improvements, and modernization.

20 “(4) Every fee of the airport imposed on an air
21 carrier on the day before the date of the lease of the
22 airport will not increase faster than the rate of infla-
23 tion unless a higher amount is approved—

24 “(A) by at least 65 percent of the air car-
25 riers serving the airport; and

1 “(B) by air carriers whose aircraft landing
2 at the airport during the preceding calendar
3 year had a total landed weight during the pre-
4 ceding calendar year of at least 65 percent of
5 the total landed weight of all aircraft landing at
6 the airport during such year.

7 “(5) The percentage increase in fees imposed
8 on general aviation aircraft at the airport will not
9 exceed the percentage increase in fees imposed on
10 air carriers at the airport.

11 “(6) Safety and security at the airport will be
12 maintained at the highest possible levels.

13 “(7) The adverse effects of noise from oper-
14 ations at the airport will be mitigated to the same
15 extent as at a public airport.

16 “(8) Any adverse effects on the environment
17 from airport operations will be mitigated to the same
18 extent as at a public airport.

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

23 “(d) PARTICIPATION OF CERTAIN AIRPORTS.—

24 “(1) GENERAL AVIATION AIRPORTS.—If the
25 Secretary approves under subsection (b) applications

1 with respect to 5 airports, one of the airports must
2 be a general aviation airport.

3 “(2) LARGE HUB AIRPORTS.—The Secretary
4 may not approve under subsection (b) more than 1
5 application submitted by an airport that had 1 per-
6 cent or more of the total passenger boardings (as de-
7 fined in section 47102) in the United States in the
8 preceding calendar year.

9 “(e) REQUIRED FINDING THAT APPROVAL WILL
10 NOT RESULT IN UNFAIR METHODS OF COMPETITION.—
11 The Secretary may approve an application under sub-
12 section (b) only if the Secretary finds that the approval
13 will not result in unfair and deceptive practices or unfair
14 methods of competition.

15 “(f) INTERESTS OF GENERAL AVIATION USERS.—In
16 approving an application of an airport under this section,
17 the Secretary shall ensure that the interests of general
18 aviation users of the airport are not adversely affected.

19 “(g) PASSENGER FACILITY FEES; APPORTION-
20 MENTS; SERVICE CHARGES.—Notwithstanding that the
21 sponsor of an airport receiving an exemption under sub-
22 section (b) is not a public agency, the sponsor shall not
23 be prohibited from—

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

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

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

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

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

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

1 “(k) AUDITS.—The Secretary may conduct periodic
2 audits of the financial records and operations of an airport
3 receiving an exemption under this section.

4 “(l) REPORT.—Not later than 2 years after the date
5 of the initial approval of an application under this section,
6 the Secretary shall transmit to the Committee on Trans-
7 portation and Infrastructure of the House of Representa-
8 tives and the Committee on Commerce, Science, and
9 Transportation of the Senate a report on implementation
10 of the program under this section.

11 “(m) GENERAL AVIATION AIRPORT DEFINED.—In
12 this section, the term ‘general aviation airport’ means an
13 airport that is not a commercial service airport.”.

14 (2) CONFORMING AMENDMENT.—The table of
15 sections for such chapter is amended by inserting
16 after the item relating to section 47133, as added by
17 section 804 of this Act, the following:

“47134. Pilot program on private ownership of airports.”.

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

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

21 (2) by inserting after “of a State” the follow-
22 ing: “, and any person that has purchased or leased
23 an airport under section 47134 of this title”.

1 (c) FEDERAL SHARE.—Section 47109(a) is amend-
2 ed—

3 (1) by striking “and” at the end of paragraph
4 (1);

5 (2) by striking the period at the end of para-
6 graph (2) and inserting “; and”; and

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

8 “(3) 40 percent for a project funded by the Ad-
9 ministrator from the discretionary fund under sec-
10 tion 47115 at an airport receiving an exemption
11 under section 47134.”.

12 (d) RESOLUTION OF AIRPORT-AIR CARRIER DIS-
13 PUTES CONCERNING AIRPORT FEES.—Section 47129(a)
14 is amended by adding at the end the following:

15 “(4) FEES IMPOSED BY PRIVATELY-OWNED AIR-
16 PORTS.—In evaluating the reasonableness of a fee
17 imposed by an airport receiving an exemption under
18 section 47134 of this title, the Secretary shall con-
19 sider whether the airport has complied with section
20 47134(c)(4).”.

21 **TITLE II—FAA REFORM**

22 **SEC. 201. SHORT TITLE.**

23 This title may be cited as the “Air Traffic Manage-
24 ment System Performance Improvement Act of 1996”.

1 **SEC. 202. DEFINITIONS.**

2 In this title, the following definitions apply:

3 (1) ADMINISTRATION.—The term “Administra-
4 tion” means the Federal Aviation Administration.

5 (2) ADMINISTRATOR.—The term “Adminis-
6 trator” means the Administrator of the Federal
7 Aviation Administration.

8 (3) SECRETARY.—The term “Secretary” means
9 the Secretary of Transportation.

10 **SEC. 203. EFFECTIVE DATE.**

11 The provisions of this title and the amendments made
12 by this title shall take effect on the date that is 30 days
13 after the date of the enactment of this Act.

14 **Subtitle A—General Provisions**

15 **SEC. 221. FINDINGS.**

16 Congress finds the following:

17 (1) In many respects the Administration is a
18 unique agency, being one of the few non-defense gov-
19 ernment agencies that operates 24 hours a day, 365
20 days of the year, while continuing to rely on out-
21 dated technology to carry out its responsibilities for
22 a state-of-the-art industry.

23 (2) Until January 1, 1996, users of the air
24 transportation system paid 70 percent of the budget
25 of the Administration, with the remaining 30 per-
26 cent coming from the General Fund. The General

1 Fund contribution over the years is one measure of
2 the benefit received by the general public, military,
3 and other users of Administration's services.

4 (3) The Administration must become a more ef-
5 ficient, effective, and different organization to meet
6 future challenges.

7 (4) The need to balance the Federal budget
8 means that it may become more and more difficult
9 to obtain sufficient General Fund contributions to
10 meet the Administration's future budget needs.

11 (5) Congress must keep its commitment to the
12 users of the national air transportation system by
13 seeking to spend all moneys collected from them
14 each year and deposited into the Airport and Airway
15 Trust Fund. Existing surpluses representing past re-
16 cepts must also be spent for the purposes for which
17 such funds were collected.

18 (6) The aviation community and the employees
19 of the Administration must come together to im-
20 prove the system. The Administration must continue
21 to recognize who its customers are and what their
22 needs are, and to design and redesign the system to
23 make safety improvements and increase productivity.

24 (7) The Administration projects that commer-
25 cial operations will increase by 18 percent and pas-

1 senger traffic by 35 percent by the year 2002. With-
2 out effective airport expansion and system mod-
3 ernization, these needs cannot be met.

4 (8) Absent significant and meaningful reform,
5 future challenges and needs cannot be met.

6 (9) The Administration must have a new way
7 of doing business.

8 (10) There is widespread agreement within gov-
9 ernment and the aviation industry that reform of the
10 Administration is essential to safely and efficiently
11 accommodate the projected growth of aviation within
12 the next decade.

13 (11) To the extent that Congress determines
14 that certain segments of the aviation community are
15 not required to pay all of the costs of the govern-
16 ment services which they require and benefits which
17 they receive, Congress should appropriate the dif-
18 ference between such costs and any receipts received
19 from such segment.

20 (12) Prior to the imposition of any new charges
21 or user fees on segments of the industry, an inde-
22 pendent review must be performed to assess the
23 funding needs and assumptions for operations, cap-
24 ital spending, and airport infrastructure.

1 (13) An independent, thorough, and complete
2 study and assessment must be performed of the
3 costs to the Administration and the costs driven by
4 each segment of the aviation system for safety and
5 operational services, including the use of the air
6 traffic control system and the Nation's airports.

7 (14) Because the Administration is a unique
8 Federal entity in that it is a participant in the daily
9 operations of an industry, and because the national
10 air transportation system faces significant problems
11 without significant changes, the Administration has
12 been authorized to change the Federal procurement
13 and personnel systems to ensure that the Adminis-
14 tration has the ability to keep pace with new tech-
15 nology and is able to match resources with the real
16 personnel needs of the Administration.

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

20 (16) Without reforms in the areas of procure-
21 ment, personnel, funding, and governance, the Ad-
22 ministration will continue to experience delays and
23 cost overruns in its major modernization programs
24 and needed improvements in the performance of the
25 air traffic management system will not occur.

1 (17) All reforms should be designed to help the
2 Administration become more responsive to the needs
3 of its customers and maintain the highest standards
4 of safety.

5 **SEC. 222. PURPOSES.**

6 The purposes of this title are—

7 (1) to ensure that final action shall be taken on
8 all notices of proposed rulemaking of the Adminis-
9 tration within 18 months after the date of their pub-
10 lication;

11 (2) to permit the Administration, with Congres-
12 sional review, to establish a program to improve air
13 traffic management system performance and to es-
14 tablish appropriate levels of cost accountability for
15 air traffic management services provided by the Ad-
16 ministration;

17 (3) to establish a more autonomous and ac-
18 countable Administration within the Department of
19 Transportation; and

20 (4) to make the Administration a more efficient
21 and effective organization, able to meet the needs of
22 a dynamic, growing industry, and to ensure the safe-
23 ty of the traveling public.

1 **SEC. 223. REGULATION OF CIVILIAN AIR TRANSPORTATION**
 2 **AND RELATED SERVICES BY THE FEDERAL**
 3 **AVIATION ADMINISTRATION AND DEPART-**
 4 **MENT OF TRANSPORTATION.**

5 (a) IN GENERAL.—Section 106 is amended—

6 (1) by striking “The Administrator” in sub-
 7 section (b) and inserting “Except as provided in
 8 subsection (f) or in other provisions of law, the Ad-
 9 ministrator”; and

10 (2) in subsection (f)—

11 (A) by striking “(f) The Secretary” and in-
 12 serting the following:

13 “(f) AUTHORITY OF THE SECRETARY AND THE AD-
 14 MINISTRATOR.—

15 “(1) AUTHORITY OF THE SECRETARY.—Except
 16 as provided in paragraph (2), the Secretary”;

17 (B) in subsection (f)(1), as so des-
 18 ignated—

19 (i) by moving the remainder of the
 20 text 2 ems to the right;

21 (ii) by striking “The Secretary may
 22 not” and inserting “Neither the Secretary
 23 nor the Administrator may”; and

24 (iii) by striking “nor” and inserting
 25 “or”; and

26 (C) by adding at the end the following:

1 “(2) AUTHORITY OF THE ADMINISTRATOR.—

2 The Administrator—

3 “(A) is the final authority for carrying out
4 all functions, powers, and duties of the Admin-
5 istration relating to—

6 “(i) the appointment and employment
7 of all officers and employees of the Admin-
8 istration (other than Presidential and po-
9 litical appointees);

10 “(ii) the acquisition and maintenance
11 of property and equipment of the Adminis-
12 tration;

13 “(iii) except as otherwise provided in
14 paragraph (3), the promulgation of regula-
15 tions, rules, orders, circulars, bulletins, and
16 other official publications of the Adminis-
17 tration; and

18 “(iv) any obligation imposed on the
19 Administrator, or power conferred on the
20 Administrator, by the Air Traffic Manage-
21 ment System Performance Improvement
22 Act of 1996 (or any amendment made by
23 that Act);

24 “(B) shall offer advice and counsel to the
25 President with respect to the appointment and

1 qualifications of any officer or employee of the
 2 Administration to be appointed by the Presi-
 3 dent or as a political appointee;

4 “(C) may delegate, and authorize succes-
 5 sive redelegations of, to an officer or employee
 6 of the Administration any function, power, or
 7 duty conferred upon the Administrator, unless
 8 such delegation is prohibited by law; and

9 “(D) except as otherwise provided for in
 10 this title, and notwithstanding any other provi-
 11 sion of law, shall not be required to coordinate,
 12 submit for approval or concurrence, or seek the
 13 advice or views of the Secretary or any other of-
 14 ficer or employee of the Department of Trans-
 15 portation on any matter with respect to which
 16 the Administrator is the final authority.

17 “(3) DEFINITION OF POLITICAL APPOINTEE.—
 18 For purposes of this subsection, the term ‘political
 19 appointee’ means any individual who—

20 “(A) is employed in a position listed in sec-
 21 tions 5312 through 5316 of title 5 (relating to
 22 the Executive Schedule);

23 “(B) is a limited term appointee, limited
 24 emergency appointee, or noncareer appointee in
 25 the Senior Executive Service, as defined under

1 paragraphs (5), (6), and (7), respectively, of
 2 section 3132(a) of title 5; or

3 “(C) is employed in a position in the exec-
 4 utive branch of the Government of a confiden-
 5 tial or policy-determining character under
 6 schedule C of subpart C of part 213 of title 5
 7 of the Code of Federal Regulations.”.

8 (b) PRESERVATION OF EXISTING AUTHORITY.—
 9 Nothing in this title or the amendments made by this title
 10 limits any authority granted to the Administrator by stat-
 11 ute or by delegation that was in effect on the day before
 12 the date of the enactment of this Act.

13 **SEC. 224. REGULATIONS.**

14 Section 106(f), as amended by section 223 of this
 15 Act, is further amended—

16 (1) by redesignating paragraph (3) as para-
 17 graph (4); and

18 (2) by inserting after paragraph (2) the follow-
 19 ing:

20 “(3) REGULATIONS.—

21 “(A) IN GENERAL.—In the performance of
 22 the functions of the Administrator and the Ad-
 23 ministration, the Administrator is authorized to
 24 issue, rescind, and revise such regulations as
 25 are necessary to carry out those functions. The

1 issuance of such regulations shall be governed
2 by the provisions of chapter 5 of title 5. The
3 Administrator shall act upon all petitions for
4 rulemaking no later than 6 months after the
5 date such petitions are filed by dismissing such
6 petitions, by informing the petitioner of an in-
7 tention to dismiss, or by issuing a notice of pro-
8 posed rulemaking or advanced notice of pro-
9 posed rulemaking. The Administrator shall
10 issue a final regulation, or take other final ac-
11 tion, not later than 16 months after the last
12 day of the public comment period for the regu-
13 lations or, in the case of an advanced notice of
14 proposed rulemaking, if issued, not later than
15 24 months after the date of publication in the
16 Federal Register of notice of the proposed rule-
17 making.

18 “(B) APPROVAL OF SECRETARY OF TRANS-
19 PORTATION.—(i) The Administrator may not
20 issue a proposed regulation or final regulation
21 that is likely to result in the expenditure by
22 State, local, and tribal governments in the ag-
23 gregate, or by the private sector, of
24 \$100,000,000 or more (adjusted annually for
25 inflation beginning with the year following the

1 date of the enactment of the Air Traffic Man-
2 agement System Performance Improvement Act
3 of 1996) in any year, or any regulation which
4 is significant, unless the Secretary of Transpor-
5 tation approves the issuance of the regulation in
6 advance. For purposes of this paragraph, a reg-
7 ulation is significant if the Administrator, in
8 consultation with the Secretary (as appro-
9 priate), determines that the regulation is likely
10 to—

11 “(I) have an annual effect on the
12 economy of \$100,000,000 or more or ad-
13 versely affect in a material way the econ-
14 omy, a sector of the economy, productivity,
15 competition, jobs, the environment, public
16 health or safety, or State, local, or tribal
17 governments or communities;

18 “(II) create a serious inconsistency or
19 otherwise interfere with an action taken or
20 planned by another agency;

21 “(III) materially alter the budgetary
22 impact of entitlements, grants, user fees,
23 or loan programs or the rights and obliga-
24 tions of recipients thereof; or

1 “(IV) raise novel legal or policy issues
2 arising out of legal mandates.

3 “(ii) In an emergency, the Administrator
4 may issue a regulation described in clause (i)
5 without prior approval by the Secretary, but
6 any such emergency regulation is subject to
7 ratification by the Secretary after it is issued
8 and shall be rescinded by the Administrator
9 within 5 days (excluding Saturdays, Sundays,
10 and legal public holidays) after issuance if the
11 Secretary fails to ratify its issuance.

12 “(iii) Any regulation that does not meet
13 the criteria of clause (i), and any regulation or
14 other action that is a routine or frequent action
15 or a procedural action, may be issued by the
16 Administrator without review or approval by the
17 Secretary.

18 “(iv) The Administrator shall submit a
19 copy of any regulation requiring approval by
20 the Secretary under clause (i) to the Secretary,
21 who shall either approve it or return it to the
22 Administrator with comments within 45 days
23 after receiving it.

24 “(C) PERIODIC REVIEW.—(i) Beginning on
25 the date which is 3 years after the date of the

1 enactment of the Air Traffic Management Sys-
2 tem Performance Improvement Act of 1996, the
3 Administrator shall review any unusually bur-
4 densome regulation issued by the Administrator
5 after such date of enactment beginning not
6 later than 3 years after the effective date of the
7 regulation to determine if the cost assumptions
8 were accurate, the benefit of the regulations,
9 and the need to continue such regulations in
10 force in their present form.

11 “(ii) The Administrator may identify for
12 review under the criteria set forth in clause (i)
13 unusually burdensome regulations that were is-
14 sued before the date of the enactment of the
15 Air Traffic Management System Performance
16 Improvement Act of 1996 and that have been
17 in force for more than 3 years.

18 “(iii) For purposes of this subparagraph,
19 the term ‘unusually burdensome regulation’
20 means any regulation that results in the annual
21 expenditure by State, local, and tribal govern-
22 ments in the aggregate, or by the private sec-
23 tor, of \$25,000,000 or more (adjusted annually
24 for inflation beginning with the year following
25 the date of the enactment of the Air Traffic

1 Management System Performance Act of 1996)
 2 in any year.

3 “(iv) The periodic review of regulations
 4 may be performed by advisory committees and
 5 the Management Advisory Council established
 6 under subsection (p).”.

7 **SEC. 225. PERSONNEL AND SERVICES.**

8 Section 106 is amended by adding at the end the fol-
 9 lowing:

10 “(l) PERSONNEL AND SERVICES.—

11 “(1) OFFICERS AND EMPLOYEES.—Except as
 12 provided in section 40122(a) of this title and section
 13 347 of Public Law 104–50, the Administrator is au-
 14 thorized, in the performance of the functions of the
 15 Administrator, to appoint, transfer, and fix the com-
 16 pensation of such officers and employees, including
 17 attorneys, as may be necessary to carry out the
 18 functions of the Administrator and the Administra-
 19 tion. In fixing compensation and benefits of officers
 20 and employees, the Administrator shall not engage
 21 in any type of bargaining, except to the extent pro-
 22 vided for in section 40122(a), nor shall the Adminis-
 23 trator be bound by any requirement to establish
 24 such compensation or benefits at particular levels.

1 “(2) EXPERTS AND CONSULTANTS.—The Ad-
2 ministrators is authorized to obtain the services of ex-
3 perts and consultants in accordance with section
4 3109 of title 5.

5 “(3) TRANSPORTATION AND PER DIEM EX-
6 PENSES.—The Administrator is authorized to pay
7 transportation expenses, and per diem in lieu of sub-
8 sistence expenses, in accordance with chapter 57 of
9 title 5.

10 “(4) USE OF PERSONNEL FROM OTHER AGEN-
11 CIES.—The Administrator is authorized to utilize
12 the services of personnel of any other Federal agen-
13 cy (as such term is defined under section 551(1) of
14 title 5).

15 “(5) VOLUNTARY SERVICES.—

16 “(A) GENERAL RULE.—In exercising the
17 authority to accept gifts and voluntary services
18 under section 326 of this title, and without re-
19 gard to section 1342 of title 31, the Adminis-
20 trator may not accept voluntary and uncompen-
21 sated services if such services are used to dis-
22 place Federal employees employed on a full-
23 time, part-time, or seasonal basis.

24 “(B) INCIDENTAL EXPENSES.—The Ad-
25 ministrators is authorized to provide for inciden-

1 tal expenses, including transportation, lodging,
2 and subsistence, for volunteers who provide vol-
3 untary services under this subsection.

4 “(C) LIMITED TREATMENT AS FEDERAL
5 EMPLOYEES.—An individual who provides vol-
6 untary services under this subsection shall not
7 be considered a Federal employee for any pur-
8 pose other than for purposes of chapter 81 of
9 title 5, relating to compensation for work inju-
10 ries, and chapter 171 of title 28, relating to
11 tort claims.”.

12 **SEC. 226. CONTRACTS.**

13 Section 106(l), as added by section 225 of this Act,
14 is further amended by adding at the end the following:

15 “(6) CONTRACTS.—The Administrator is au-
16 thorized to enter into and perform such contracts,
17 leases, cooperative agreements, or other transactions
18 as may be necessary to carry out the functions of
19 the Administrator and the Administration. The Ad-
20 ministrator may enter into such contracts, leases,
21 cooperative agreements, and other transactions with
22 any Federal agency (as such term is defined in sec-
23 tion 551(1) of title 5) or any instrumentality of the
24 United States, any State, territory, or possession, or
25 political subdivision thereof, any other governmental

1 entity, or any person, firm, association, corporation,
2 or educational institution, on such terms and condi-
3 tions as the Administrator may consider appro-
4 priate.”.

5 **SEC. 227. FACILITIES.**

6 Section 106, as amended by section 225 of this Act,
7 is further amended by adding at the end the following:

8 “(m) COOPERATION BY ADMINISTRATOR.—With the
9 consent of appropriate officials, the Administrator may,
10 with or without reimbursement, use or accept the services,
11 equipment, personnel, and facilities of any other Federal
12 agency (as such term is defined in section 551(1) of title
13 5) and any other public or private entity. The Adminis-
14 trator may also cooperate with appropriate officials of
15 other public and private agencies and instrumentalities
16 concerning the use of services, equipment, personnel, and
17 facilities. The head of each Federal agency shall cooperate
18 with the Administrator in making the services, equipment,
19 personnel, and facilities of the Federal agency available
20 to the Administrator. The head of a Federal agency is au-
21 thorized, notwithstanding any other provision of law, to
22 transfer to or to receive from the Administration, without
23 reimbursement, supplies and equipment other than admin-
24 istrative supplies or equipment.”.

1 **SEC. 228. PROPERTY.**

2 Section 106, as amended by section 227 of this Act,
3 is further amended by adding at the end the following:

4 “(n) ACQUISITION.—

5 “(1) IN GENERAL.—The Administrator is au-
6 thorized—

7 “(A) to acquire (by purchase, lease, con-
8 demnation, or otherwise), construct, improve,
9 repair, operate, and maintain—

10 “(i) air traffic control facilities and
11 equipment;

12 “(ii) research and testing sites and fa-
13 cilities; and

14 “(iii) such other real and personal
15 property (including office space and pat-
16 ents), or any interest therein, within and
17 outside the continental United States as
18 the Administrator considers necessary;

19 “(B) to lease to others such real and per-
20 sonal property; and

21 “(C) to provide by contract or otherwise
22 for eating facilities and other necessary facili-
23 ties for the welfare of employees of the Admin-
24 istration at the installations of the Administra-
25 tion, and to acquire, operate, and maintain
26 equipment for these facilities.

1 “(2) TITLE.—Title to any property or interest
2 therein acquired pursuant to this subsection shall be
3 held by the Government of the United States.”.

4 **SEC. 229. TRANSFERS OF FUNDS FROM OTHER FEDERAL**
5 **AGENCIES.**

6 Section 106, as amended by section 228 of this Act,
7 is further amended by adding at the end the following:
8 “(o) TRANSFERS OF FUNDS.—The Administrator is
9 authorized to accept transfers of unobligated balances and
10 unexpended balances of funds appropriated to other Fed-
11 eral agencies (as such term is defined in section 551(1)
12 of title 5) to carry out functions transferred by law to the
13 Administrator or functions transferred pursuant to law to
14 the Administrator on or after the date of the enactment
15 of the Air Traffic Management System Performance Im-
16 provement Act of 1996.”.

17 **SEC. 230. MANAGEMENT ADVISORY COUNCIL.**

18 Section 106, as amended by section 229 of this Act,
19 is further amended by adding at the end the following:

20 “(p) MANAGEMENT ADVISORY COUNCIL.—

21 “(1) ESTABLISHMENT.—Within 3 months after
22 the date of the enactment of the Air Traffic Man-
23 agement System Performance Improvement Act of
24 1996, the Administrator shall establish an advisory
25 council which shall be known as the Federal Aviation

1 Management Advisory Council (in this subsection re-
2 ferred to as the ‘Council’). With respect to Adminis-
3 tration management, policy, spending, funding, and
4 regulatory matters affecting the aviation industry,
5 the Council may submit comments, recommended
6 modifications, and dissenting views to the Adminis-
7 trator. The Administrator shall include in any sub-
8 mission to Congress, the Secretary, or the general
9 public, and in any submission for publication in the
10 Federal Register, a description of the comments,
11 recommended modifications, and dissenting views re-
12 ceived from the Council, together with the reasons
13 for any differences between the views of the Council
14 and the views or actions of the Administrator.

15 “(2) MEMBERSHIP.—The Council shall consist
16 of 15 members, who shall consist of—

17 “(A) a designee of the Secretary of Trans-
18 portation;

19 “(B) a designee of the Secretary of De-
20 fense; and

21 “(C) 13 members representing aviation in-
22 terests, appointed by the President by and with
23 the advice and consent of the Senate.

24 “(3) QUALIFICATIONS.—No member appointed
25 under paragraph (2)(C) may serve as an officer or

1 employee of the United States Government while
2 serving as a member of the Council.

3 “(4) FUNCTIONS.—

4 “(A) IN GENERAL.—(i) The Council shall
5 provide advice and counsel to the Administrator
6 on issues which affect or are affected by the op-
7 erations of the Administrator. The Council shall
8 function as an oversight resource for manage-
9 ment, policy, spending, and regulatory matters
10 under the jurisdiction of the Administration.

11 “(ii) The Council shall review the rule-
12 making cost-benefit analysis process and de-
13 velop recommendations to improve the analysis
14 and ensure that the public interest is fully pro-
15 tected.

16 “(iii) The Council shall review the process
17 through which the Administration determines to
18 use advisory circulars and service bulletins.

19 “(B) MEETINGS.—The Council shall meet
20 on a regular and periodic basis or at the call of
21 the chairman or of the Administrator.

22 “(C) ACCESS TO DOCUMENTS AND
23 STAFF.—The Administration may give the
24 Council appropriate access to relevant docu-
25 ments and personnel of the Administration, and

1 the Administrator shall make available, consist-
 2 ent with the authority to withhold commercial
 3 and other proprietary information under section
 4 552 of title 5 (commonly known as the ‘Free-
 5 dom of Information Act’), cost data associated
 6 with the acquisition and operation of air traffic
 7 service systems. Any member of the Council
 8 who receives commercial or other proprietary
 9 data from the Administrator shall be subject to
 10 the provisions of section 1905 of title 18, per-
 11 taining to unauthorized disclosure of such infor-
 12 mation.

13 “(5) FEDERAL ADVISORY COMMITTEE ACT NOT
 14 TO APPLY.—The Federal Advisory Committee Act (5
 15 U.S.C. App.) does not apply to the Council or such
 16 aviation rulemaking committees as the Adminis-
 17 trator shall designate.

18 “(6) ADMINISTRATIVE MATTERS.—

19 “(A) TERMS OF MEMBERS.—(i) Except as
 20 provided in subparagraph (B), members of the
 21 Council appointed by the President under para-
 22 graph (2)(C) shall be appointed for a term of
 23 3 years.

24 “(ii) Of the members first appointed by the
 25 President—

1 “(I) 4 shall be appointed for terms of
2 1 year;

3 “(II) 5 shall be appointed for terms of
4 2 years; and

5 “(III) 4 shall be appointed for terms
6 of 3 years.

7 “(iii) An individual chosen to fill a vacancy
8 shall be appointed for the unexpired term of the
9 member replaced.

10 “(iv) A member whose term expires shall
11 continue to serve until the date on which the
12 member’s successor takes office.

13 “(B) CHAIRMAN; VICE CHAIRMAN.—The
14 Council shall elect a chair and a vice chair from
15 among the members appointed under paragraph
16 (2)(C), each of whom shall serve for a term of
17 1 year. The vice chair shall perform the duties
18 of the chairman in the absence of the chairman.

19 “(C) TRAVEL AND PER DIEM.—Each mem-
20 ber of the Council shall be paid actual travel ex-
21 penses, and per diem in lieu of subsistence ex-
22 penses when away from his or her usual place
23 of residence, in accordance with section 5703 of
24 title 5.

1 “(D) DETAIL OF PERSONNEL FROM THE
 2 ADMINISTRATION.—The Administrator shall
 3 make available to the Council such staff, infor-
 4 mation, and administrative services and assist-
 5 ance as may reasonably be required to enable
 6 the Council to carry out its responsibilities
 7 under this subsection.”.

8 **Subtitle B—Federal Aviation Ad-**
 9 **ministration Streamlining Pro-**
 10 **grams**

11 **SEC. 251. REVIEW OF ACQUISITION MANAGEMENT SYSTEM.**

12 Not later than April 1, 1999, the Administrator shall
 13 employ outside experts to provide an independent evalua-
 14 tion of the effectiveness of the Administration’s acquisition
 15 management system within 3 months after such date. The
 16 Administrator shall transmit a copy of the evaluation to
 17 the Committee on Commerce, Science, and Transportation
 18 of the Senate and the Committee on Transportation and
 19 Infrastructure of the House of Representatives.

20 **SEC. 252. AIR TRAFFIC CONTROL MODERNIZATION RE-**
 21 **VIEWS.**

22 Chapter 401 is amended by adding at the end the
 23 following:

1 **“§ 40121. Air traffic control modernization reviews**

2 “(a) REQUIRED TERMINATIONS OF ACQUISITIONS.—

3 The Administrator of the Federal Aviation Administration
4 shall terminate any acquisition program initiated after the
5 date of the enactment of the Air Traffic Management Sys-
6 tem Performance Improvement Act of 1996 and funded
7 under the Facilities and Equipment account that—

8 “(1) is more than 50 percent over the cost goal
9 established for the program;

10 “(2) fails to achieve at least 50 percent of the
11 performance goals established for the program; or

12 “(3) is more than 50 percent behind schedule
13 as determined in accordance with the schedule goal
14 established for the program.

15 “(b) AUTHORIZED TERMINATION OF ACQUISITION
16 PROGRAMS.—The Administrator shall consider terminat-
17 ing, under the authority of subsection (a), any substantial
18 acquisition program that—

19 “(1) is more than 10 percent over the cost goal
20 established for the program;

21 “(2) fails to achieve at least 90 percent of the
22 performance goals established for the program; or

23 “(3) is more than 10 percent behind schedule
24 as determined in accordance with the schedule goal
25 established for the program.

26 “(c) EXCEPTIONS AND REPORT.—

1 “(1) CONTINUANCE OF PROGRAM, ETC.—Not-
2 withstanding subsection (a), the Administrator may
3 continue an acquisitions program required to be ter-
4 minated under subsection (a) if the Administrator
5 determines that termination would be inconsistent
6 with the development or operation of the national air
7 transportation system in a safe and efficient man-
8 ner.

9 “(2) DEPARTMENT OF DEFENSE.—The Depart-
10 ment of Defense shall have the same exemptions
11 from acquisition laws as are waived by the Adminis-
12 trator under section 348(b) of Public Law 104–50
13 when engaged in joint actions to improve or replen-
14 ish the national air traffic control system. The Ad-
15 ministration may acquire real property, goods, and
16 services through the Department of Defense, or
17 other appropriate agencies, but is bound by the ac-
18 quisition laws and regulations governing those cases.

19 “(3) REPORT.—If the Administrator makes a
20 determination under paragraph (1), the Adminis-
21 trator shall transmit a copy of the determination, to-
22 gether with a statement of the basis for the deter-
23 mination, to the Committees on Appropriations of
24 the Senate and the House of Representatives, the
25 Committee on Commerce, Science, and Transpor-

1 tation of the Senate, and the Committee on Trans-
 2 portation and Infrastructure of the House of Rep-
 3 resentatives.”.

4 **SEC. 253. FEDERAL AVIATION ADMINISTRATION PERSON-**
 5 **NEL MANAGEMENT SYSTEM.**

6 Chapter 401, as amended by section 252 of this Act,
 7 is further amended by adding at the end the following:

8 **“§ 40122. Federal Aviation Administration personnel**
 9 **management system**

10 “(a) IN GENERAL.—

11 “(1) CONSULTATION AND NEGOTIATION.—In
 12 developing and making changes to the personnel
 13 management system initially implemented by the Ad-
 14 ministrator of the Federal Aviation Administration
 15 on April 1, 1996, the Administrator shall negotiate
 16 with the exclusive bargaining representatives of em-
 17 ployees of the Administration certified under section
 18 7111 of title 5 and consult with other employees of
 19 the Administration.

20 “(2) MEDIATION.—If the Administrator does
 21 not reach an agreement under paragraph (1) with
 22 the exclusive bargaining representatives, the services
 23 of the Federal Mediation and Conciliation Service
 24 shall be used to attempt to reach such agreement.
 25 If the services of the Federal Mediation and Concil-

1 iation Service do not lead to an agreement, the Ad-
2 ministrator's proposed change to the personnel man-
3 agement system shall not take effect until 60 days
4 have elapsed after the Administrator has transmit-
5 ted the proposed change, along with the objections
6 of the exclusive bargaining representatives to the
7 change, and the reasons for such objections, to Con-
8 gress.

9 “(3) COST SAVINGS AND PRODUCTIVITY
10 GOALS.—The Administration and the exclusive bar-
11 gaining representatives of the employees shall use
12 every reasonable effort to find cost savings and to
13 increase productivity within each of the affected bar-
14 gaining units.

15 “(4) ANNUAL BUDGET DISCUSSIONS.—The Ad-
16 ministration and the exclusive bargaining represent-
17 atives of the employees shall meet annually for the
18 purpose of finding additional cost savings within the
19 Administration's annual budget as it applies to each
20 of the affected bargaining units and throughout the
21 agency.

22 “(b) EXPERT EVALUATION.—On the date that is 3
23 years after the personnel management system is imple-
24 mented, the Administration shall employ outside experts
25 to provide an independent evaluation of the effectiveness

1 of the system within 3 months after such date. For this
2 purpose, the Administrator may utilize the services of ex-
3 perts and consultants under section 3109 of title 5 without
4 regard to the limitation imposed by the last sentence of
5 section 3109(b) of such title, and may contract on a sole
6 source basis, notwithstanding any other provision of law
7 to the contrary.

8 “(c) PAY RESTRICTION.—No officer or employee of
9 the Administration may receive an annual rate of basic
10 pay in excess of the annual rate of basic pay payable to
11 the Administrator.

12 “(d) ETHICS.—The Administration shall be subject
13 to Executive Order No. 12674 and regulations and opin-
14 ions promulgated by the Office of Government Ethics, in-
15 cluding those set forth in section 2635 of title 5 of the
16 Code of Federal Regulations.

17 “(e) EMPLOYEE PROTECTIONS.—Until July 1, 1999,
18 basic wages (including locality pay) and operational dif-
19 ferential pay provided employees of the Administration
20 shall not be involuntarily adversely affected by reason of
21 the enactment of this section, except for unacceptable per-
22 formance or by reason of a reduction in force or reorga-
23 nization or by agreement between the Administration and
24 the affected employees’ exclusive bargaining representa-
25 tive.

1 “(f) LABOR-MANAGEMENT AGREEMENTS.—Except
 2 as otherwise provided by this title, all labor-management
 3 agreements covering employees of the Administration that
 4 are in effect on the effective date of the Air Traffic Man-
 5 agement System Performance Improvement Act of 1996
 6 shall remain in effect until their normal expiration date,
 7 unless the Administrator and the exclusive bargaining rep-
 8 resentative agree to the contrary.”.

9 **SEC. 254. CONFORMING AMENDMENT.**

10 The table of sections for chapter 401 is amended by
 11 adding at the end the following:

“40121. Air traffic control modernization reviews.

“40122. Federal Aviation Administration personnel management system.”.

12 **Subtitle C—System To Fund Cer-**
 13 **tain Federal Aviation Adminis-**
 14 **tration Functions**

15 **SEC. 271. FINDINGS.**

16 Congress finds the following:

17 (1) The Administration is recognized through-
 18 out the world as a leader in aviation safety.

19 (2) The Administration certifies aircraft, en-
 20 gines, propellers, and other manufactured parts.

21 (3) The Administration certifies more than 650
 22 training schools for pilots and nonpilots, more than
 23 4,858 repair stations, and more than 193 mainte-
 24 nance schools.

1 (4) The Administration certifies pilot examin-
2 ers, who are then qualified to determine if a person
3 has the skills necessary to become a pilot.

4 (5) The Administration certifies more than
5 6,000 medical examiners, each of whom is then
6 qualified to medically certify the qualifications of pi-
7 lots and nonpilots.

8 (6) The Administration certifies more than 470
9 airports, and provides a limited certification for an-
10 other 205 airports. Other airports in the United
11 States are also reviewed by the Administration.

12 (7) The Administration each year performs
13 more than 355,000 inspections.

14 (8) The Administration issues more than
15 655,000 pilot's licenses and more than 560,000 non-
16 pilot's licenses (including mechanics).

17 (9) The Administration's certification means
18 that the product meets worldwide recognized stand-
19 ards of safety and reliability.

20 (10) The Administration's certification means
21 aviation-related equipment and services meet world-
22 wide recognized standards.

23 (11) The Administration's certification is recog-
24 nized by governments and businesses throughout the
25 world and as such may be a valuable element for any

1 company desiring to sell aviation-related products
2 throughout the world.

3 (12) The Administration's certification may
4 constitute a valuable license, franchise, privilege or
5 benefits for the holders.

6 (13) The Administration also is a major pur-
7 chaser of computers, radars, and other systems
8 needed to run the air traffic control system. The Ad-
9 ministration's design, acceptance, commissioning, or
10 certification of such equipment enables the private
11 sector to market those products around the world,
12 and as such confers a benefit on the manufacturer.

13 (14) The Administration provides extensive
14 services to public use aircraft.

15 **SEC. 272. PURPOSES.**

16 The purposes of this subtitle are—

17 (1) to provide a financial structure for the Ad-
18 ministration so that it will be able to support the fu-
19 ture growth in the national aviation and airport sys-
20 tem;

21 (2) to review existing and alternative funding
22 options, including incentive-based fees for services,
23 and establish a program to improve air traffic man-
24 agement system performance and to establish appro-
25 priate levels of cost accountability for air traffic

1 management services provided by the Administra-
 2 tion;

3 (3) to ensure that any funding will be dedicated
 4 solely for the use of the Administration;

5 (4) to authorize the Administration to recover
 6 the costs of its services from those who benefit from,
 7 but do not contribute to, the national aviation sys-
 8 tem and the services provided by the Administration;

9 (5) to consider a fee system based on the cost
 10 or value of the services provided and other funding
 11 alternatives;

12 (6) to develop funding options for Congress in
 13 order to provide for the long-term efficient and cost-
 14 effective support of the Administration and the avia-
 15 tion system; and

16 (7) to achieve a more efficient and effective Ad-
 17 ministration for the benefit of the aviation transpor-
 18 tation industry.

19 **SEC. 273. USER FEES FOR VARIOUS FEDERAL AVIATION AD-**
 20 **MINISTRATION SERVICES.**

21 (a) IN GENERAL.—Chapter 453 is amended by strik-
 22 ing section 45301 and inserting the following:

23 **“§ 45301. General provisions**

24 “(a) SCHEDULE OF FEES.—The Administrator shall
 25 establish a schedule of new fees, and a collection process

1 for such fees, for the following services provided by the
2 Administration:

3 “(1) Air traffic control and related services pro-
4 vided to aircraft other than military and civilian air-
5 craft of the United States government or of a for-
6 eign government that neither take off from, nor land
7 in, the United States.

8 “(2) Services (other than air traffic control
9 services) provided to a foreign government.

10 “(b) LIMITATIONS.—

11 “(1) AUTHORIZATION AND IMPACT CONSIDER-
12 ATIONS.—In establishing fees under subsection (a),
13 the Administrator—

14 “(A) is authorized to recover in fiscal year
15 1997 \$100,000,000; and

16 “(B) shall ensure that each of the fees re-
17 quired by subsection (a) is directly related to
18 the Administration’s costs of providing the serv-
19 ice rendered. Services for which costs may be
20 recovered include the costs of air traffic control,
21 navigation, weather services, training and emer-
22 gency services which are available to facilitate
23 safe transportation over the United States, and
24 other services provided by the Administrator or
25 by programs financed by the Administrator to

1 flights that neither take off nor land in the
2 United States.

3 “(2) PUBLICATION; COMMENT.—The Adminis-
4 trator shall publish in the Federal Register an initial
5 fee schedule and associated collection process as an
6 interim final rule, pursuant to which public comment
7 will be sought and a final rule issued.

8 “(c) USE OF EXPERTS AND CONSULTANTS.—In de-
9 veloping the system, the Administrator may consult with
10 such nongovernmental experts as the Administrator may
11 employ and the Administrator may utilize the services of
12 experts and consultants under section 3109 of title 5 with-
13 out regard to the limitation imposed by the last sentence
14 of section 3109(b) of such title, and may contract on a
15 sole source basis, notwithstanding any other provision of
16 law to the contrary. Notwithstanding any other provision
17 of law to the contrary, the Administrator may retain such
18 experts under a contract awarded on a basis other than
19 a competitive basis and without regard to any such provi-
20 sions requiring competitive bidding or precluding sole
21 source contract authority.”.

22 (b) CONFORMING AMENDMENT.—The table of sec-
23 tions for chapter 453 is amended by striking the item re-
24 lating to section 45301 and inserting the following:

“45301. General provisions.”.

1 **SEC. 274. INDEPENDENT ASSESSMENT OF FAA FINANCIAL**
2 **REQUIREMENTS; ESTABLISHMENT OF NA-**
3 **TIONAL CIVIL AVIATION REVIEW COMMIS-**
4 **SION.**

5 (a) INDEPENDENT ASSESSMENT.—

6 (1) INITIATION.—Not later than 30 days after
7 the date of the enactment of this Act, the Adminis-
8 trator shall contract with an entity independent of
9 the Administration and the Department of Trans-
10 portation to conduct a complete independent assess-
11 ment of the financial requirements of the Adminis-
12 tration through the year 2002.

13 (2) ASSESSMENT CRITERIA.—The Adminis-
14 trator shall provide to the independent entity esti-
15 mates of the financial requirements of the Adminis-
16 tration for the period described in paragraph (1),
17 using as a base the fiscal year 1997 appropriation
18 levels established by Congress. The independent as-
19 sessment shall be based on an objective analysis of
20 agency funding needs.

21 (3) CERTAIN FACTORS TO BE TAKEN INTO AC-
22 COUNT.—The independent assessment shall take
23 into account all relevant factors, including—

- 24 (A) anticipated air traffic forecasts;
25 (B) other workload measures;

1 (C) estimated productivity gains, if any,
2 which contribute to budgetary requirements;

3 (D) the need for programs; and

4 (E) the need to provide for continued im-
5 provements in all facets of aviation safety,
6 along with operational improvements in air traf-
7 fic control.

8 (4) COST ALLOCATION.—The independent as-
9 sessment shall also assess the costs to the Adminis-
10 tration occasioned by the provision of services to
11 each segment of the aviation system.

12 (5) DEADLINE.—The independent assessment
13 shall be completed no later than 90 days after the
14 contract is awarded, and shall be submitted to the
15 Commission established under subsection (b), the
16 Secretary, the Secretary of the Treasury, the Com-
17 mittee on Commerce, Science, and Transportation
18 and the Committee on Finance of the Senate, and
19 the Committee on Transportation and Infrastructure
20 and the Committee on Ways and Means of the
21 House of Representatives.

22 (b) NATIONAL CIVIL AVIATION REVIEW COMMIS-
23 SION.—

24 (1) ESTABLISHMENT.—There is established a
25 commission to be known as the National Civil Avia-

tion Review Commission (hereinafter in this section referred to as the “Commission”).

(2) MEMBERSHIP.—The Commission shall consist of 21 members to be appointed as follows:

(A) 13 members to be appointed by the Secretary, in consultation with the Secretary of the Treasury, from among individuals who have expertise in the aviation industry and who are able, collectively, to represent a balanced view of the issues important to general aviation, major air carriers, air cargo carriers, regional air carriers, business aviation, airports, aircraft manufacturers, the financial community, aviation industry workers, and airline passengers. At least one member appointed under this subparagraph shall have detailed knowledge of the congressional budgetary process.

(B) 2 members appointed by the Speaker of the House of Representatives.

(C) 2 members appointed by the minority leader of the House of Representatives.

(D) 2 members appointed by the majority leader of the Senate.

(E) 2 members appointed by the minority leader of the Senate.

1 (3) TASK FORCES.—The Commission shall es-
2 tablish an aviation funding task force and an avia-
3 tion safety task force to carry out the responsibilities
4 of the Commission under this subsection.

5 (4) FIRST MEETING.—The Commission may
6 conduct its first meeting as soon as a majority of
7 the members of the Commission are appointed.

8 (5) HEARINGS AND CONSULTATION.—

9 (A) HEARINGS.—The Commission shall
10 take such testimony and solicit and receive such
11 comments from the public and other interested
12 parties as it considers appropriate, shall con-
13 duct 2 public hearings after affording adequate
14 notice to the public thereof, and may conduct
15 such additional hearings as may be necessary.

16 (B) CONSULTATION.—The Commission
17 shall consult on a regular and frequent basis
18 with the Secretary, the Secretary of the Treas-
19 ury, the Committee on Commerce, Science, and
20 Transportation and the Committee on Finance
21 of the Senate, and the Committee on Transpor-
22 tation and Infrastructure and the Committee on
23 Ways and Means of the House of Representa-
24 tives.

1 (C) FACA NOT TO APPLY.—The Commis-
2 sion shall not be considered an advisory com-
3 mittee for purposes of the Federal Advisory
4 Committee Act (5 U.S.C. App.).

5 (6) DUTIES OF AVIATION FUNDING TASK
6 FORCE.—

7 (A) REPORT TO SECRETARY.—

8 (i) IN GENERAL.—The aviation fund-
9 ing task force established pursuant to
10 paragraph (3) shall submit a report setting
11 forth a comprehensive analysis of the Ad-
12 ministration's budgetary requirements
13 through fiscal year 2002, based upon the
14 independent assessment under subsection
15 (a), that analyzes alternative financing and
16 funding means for meeting the needs of
17 the aviation system through the year 2002.
18 The task force shall submit a preliminary
19 report of that analysis to the Secretary not
20 later than 6 months after the independent
21 assessment is completed under subsection
22 (a). The Secretary shall provide comments
23 on the preliminary report to the task force
24 within 30 days after receiving the report.
25 The task force shall issue a final report of

1 such comprehensive analysis within 30
2 days after receiving the Secretary's com-
3 ments on its preliminary report.

4 (ii) CONTENTS.—The report submit-
5 ted by the aviation funding task force
6 under clause (i)—

7 (I) shall consider the independent
8 assessment under subsection (a);

9 (II) shall consider estimated cost
10 savings, if any, resulting from the
11 procurement and personnel reforms
12 included in this Act or in sections 347
13 and 348 of Public Law 104–50, and
14 additional financial initiatives;

15 (III) shall include specific rec-
16 ommendations to Congress on how the
17 Administration can reduce costs, raise
18 additional revenue for the support of
19 agency operations, and accelerate
20 modernization efforts; and

21 (IV) shall include a draft bill
22 containing the changes in law nec-
23 essary to implement its recommenda-
24 tions.

1 (B) RECOMMENDATIONS.—The aviation
2 funding task force shall make such rec-
3 ommendations under subparagraph (A)(ii)(III)
4 as the task force deems appropriate. Those rec-
5 ommendations may include—

6 (i) proposals for off-budget treatment
7 of the Airport and Airway Trust Fund;

8 (ii) alternative financing and funding
9 proposals, including linked financing pro-
10 posals;

11 (iii) modifications to existing levels of
12 Airport and Airways Trust Fund receipts
13 and taxes for each type of tax;

14 (iv) establishment of a cost-based user
15 fee system based on, but not limited to,
16 criteria under subparagraph (F) and meth-
17 ods to ensure that costs are borne by users
18 on a fair and equitable basis;

19 (v) methods to ensure that funds col-
20 lected from the aviation community are
21 able to meet the needs of the agency;

22 (vi) methods to ensure that funds col-
23 lected from the aviation community and
24 passengers are used to support the aviation
25 system;

(vii) means of meeting the airport infrastructure needs for large, medium, and small airports; and

(viii) any other matter the task force deems appropriate to address the funding and needs of the Administration and the aviation system.

(C) ADDITIONAL RECOMMENDATIONS.—

The aviation funding task force report may also make recommendations concerning—

(i) means of improving productivity by expanding and accelerating the use of automation and other technology;

(ii) means of contracting out services consistent with this Act, other applicable law, and safety and national defense needs;

(iii) methods to accelerate air traffic control modernization and improvements in aviation safety and safety services;

(iv) the elimination of unneeded programs; and

(v) a limited innovative program based on funding mechanisms such as loan guarantees, financial partnerships with for-profit private sector entities, government-

1 sponsored enterprises, and revolving loan
2 funds, as a means of funding specific fa-
3 cilities and equipment projects, and to pro-
4 vide limited additional funding alternatives
5 for airport capacity development.

6 (D) IMPACT ASSESSMENT FOR REC-
7 OMMENDATIONS.—For each recommendation
8 contained in the aviation funding task force’s
9 report, the report shall include a full analysis
10 and assessment of the impact implementation of
11 the recommendation would have on—

- 12 (i) safety;
- 13 (ii) administrative costs;
- 14 (iii) the congressional budget process;
- 15 (iv) the economics of the industry (in-
16 cluding the proportionate share of all
17 users);
- 18 (v) the ability of the Administration
19 to utilize the sums collected; and
- 20 (vi) the funding needs of the Adminis-
21 tration.

22 (E) TRUST FUND TAX RECOMMENDA-
23 TIONS.—If the task force’s report includes a
24 recommendation that the existing Airport and

1 Airways Trust Fund tax structure be modified,
2 the report shall—

3 (i) state the specific rates for each
4 group affected by the proposed modifica-
5 tions;

6 (ii) consider the impact such modifica-
7 tions shall have on specific users and the
8 public (including passengers); and

9 (iii) state the basis for the rec-
10 ommendations.

11 (F) FEE SYSTEM RECOMMENDATIONS.—If
12 the task force’s report includes a recommenda-
13 tion that a fee system be established, including
14 an air traffic control performance-based user
15 fee system, the report shall consider—

16 (i) the impact such a recommendation
17 would have on passengers, air fares (in-
18 cluding low-fare, high frequency service),
19 service, and competition;

20 (ii) existing contributions provided by
21 individual air carriers toward funding the
22 Administration and the air traffic control
23 system through contributions to the Air-
24 port and Airways Trust Fund;

1 (iii) continuing the promotion of fair
2 and competitive practices;

3 (iv) the unique circumstances associ-
4 ated with interisland air carrier service in
5 Hawaii and rural air service in Alaska;

6 (v) the impact such a recommendation
7 would have on service to small commu-
8 nities;

9 (vi) the impact such a recommenda-
10 tion would have on services provided by re-
11 gional air carriers;

12 (vii) alternative methodologies for cal-
13 culating fees so as to achieve a fair and
14 reasonable distribution of costs of service
15 among users;

16 (viii) the usefulness of phased-in ap-
17 proaches to implementing such a financing
18 system;

19 (ix) means of assuring the provision
20 of general fund contributions, as appro-
21 priate, toward the support of the Adminis-
22 tration; and

23 (x) the provision of incentives to en-
24 courage greater efficiency in the provision
25 of air traffic services by the Administration

1 and greater efficiency in the use of air
2 traffic services by aircraft operators.

3 (7) DUTIES OF AVIATION SAFETY TASK
4 FORCE.—

5 (A) REPORT TO ADMINISTRATOR.—Not
6 later than 1 year after the date of the enact-
7 ment of this Act, the aviation safety task force
8 established pursuant to paragraph (3) shall
9 submit to the Administrator a report setting
10 forth a comprehensive analysis of aviation safe-
11 ty in the United States and emerging trends in
12 the safety of particular sectors of the aviation
13 industry.

14 (B) CONTENTS.—The report to be submit-
15 ted under subparagraph (A) shall include an as-
16 sessment of—

17 (i) the adequacy of staffing and train-
18 ing resources for safety personnel of the
19 Administration, including safety inspectors;

20 (ii) the Administration's processes for
21 ensuring the public safety from fraudulent
22 parts in civil aviation and the extent to
23 which use of suspected unapproved parts
24 requires additional oversight or enforce-
25 ment action; and

1 (iii) the ability of the Administration
2 to anticipate changes in the aviation indus-
3 try and to develop policies and actions to
4 ensure the highest level of aviation safety
5 in the 21st century.

6 (8) ACCESS TO DOCUMENTS AND STAFF.—The
7 Administration may give the Commission appro-
8 priate access to relevant documents and personnel of
9 the Administration, and the Administrator shall
10 make available, consistent with the authority to
11 withhold commercial and other proprietary informa-
12 tion under section 552 of title 5, United States Code
13 (commonly known as the “Freedom of Information
14 Act”), cost data associated with the acquisition and
15 operation of air traffic service systems. Any member
16 of the Commission who receives commercial or other
17 proprietary data from the Administrator shall be
18 subject to the provisions of section 1905 of title 18,
19 United States Code, pertaining to unauthorized dis-
20 closure of such information.

21 (9) TRAVEL AND PER DIEM.—Each member of
22 the Commission shall be paid actual travel expenses,
23 and per diem in lieu of subsistence expenses when
24 away from his or her usual place of residence, in ac-

1 cordance with section 5703 of title 5, United States
2 Code.

3 (10) DETAIL OF PERSONNEL FROM THE ADMIN-
4 STRATION.—The Administrator shall make available
5 to the Commission such staff, information, and ad-
6 ministrative services and assistance as may reason-
7 ably be required to enable the Commission to carry
8 out its responsibilities under this subsection.

9 (11) AUTHORIZATION OF APPROPRIATIONS.—
10 There is authorized to be appropriated such sums as
11 may be necessary to carry out the provisions of this
12 subsection.

13 (c) REPORTS TO CONGRESS.—

14 (1) REPORT BY THE SECRETARY BASED ON
15 FINAL REPORT OF AVIATION FUNDING TASK
16 FORCE.—

17 (A) CONSIDERATION OF TASK FORCE'S
18 PRELIMINARY REPORT.—Not later than 30 days
19 after receiving the preliminary report of the
20 aviation funding task force, the Secretary, in
21 consultation with the Secretary of the Treasury,
22 shall furnish comments on the report to the
23 task force.

24 (B) REPORT TO CONGRESS.—Not later
25 than 30 days after receiving the final report of

1 the aviation funding task force, and in no event
2 more than 1 year after the date of the enact-
3 ment of this Act, the Secretary, after consulting
4 the Secretary of the Treasury, shall transmit a
5 report to the Committee on Commerce, Science,
6 and Transportation and the Committee on Fi-
7 nance of the Senate, and the Committee on
8 Transportation and Infrastructure and the
9 Committee on Ways and Means of the House of
10 Representatives. Such report shall be based
11 upon the final report of the task force and shall
12 contain the Secretary's recommendations for
13 funding the needs of the aviation system
14 through the year 2002.

15 (C) CONTENTS.—The Secretary shall in-
16 clude in the report to Congress under subpara-
17 graph (B)—

18 (i) a copy of the final report of the
19 task force; and

20 (ii) a draft bill containing the changes
21 in law necessary to implement the Sec-
22 retary's recommendations.

23 (D) PUBLICATION.—The Secretary shall
24 cause a copy of the report to be printed in the

1 Federal Register upon its transmittal to Con-
2 gress under subparagraph (B).

3 (2) REPORT BY THE ADMINISTRATOR BASED ON
4 FINAL REPORT OF AVIATION SAFETY TASK FORCE.—
5 Not later than 30 days after receiving the report of
6 the aviation safety task force, the Administrator
7 shall transmit the report to Congress, together with
8 the Administrator's recommendations for improving
9 aviation safety in the United States.

10 (d) GAO AUDIT OF COST ALLOCATION.—The Comp-
11 troller General shall conduct an assessment of the manner
12 in which costs for air traffic control services are allocated
13 between the Administration and the Department of De-
14 fense. The Comptroller General shall report the results of
15 the assessment, together with any recommendations the
16 Comptroller General may have for reallocation of costs
17 and for opportunities to increase the efficiency of air traf-
18 fic control services provided by the Administration and by
19 the Department of Defense, to the Commission, the Ad-
20 ministrator, the Secretary of Defense, the Committee on
21 Transportation and Infrastructure of the House of Rep-
22 resentatives, and the Committee on Commerce, Science,
23 and Transportation of the Senate not later than 180 days
24 after the date of the enactment of this Act.

1 (e) 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. 275. PROCEDURE FOR CONSIDERATION OF CERTAIN**
 7 **FUNDING PROPOSALS.**

8 (a) IN GENERAL.—Chapter 481 is amended by add-
 9 ing at the end the following:

10 **“§ 48111. Funding proposals**

11 “(a) INTRODUCTION IN THE SENATE.—Within 15
 12 days (not counting any day on which the Senate is not
 13 in session) after a funding proposal is submitted to the
 14 Senate by the Secretary of Transportation under section
 15 274(c) of the Air Traffic Management System Perform-
 16 ance Improvement Act of 1996, an implementing bill with
 17 respect to such funding proposal shall be introduced in
 18 the Senate by the majority leader of the Senate, for him-
 19 self and the minority leader of the Senate, or by Members
 20 of the Senate designated by the majority leader and mi-
 21 nority leader of the Senate.

22 “(b) CONSIDERATION IN THE SENATE.—An imple-
 23 menting bill introduced in the Senate under subsection (a)
 24 shall be referred to the Committee on Commerce, Science,
 25 and Transportation. The Committee on Commerce,

1 Science, and Transportation shall report the bill with its
2 recommendations within 60 days following the date of in-
3 troduction of the bill. Upon the reporting of the bill by
4 the Committee on Commerce, Science, and Transpor-
5 tation, the reported bill shall be referred sequentially to
6 the Committee on Finance for a period of 60 legislative
7 days.

8 “(c) DEFINITIONS.—For purposes of this section, the
9 following definitions apply:

10 “(1) IMPLEMENTING BILL.—The term ‘imple-
11 menting bill’ means only a bill of the Senate which
12 is introduced as provided in subsection (a) with re-
13 spect to one or more Federal Aviation Administra-
14 tion funding proposals which contain changes in ex-
15 isting laws or new statutory authority required to
16 implement such funding proposal or proposals.

17 “(2) FUNDING PROPOSAL.—The term ‘funding
18 proposal’ means a proposal to provide interim or
19 permanent funding for operations of the Federal
20 Aviation Administration.

21 “(d) RULES OF THE SENATE.—The provisions of this
22 section are enacted—

23 “(1) as an exercise of the rulemaking power of
24 the Senate and as such they are deemed a part of
25 the rules of the Senate and they supersede other

1 rules only to the extent that they are inconsistent
 2 therewith; and

3 “(2) with full recognition of the constitutional
 4 right of the Senate to change the rules (so far as re-
 5 lating to the procedure of the Senate) at any time,
 6 in the same manner and to the same extent as in
 7 the case of any other rule of the Senate.”.

8 (b) CLERICAL AMENDMENT.—The table of sections
 9 for chapter 481 is amended by adding at the end thereof
 10 the following:

“48111. Funding proposals.”.

11 **SEC. 276. ADMINISTRATIVE PROVISIONS.**

12 (a) IN GENERAL.—Chapter 453 is amended—

13 (1) by redesignating section 45303 as section
 14 45304; and

15 (2) by inserting after section 45302 the follow-
 16 ing:

17 **“§ 45303. Administrative provisions**

18 “(a) FEES PAYABLE TO ADMINISTRATOR.—All fees
 19 imposed and amounts collected under this chapter for
 20 services performed, or materials furnished, by the Federal
 21 Aviation Administration are payable to the Administrator
 22 of the Federal Aviation Administration.

23 “(b) REFUNDS.—The Administrator may refund any
 24 fee paid by mistake or any amount paid in excess of that
 25 required.

1 “(c) RECEIPTS CREDITED TO ACCOUNT.—Notwith-
 2 standing section 3302 of title 31, all fees and amounts
 3 collected by the Administration, except insurance pre-
 4 miums and other fees charged for the provision of insur-
 5 ance and deposited in the Aviation Insurance Revolving
 6 Fund and interest earned on investments of such Fund,
 7 and except amounts which on September 30, 1996, are
 8 required to be credited to the general fund of the Treasury
 9 (whether imposed under this section or not)—

10 “(1) shall be credited to a separate account es-
 11 tablished in the Treasury and made available for Ad-
 12 ministration activities;

13 “(2) shall be available immediately for expendi-
 14 ture but only for congressionally authorized and in-
 15 tended purposes; and

16 “(3) shall remain available until expended.

17 “(d) ANNUAL BUDGET REPORT BY ADMINIS-
 18 TRATOR.—The Administrator shall, on the same day each
 19 year as the President submits the annual budget to Con-
 20 gress, provide to the Committee on Commerce, Science,
 21 and Transportation of the Senate and the Committee on
 22 Transportation and Infrastructure of the House of Rep-
 23 resentatives—

24 “(1) a list of fee collections by the Administra-
 25 tion during the preceding fiscal year;

1 “(2) a list of activities by the Administration
2 during the preceding fiscal year that were supported
3 by fee expenditures and appropriations;

4 “(3) budget plans for significant programs,
5 projects, and activities of the Administration, includ-
6 ing out-year funding estimates;

7 “(4) any proposed disposition of surplus fees by
8 the Administration; and

9 “(5) such other information as those commit-
10 tees consider necessary.

11 “(e) DEVELOPMENT OF COST ACCOUNTING SYS-
12 TEM.—The Administration shall develop a cost accounting
13 system that adequately and accurately reflects the invest-
14 ments, operating and overhead costs, revenues, and other
15 financial measurement and reporting aspects of its oper-
16 ations.

17 “(f) COMPENSATION TO CARRIERS FOR ACTING AS
18 COLLECTION AGENTS.—The Administration shall pre-
19 scribe regulations to ensure that any air carrier required,
20 pursuant to the Air Traffic Management System Perform-
21 ance Improvement Act of 1996 or any amendments made
22 by that Act, to collect a fee imposed on another party by
23 the Administrator may collect from such other party an
24 additional uniform amount that the Administrator deter-
25 mines reflects the necessary and reasonable expenses (net

1 of interest accruing to the carrier after collection and be-
 2 fore remittance) incurred in collecting and handling the
 3 fee.”.

4 (b) CONFORMING AMENDMENT.—The table of sec-
 5 tions for chapter 453 is amended by striking the item re-
 6 lating to section 45303 and inserting the following:

“45303. Administrative provisions.

“45304. Maximum fees for private person services.”.

7 **SEC. 277. ADVANCE APPROPRIATIONS FOR AIRPORT AND**
 8 **AIRWAY TRUST FUND ACTIVITIES.**

9 (a) IN GENERAL.—Part C of subtitle VII is amended
 10 by adding at the end the following:

11 **“CHAPTER 482—ADVANCE APPROPRIA-**
 12 **TIONS FOR AIRPORT AND AIRWAY**
 13 **TRUST FACILITIES**

“Sec.

“48201. Advance appropriations.

14 **“§ 48201. Advance appropriations**

15 “(a) MULTIYEAR AUTHORIZATIONS.—Beginning with
 16 fiscal year 1999, any authorization of appropriations for
 17 an activity for which amounts are to be appropriated from
 18 the Airport and Airway Trust Fund established under sec-
 19 tion 9502 of the Internal Revenue Code of 1986 shall pro-
 20 vide funds for a period of not less than 3 fiscal years un-
 21 less the activity for which appropriations are authorized
 22 is to be concluded before the end of that period.

1 “(b) MULTIYEAR APPROPRIATIONS.—Beginning with
 2 fiscal year 1999, amounts appropriated from the Airport
 3 and Airway Trust Fund shall be appropriated for periods
 4 of 3 fiscal years rather than annually.”.

5 (b) CONFORMING AMENDMENT.—The analysis for
 6 subtitle VII is amended by inserting after the item relating
 7 to chapter 481 the following:

**“482. ADVANCE APPROPRIATIONS FOR AIRPORT AND
 AIRWAY TRUST FACILITIES48201.”.**

8 **SEC. 278. RURAL AIR SERVICE SURVIVAL ACT.**

9 (a) SHORT TITLE.—This section may be cited as the
 10 “Rural Air Service Survival Act”.

11 (b) FINDINGS.—Congress finds that—

12 (1) air service in rural areas is essential to a
 13 national and international transportation network;

14 (2) the rural air service infrastructure supports
 15 the safe operation of all air travel;

16 (3) rural air service creates economic benefits
 17 for all air carriers by making the national aviation
 18 system available to passengers from rural areas;

19 (4) rural air service has suffered since deregula-
 20 tion;

21 (5) the essential air service program under the
 22 Department of Transportation—

1 (A) provides essential airline access to
 2 rural and isolated rural communities through-
 3 out the Nation;

4 (B) is necessary for the economic growth
 5 and development of rural communities;

6 (C) is a critical component of the national
 7 and international transportation system of the
 8 United States; and

9 (D) has endured serious funding cuts in
 10 recent years; and

11 (6) a reliable source of funding must be estab-
 12 lished to maintain air service in rural areas and the
 13 essential air service program.

14 (c) ESSENTIAL AIR SERVICE AUTHORIZATION.—Sec-
 15 tion 41742 is amended to read as follows:

16 **“§ 41742. Essential air service authorization**

17 “(a) IN GENERAL.—Out of the amounts received by
 18 the Federal Aviation Administration credited to the ac-
 19 count established under section 45303 of this title or oth-
 20 erwise provided to the Administration, the sum of
 21 \$50,000,000 is authorized and shall be made available im-
 22 mediately for obligation and expenditure to carry out the
 23 essential air service program under this subchapter for
 24 each fiscal year.

1 “(b) FUNDING FOR SMALL COMMUNITY AIR SERV-
 2 ICE.—Notwithstanding any other provision of law, moneys
 3 credited to the account established under section 45303(a)
 4 of this title, including the funds derived from fees imposed
 5 under the authority contained in section 45301(a) of this
 6 title, shall be used to carry out the essential air service
 7 program under this subchapter. Notwithstanding section
 8 47114(g) of this title, any amounts from those fees that
 9 are not obligated or expended at the end of the fiscal year
 10 for the purpose of funding the essential air service pro-
 11 gram under this subchapter shall be made available to the
 12 Administration for use in improving rural air safety under
 13 subchapter I of chapter 471 of this title and shall be used
 14 exclusively for projects at rural airports under this sub-
 15 chapter.

16 “(c) SPECIAL RULE FOR FISCAL YEAR 1997.—Not-
 17 withstanding subsections (a) and (b), in fiscal year 1997,
 18 amounts in excess of \$75,000,000 that are collected in
 19 fees pursuant to section 45301(a)(1) of this title shall be
 20 available for the essential air service program under this
 21 subchapter, in addition to amounts specifically provided
 22 for in appropriations Acts.”.

23 (d) CONFORMING AMENDMENT.—The table of sec-
 24 tions for chapter 417 is amended by striking the item re-
 25 lating to section 41742 and inserting the following:

“41742. Essential air service authorization.”.

1 **TITLE III—AVIATION SECURITY**

2 **SEC. 301. REPORT INCLUDING PROPOSED LEGISLATION ON**
3 **FUNDING FOR AIRPORT SECURITY.**

4 (a) IN GENERAL.—Not later than 90 days after the
5 date of the enactment of this Act, the Administrator of
6 the Federal Aviation Administration, in cooperation with
7 other appropriate persons, shall conduct a study and sub-
8 mit to Congress a report on whether, and if so how, to
9 transfer certain responsibilities of air carriers under Fed-
10 eral law for security activities conducted onsite at commer-
11 cial service airports to airport operators or to the Federal
12 Government or to provide for shared responsibilities be-
13 tween air carriers and airport operators or the Federal
14 Government.

15 (b) CONTENTS OF REPORT.—The report submitted
16 under this section shall—

17 (1) examine potential sources of Federal and
18 non-Federal revenue that may be used to fund secu-
19 rity activities, including providing grants from funds
20 received as fees collected under a fee system estab-
21 lished under subtitle C of title II of this Act and the
22 amendments made by that subtitle; and

23 (2) provide legislative proposals, if necessary,
24 for accomplishing the transfer of responsibilities re-
25 ferred to in subsection (a).

1 **SEC. 302. CERTIFICATION OF SCREENING COMPANIES.**

2 The Administrator of the Federal Aviation Adminis-
3 tration is directed to certify companies providing security
4 screening and to improve the training and testing of secu-
5 rity screeners through development of uniform perform-
6 ance standards for providing security screening services.

7 **SEC. 303. WEAPONS AND EXPLOSIVE DETECTION STUDY.**

8 (a) IN GENERAL.—The Administrator of the Federal
9 Aviation Administration shall enter into an arrangement
10 with the Director of the National Academy of Sciences (or
11 if the National Academy of Sciences is not available, the
12 head of another equivalent entity) to conduct a study in
13 accordance to this section.

14 (b) PANEL OF EXPERTS.—

15 (1) IN GENERAL.—In carrying out a study
16 under this section, the Director of the National
17 Academy of Sciences (or the head of another equiva-
18 lent entity) shall establish a panel (hereinafter in
19 this section referred to as the “panel”).

20 (2) EXPERTISE.—Each member of the panel
21 shall have expertise in weapons and explosive detec-
22 tion technology, security, air carrier and airport op-
23 erations, or another appropriate area. The Director
24 of the National Academy of Sciences (or the head of
25 another equivalent entity) shall ensure that the

1 panel has an appropriate number of representatives
2 of the areas specified in the preceding sentence.

3 (c) STUDY.—The panel, in consultation with the Na-
4 tional Science and Technology Council, representatives of
5 appropriate Federal agencies, and appropriate members of
6 the private sector, shall—

7 (1) assess the weapons and explosive detection
8 technologies that are available at the time of the
9 study that are capable of being effectively deployed
10 in commercial aviation;

11 (2) determine how the technologies referred to
12 in paragraph (1) may more effectively be used for
13 promotion and improvement of security at airport
14 and aviation facilities and other secured areas;

15 (3) assess the cost and advisability of requiring
16 hardened cargo containers as a way to enhance avia-
17 tion security and reduce the required sensitivity of
18 bomb detection equipment; and

19 (4) on the basis of the assessments and deter-
20 minations made under paragraphs (1), (2), and (3),
21 identify the most promising technologies for the im-
22 provement of the efficiency and cost-effectiveness of
23 weapons and explosive detection.

24 (d) COOPERATION.—The National Science and Tech-
25 nology Council shall take such actions as may be necessary

1 to facilitate, to the maximum extent practicable and upon
 2 request of the Director of the National Academy of
 3 Sciences (or the head of another equivalent entity), the
 4 cooperation of representatives of appropriate Federal
 5 agencies, as provided for in subsection (c), in providing
 6 the panel, for the study under this section—

7 (1) expertise; and

8 (2) to the extent allowable by law, resources
 9 and facilities.

10 (e) REPORTS.—The Director of the National Acad-
 11 emy of Sciences (or the head of another equivalent entity)
 12 shall, pursuant to an arrangement entered into under sub-
 13 section (a), submit to the Administrator such reports as
 14 the Administrator considers to be appropriate. Upon re-
 15 ceipt of a report under this subsection, the Administrator
 16 shall submit a copy of the report to the appropriate com-
 17 mittees of Congress.

18 (f) AUTHORIZATION OF APPROPRIATIONS.—There
 19 are authorized to be appropriated for each of fiscal years
 20 1997 through 2001 such sums as may be necessary to
 21 carry out this section.

22 **SEC. 304. REQUIREMENT FOR CRIMINAL HISTORY**
 23 **RECORDS CHECKS.**

24 (a) IN GENERAL.—Section 44936(a)(1) is amend-
 25 ed—

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

3 (2) by striking “(1)” and inserting “(1)(A)”;
4 and

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

6 “(B) The Administrator shall require by regulation
7 that an employment investigation (including a criminal
8 history record check in any case described in subpara-
9 graph (C)) be conducted for—

10 “(i) individuals who will be responsible for
11 screening passengers or property under section
12 44901 of this title;

13 “(ii) supervisors of the individuals described in
14 clause (i); and

15 “(iii) such other individuals who exercise secu-
16 rity functions associated with baggage or cargo, as
17 the Administrator determines is necessary to ensure
18 air transportation security.

19 “(C) Under the regulations issued under subpara-
20 graph (B), a criminal history record check shall be con-
21 ducted in any case in which—

22 “(i) an employment investigation reveals a gap
23 in employment of 12 months or more that the indi-
24 vidual who is the subject of the investigation does
25 not satisfactorily account for;

1 “(ii) such individual is unable to support state-
2 ments made on the application of such individual;

3 “(iii) there are significant inconsistencies in the
4 information provided on the application of such indi-
5 vidual; or

6 “(iv) information becomes available during the
7 employment investigation indicating a possible con-
8 viction for one of the crimes listed in subsection
9 (b)(1)(B).

10 “(D) If an individual requires a criminal history
11 record check under subparagraph (C), the individual may
12 be employed as a screener until the check is completed
13 if the individual is subject to supervision.”.

14 (b) APPLICABILITY.—The amendment made by sub-
15 section (a)(3) shall apply to individuals hired to perform
16 functions described in section 44936(a)(1)(B) of title 49,
17 United States Code, after the date of the enactment of
18 this Act; except that the Administrator of the Federal
19 Aviation Administration may, as the Administrator deter-
20 mines to be appropriate, require such employment inves-
21 tigations or criminal history records checks for individuals
22 performing those functions on the date of the enactment
23 of this Act.

1 **SEC. 305. INTERIM DEPLOYMENT OF COMMERCIALY**
2 **AVAILABLE EXPLOSIVE DETECTION EQUIP-**
3 **MENT.**

4 (a) IN GENERAL.—Section 44913(a) is amended—

5 (1) by redesignating paragraph (3) as para-
6 graph (4); and

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

9 “(3) Until such time as the Administrator determines
10 that equipment certified under paragraph (1) is commer-
11 cially available and has successfully completed operational
12 testing as provided in paragraph (1), the Administrator
13 shall facilitate the deployment of such approved commer-
14 cially available explosive detection devices as the Adminis-
15 trator determines will enhance aviation security signifi-
16 cantly. The Administrator shall require that equipment
17 deployed under this paragraph be replaced by equipment
18 certified under paragraph (1) when equipment certified
19 under paragraph (1) becomes commercially available. The
20 Administrator is authorized, based on operational consid-
21 erations at individual airports, to waive the required in-
22 stallation of commercially available equipment under para-
23 graph (1) in the interests of aviation security. The Admin-
24 istrator may permit the requirements of this paragraph
25 to be met at airports by the deployment of dogs or other
26 appropriate animals to supplement equipment for screen-

1 ing passengers, baggage, mail, or cargo for explosives or
2 weapons.”.

3 (b) AGREEMENTS.—The Administrator is authorized
4 to use noncompetitive or cooperative agreements with air
5 carriers and airport authorities that provide for the Ad-
6 ministrator to purchase and assist in installing advanced
7 security equipment for the use of such entities.

8 **SEC. 306. AUDIT OF PERFORMANCE OF BACKGROUND**
9 **CHECKS FOR CERTAIN PERSONNEL.**

10 Section 44936(a) is amended by adding at the end
11 the following:

12 “(3) The Administrator shall provide for the periodic
13 audit of the effectiveness of criminal history record checks
14 conducted under paragraph (1) of this subsection.”.

15 **SEC. 307. PASSENGER PROFILING.**

16 The Administrator of the Federal Aviation Adminis-
17 tration, the Secretary of Transportation, the intelligence
18 community, and the law enforcement community should
19 continue to assist air carriers in developing computer-as-
20 sisted passenger profiling programs and other appropriate
21 passenger profiling programs which should be used in con-
22 junction with other security measures and technologies.

1 **SEC. 308. AUTHORITY TO USE CERTAIN FUNDS FOR AIR-**
2 **PORT SECURITY PROGRAMS AND ACTIVITIES.**

3 (a) IN GENERAL.—Notwithstanding any other provi-
4 sion of law, funds referred to in subsection (b) may be
5 used for the improvement of facilities and the purchase
6 and deployment of equipment to enhance and ensure the
7 safety and security of passengers and other persons in-
8 volved in air travel.

9 (b) COVERED FUNDS.—The following funds may be
10 used under subsection (a):

11 (1) Project grants made under subchapter 1 of
12 chapter 471 of title 49, United States Code.

13 (2) Passenger facility fees collected under sec-
14 tion 40117 of title 49, United States Code.

15 **SEC. 309. DEVELOPMENT OF AVIATION SECURITY LIAISON**
16 **AGREEMENT.**

17 The Secretary of Transportation and the Attorney
18 General, acting through the Administrator of the Federal
19 Aviation Administration and the Director of the Federal
20 Bureau of Investigation, shall enter into an interagency
21 agreement providing for the establishment of an aviation
22 security liaison at existing appropriate Federal agencies'
23 field offices in or near cities served by a designated high-
24 risk airport.

1 **SEC. 310. REGULAR JOINT THREAT ASSESSMENTS.**

2 The Administrator of the Federal Aviation Adminis-
3 tration and the Director of the Federal Bureau of Inves-
4 tigation shall carry out joint threat and vulnerability as-
5 sessments on security every 3 years, or more frequently,
6 as necessary, at each airport determined to be high risk.

7 **SEC. 311. BAGGAGE MATCH REPORT.**

8 (a) REPORT.—If a bag match pilot program is car-
9 ried out as recommended by the White House Conference
10 on Aviation Safety and Security, not later than the 30th
11 day following the date of completion of the pilot program,
12 the Administrator of the Federal Aviation Administration
13 shall submit to Congress a report on the safety, effective-
14 ness, and operational effectiveness of the pilot program.
15 The report shall also assess the extent to which implemen-
16 tation of baggage match requirements (coupled with the
17 best available technologies and methodologies, such as
18 passenger profiling) enhance domestic aviation security.

19 (b) SENSE OF THE SENATE.—It is the sense of the
20 Senate that the Administrator should work with airports
21 and air carriers to develop, to the extent feasible, effective
22 domestic bag matching proposals.

23 **SEC. 312. ENHANCED SECURITY PROGRAMS.**

24 (a) IN GENERAL.—Chapter 449 is amended by add-
25 ing at the end of subchapter I the following:

1 **“§ 44916. Assessments and evaluations**

2 “(a) PERIODIC ASSESSMENTS.—The Administrator
3 shall require each air carrier and airport (including the
4 airport owner or operator in cooperation with the air car-
5 riers and vendors serving each airport) that provides for
6 intrastate, interstate, or foreign air transportation to con-
7 duct periodic vulnerability assessments of the security sys-
8 tems of that air carrier or airport, respectively. The Ad-
9 ministration shall perform periodic audits of such assess-
10 ments.

11 “(b) INVESTIGATIONS.—The Administrator shall con-
12 duct periodic and unannounced inspections of security sys-
13 tems of airports and air carriers to determine the effec-
14 tiveness and vulnerabilities of such systems. To the extent
15 allowable by law, the Administrator may provide for anon-
16 ymous tests of those security systems.”.

17 (b) CLERICAL AMENDMENT.—The table of sections
18 for such chapter is amended by inserting after the item
19 relating to section 44915 the following:

“44916. Assessments and evaluations.”.

20 **SEC. 313. REPORT ON AIR CARGO.**

21 (a) REPORT.—Not later than 90 days after the date
22 of the enactment of this Act, the Secretary of Transpor-
23 tation shall transmit to Congress a report on any changes
24 recommended and implemented as a result of the White
25 House Commission on Aviation Safety and Security to en-

1 hance and supplement screening and inspection of cargo,
2 mail, and company-shipped materials transported in air
3 commerce.

4 (b) CONTENTS.—The report shall include—

5 (1) an assessment of the effectiveness of the
6 changes referred to in subsection (a);

7 (2) an assessment of the oversight by the Fed-
8 eral Aviation Administration of inspections of ship-
9 ments of mail and cargo by domestic and foreign air
10 carriers;

11 (3) an assessment of the need for additional se-
12 curity measures with respect to such inspections;

13 (4) an assessment of the adequacy of inspection
14 and screening of cargo on passenger air carriers;
15 and

16 (5) any additional recommendations, and if nec-
17 essary any legislative proposals, necessary to carry
18 out additional changes.

19 (c) SENSE OF THE SENATE.—It is the sense of the
20 Senate that the inspection of cargo, mail, and company-
21 shipped materials can be enhanced.

22 **SEC. 314. SENSE OF THE SENATE REGARDING ACTS OF**
23 **INTERNATIONAL TERRORISM.**

24 (a) FINDINGS.—The Senate finds that—

1 (1) there has been an intensification in the op-
 2 pression and disregard for human life among nations
 3 that are willing to export terrorism;

4 (2) there has been an increase in attempts by
 5 criminal terrorists to murder airline passengers
 6 through the destruction of civilian airliners and the
 7 deliberate fear and death inflicted through bombings
 8 of buildings and the kidnapping of tourists and
 9 Americans residing abroad; and

10 (3) information widely available demonstrates
 11 that a significant portion of international terrorist
 12 activity is state-sponsored, -organized, -condoned, or
 13 -directed.

14 (b) SENSE OF THE SENATE.—It is the sense of the
 15 Senate that if evidence establishes beyond a clear and rea-
 16 sonable doubt that any act of hostility towards any United
 17 States citizen was an act of international terrorism spon-
 18 sored, organized, condoned, or directed by any nation, a
 19 state of war should be considered to exist or to have ex-
 20 isted between the United States and that nation, begin-
 21 ning as of the moment that the act of aggression occurs.

22 **TITLE IV—AVIATION SAFETY**

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

24 (a) SAFETY CONSIDERATIONS IN PUBLIC INTER-
 25 EST.—

1 (1) SAFETY AS HIGHEST PRIORITY.—Section
2 40101(d) is amended—

3 (A) by redesignating paragraphs (1)
4 through (6) as paragraphs (2) through (7), re-
5 spectively; and

6 (B) by inserting before paragraph (2), as
7 so redesignated, the following:

8 “(1) assigning, maintaining, and enhancing
9 safety and security as the highest priorities in air
10 commerce.”.

11 (2) ELIMINATION OF PROMOTION.—Section
12 40101(d) is further amended—

13 (A) in paragraph (2), as redesignated by
14 paragraph (1)(A) of this subsection, by striking
15 “its development and”; and

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

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

19 (ii) by inserting before the period at
20 the end “, including new aviation tech-
21 nology”.

22 (b) FAA SAFETY MISSION.—

23 (1) IN GENERAL.—Section 40104 is amended—

24 (A) by inserting “**safety of**” before “**air**
25 **commerce**” in the section heading;

1 (B) by inserting “SAFETY OF” before “AIR
 2 COMMERCE” in the heading of subsection (a);
 3 and

4 (C) by inserting “safety of” before “air
 5 commerce” in subsection (a).

6 (2) CLERICAL AMENDMENT.—The table of sec-
 7 tions for chapter 401 is amended by striking the
 8 item relating to section 40104 and inserting the fol-
 9 lowing:

“40104. Promotion of civil aeronautics and safety of air commerce.”.

10 **SEC. 402. PROTECTION OF VOLUNTARILY SUBMITTED IN-**
 11 **FORMATION.**

12 (a) IN GENERAL.—Chapter 401, as amended by sec-
 13 tion 253 of this Act, is further amended by adding at the
 14 end the following:

15 **“§ 40123. Protection of voluntarily submitted infor-**
 16 **mation**

17 “(a) IN GENERAL.—Notwithstanding any other pro-
 18 vision of law, neither the Administrator of the Federal
 19 Aviation Administration, nor any agency receiving infor-
 20 mation from the Administrator, shall disclose voluntarily-
 21 provided safety or security related information if the Ad-
 22 ministrator finds that—

23 “(1) the disclosure of the information would in-
 24 hibit the voluntary provision of that type of informa-
 25 tion and that the receipt of that type of information

1 aids in fulfilling the Administrator’s safety and secu-
 2 rity responsibilities; and

3 “(2) withholding such information from diselo-
 4 sure would be consistent with the Administrator’s
 5 safety and security responsibilities.

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

8 (b) CONFORMING AMENDMENT.—The table of sec-
 9 tions for such chapter is amended by adding at the end
 10 the following:

“40123. Protection of voluntarily submitted information.”.

11 **SEC. 403. SUPPLEMENTAL TYPE CERTIFICATES.**

12 Section 44704 is amended—

13 (1) by redesignating subsections (b) and (c) as
 14 subsections (c) and (d), respectively; and

15 (2) by inserting after subsection (a) the follow-
 16 ing:

17 “(b) SUPPLEMENTAL TYPE CERTIFICATES.—

18 “(1) ISSUANCE.—The Administrator may issue
 19 a type certificate designated as a supplemental type
 20 certificate for a change to an aircraft, aircraft en-
 21 gine, propeller, or appliance.

22 “(2) CONTENTS.—A supplemental type certifi-
 23 cate issued under paragraph (1) shall consist of the
 24 change to the aircraft, aircraft engine, propeller, or
 25 appliance with respect to the previously issued type

1 certificate for the aircraft, aircraft engine, propeller,
2 or appliance.

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

15 **SEC. 404. CERTIFICATION OF SMALL AIRPORTS.**

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

17 (1) by redesignating paragraph (2) as para-
18 graph (3);

19 (2) by inserting after paragraph (1) the follow-
20 ing:

21 “(2) that is not located in the State of Alaska
22 and serves any scheduled passenger operation of an
23 air carrier operating aircraft designed for more than
24 9 passenger seats but less than 31 passenger seats;
25 and”;

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

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

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

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

11 “(d) COMMUTER AIRPORTS.—In developing the
12 terms required by subsection (b) for airports covered by
13 subsection (a)(2), the Administrator shall identify and
14 consider a reasonable number of regulatory alternatives
15 and select from such alternatives the least costly, most
16 cost-effective or the least burdensome alternative that will
17 provide comparable safety at airports described in sub-
18 sections (a)(1) and (a)(2).”.

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

21 “(e) EFFECTIVE DATE.—Any regulation establishing
22 the terms required by subsection (b) for airports covered
23 by subsection (a)(2) shall not take effect until such regula-
24 tion, and a report on the economic impact of the regula-
25 tion on air service to the airports covered by the rule, has

1 been submitted to Congress and 120 days have elapsed
 2 following the date of such submission.”.

3 (d) LIMITATION ON STATUTORY CONSTRUCTION.—
 4 Section 44706 is further amended by adding at the end
 5 the following:

6 “(f) LIMITATION ON STATUTORY CONSTRUCTION.—
 7 Nothing in this title may be construed as requiring a per-
 8 son to obtain an airport operating certificate if such per-
 9 son does not desire to operate an airport described in sub-
 10 section (a).”.

11 **SEC. 405. AUTHORIZATION OF APPROPRIATIONS FOR**
 12 **STATE-SPECIFIC SAFETY MEASURES.**

13 There are authorized to be appropriated to the Fed-
 14 eral Aviation Administration not more than \$10,000,000
 15 for fiscal year 1997 for the purpose of addressing State-
 16 specific aviation safety problems identified by the National
 17 Transportation Safety Board.

18 **SEC. 406. AIRCRAFT ENGINE STANDARDS.**

19 (a) STANDARDS AND REGULATIONS.—Subsection
 20 (a)(1) of section 44715 is amended to read as follows:

21 “(a) STANDARDS AND REGULATIONS.—(1)(A) To re-
 22 lieve and protect the public health and welfare from air-
 23 craft noise and sonic boom, the Administrator of the Fed-
 24 eral Aviation Administration, as he deems necessary, shall
 25 prescribe—

1 “(i) standards to measure aircraft noise and
2 sonic boom; and

3 “(ii) regulations to control and abate aircraft
4 noise and sonic boom.

5 “(B) The Administrator, as the Administrator deems
6 appropriate, shall provide for the participation of a rep-
7 resentative of the Environmental Protection Agency on
8 such advisory committees or associated working groups
9 that advise the Administrator on matters related to the
10 environmental effects of aircraft and aircraft engines.”.

11 (b) INTERAGENCY COOPERATION.—Section
12 231(a)(2) of the Clean Air Act (42 U.S.C. 7571(a)(2))
13 is amended—

14 (1) by inserting “(A)” before “The Adminis-
15 trator”; and

16 (2) by adding at the end the following:

17 “(B)(i) The Administrator shall consult with the Ad-
18 ministrators of the Federal Aviation Administration on air-
19 craft engine emission standards.

20 “(ii) The Administrator shall not change the aircraft
21 engine emission standards if such change would signifi-
22 cantly increase noise and adversely affect safety.”.

1 **SEC. 407. ACCIDENT AND SAFETY DATA CLASSIFICATION;**
 2 **REPORT ON EFFECTS OF PUBLICATION AND**
 3 **AUTOMATED SURVEILLANCE TARGETING**
 4 **SYSTEMS.**

5 (a) ACCIDENT AND SAFETY DATA CLASSIFICA-
 6 TION.—

7 (1) IN GENERAL.—Subchapter II of chapter 11
 8 of title 49, United States Code, is amended by add-
 9 ing at the end the following:

10 **“§ 1119. Accident and safety data classification and**
 11 **publication**

12 “(a) IN GENERAL.—Not later than 90 days after the
 13 date of the enactment of this section, the National Trans-
 14 portation Safety Board shall, in consultation and coordi-
 15 nation with the Administrator of the Federal Aviation Ad-
 16 ministration, develop a system for classifying air carrier
 17 accident data maintained by the Board.

18 “(b) REQUIREMENTS FOR CLASSIFICATION SYS-
 19 TEM.—

20 “(1) IN GENERAL.—The system developed
 21 under this section shall provide for the classification
 22 of accident and safety data in a manner that, in
 23 comparison to the system in effect on the date of the
 24 enactment of this section, provides for safety-related
 25 categories that provide clearer descriptions of acci-
 26 dents associated with air transportation, including a

1 more refined classification of accidents which involve
2 fatalities, injuries, or substantial damage and which
3 are only related to the operation of an aircraft.

4 “(2) PUBLIC COMMENT.—In developing a sys-
5 tem of classification under paragraph (1), the Board
6 shall provide adequate opportunity for public review
7 and comment.

8 “(3) FINAL CLASSIFICATION.—After providing
9 for public review and comment, and after consulting
10 with the Administrator, the Board shall issue final
11 classifications. The Board shall ensure that air trav-
12 el accident covered under this section is classified in
13 accordance with the final classifications issued under
14 this section for data for calendar year 1997, and for
15 each subsequent calendar year.

16 “(4) PUBLICATION.—The Board shall publish
17 on a periodic basis accident and safety data in ac-
18 cordance with the final classifications issued under
19 paragraph (3).

20 “(5) RECOMMENDATIONS OF THE ADMINIS-
21 TRATOR.—The Administrator may, from time to
22 time, request the Board to consider revisions (in-
23 cluding additions to the classification system devel-
24 oped under this section). The Board shall respond to
25 any request made by the Administrator under this

1 section not later than 90 days after receiving that
2 request.”.

3 (2) CONFORMING AMENDMENT.—The table of
4 sections for subchapter II of chapter 11 of title 49,
5 United States Code, is amended by adding at the
6 end the following:

“1119. Accident and safety data classification and publication.”.

7 (b) AUTOMATED SURVEILLANCE TARGETING SYS-
8 TEMS.—Section 44713 is amended by adding at the end
9 the following:

10 “(e) AUTOMATED SURVEILLANCE TARGETING SYS-
11 TEMS.—

12 “(1) IN GENERAL.—The Administrator shall
13 give high priority to developing and deploying a fully
14 enhanced safety performance analysis system that
15 includes automated surveillance to assist the Admin-
16 istrator in prioritizing and targeting surveillance and
17 inspection activities of the Federal Aviation Admin-
18 istration.

19 “(2) DEADLINES FOR DEPLOYMENT.—

20 “(A) INITIAL PHASE.—The initial phase of
21 the operational deployment of the system devel-
22 oped under this subsection shall begin not later
23 than December 31, 1997.

“(B) FINAL PHASE.—The final phase of field deployment of the system developed under this subsection shall begin not later than December 31, 1999. By that date, all principal operations and maintenance inspectors of the Administration, and appropriate supervisors and analysts of the Administration shall have been provided access to the necessary information and resources to carry out the system.

“(3) INTEGRATION OF INFORMATION.—In developing the system under this section, the Administration shall consider the near-term integration of accident and incident data into the safety performance analysis system under this subsection.”.

TITLE V—PILOT RECORD SHARING

SEC. 501. SHORT TITLE.

This title may be cited as the “Pilot Records Improvement Act of 1996”.

SEC. 502. EMPLOYMENT INVESTIGATIONS OF PILOT APPLICANTS.

(a) IN GENERAL.—Section 44936 is amended by adding at the end the following:

“(f) RECORDS OF EMPLOYMENT OF PILOT APPLICANTS.—

1 “(1) IN GENERAL.—Before hiring an individual
2 as a pilot, an air carrier shall request and receive
3 the following information:

4 “(A) FAA RECORDS.—From the Adminis-
5 trator of the Federal Aviation Administration,
6 records pertaining to the individual that are
7 maintained by the Administrator concerning—

8 “(i) current airman certificates (in-
9 cluding airman medical certificates) and
10 associated type ratings, including any limi-
11 tations to those certificates and ratings;
12 and

13 “(ii) summaries of legal enforcement
14 actions resulting in a finding by the Ad-
15 ministrator of a violation of this title or a
16 regulation prescribed or order issued under
17 this title that was not subsequently over-
18 turned.

19 “(B) AIR CARRIER AND OTHER
20 RECORDS.—From any air carrier or other per-
21 son that has employed the individual at any
22 time during the 5-year period preceding the
23 date of the employment application of the indi-
24 vidual, or from the trustee in bankruptcy for
25 such air carrier or person—

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

6 “(I) section 121.683 of title 14,
7 Code of Federal Regulations;

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

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

12 “(IV) section 125.401 of such
13 title; and

14 “(V) section 135.63(a)(4) of such
15 title; and

16 “(ii) other records pertaining to the
17 individual that are maintained by the air
18 carrier or person concerning—

19 “(I) the training, qualifications,
20 proficiency, or professional com-
21 petence of the individual, including
22 comments and evaluations made by a
23 check airman designated in accord-
24 ance with section 121.411, 125.295,
25 or 135.337 of such title;

1 “(II) any disciplinary action
2 taken with respect to the individual
3 that was not subsequently overturned;
4 and

5 “(III) any release from employ-
6 ment or resignation, termination, or
7 disqualification with respect to em-
8 ployment.

9 “(C) NATIONAL DRIVER REGISTER
10 RECORDS.—In accordance with section
11 30305(b)(7), from the chief driver licensing of-
12 ficial of a State, information concerning the
13 motor vehicle driving record of the individual.

14 “(2) WRITTEN CONSENT; RELEASE FROM LI-
15 ABILITY.—An air carrier making a request for
16 records under paragraph (1)—

17 “(A) shall be required to obtain written
18 consent to the release of those records from the
19 individual that is the subject of the records re-
20 quested; and

21 “(B) may, notwithstanding any other pro-
22 vision of law or agreement to the contrary, re-
23 quire the individual who is the subject of the
24 records to request to execute a release from li-
25 ability for any claim arising from the furnishing

1 of such records to or the use of such records by
2 such air carrier (other than a claim arising
3 from furnishing information known to be false
4 and maintained in violation of a criminal statute).
5

6 “(3) 5-YEAR REPORTING PERIOD.—A person
7 shall not furnish a record in response to a request
8 made under paragraph (1) if the record was entered
9 more than 5 years before the date of the request,
10 unless the information concerns a revocation or suspension
11 of an airman certificate or motor vehicle license
12 that is in effect on the date of the request.

13 “(4) REQUIREMENT TO MAINTAIN RECORDS.—
14 The Administrator shall maintain pilot records described
15 in paragraph (1)(A) for a period of at least
16 5 years.

17 “(5) RECEIPT OF CONSENT; PROVISION OF INFORMATION.—A person shall not furnish a record in
18 response to a request made under paragraph (1)
19 without first obtaining a copy of the written consent
20 of the individual who is the subject of the records requested.
21 A person who receives a request for records
22 under this paragraph shall furnish a copy of all of
23 such requested records maintained by the person not
24 later than 30 days after receiving the request.
25

1 “(6) RIGHT TO RECEIVE NOTICE AND COPY OF
2 ANY RECORD FURNISHED.—A person who receives a
3 request for records under paragraph (1) shall pro-
4 vide to the individual who is the subject of the
5 records—

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

10 “(B) in accordance with paragraph (10), a
11 copy of such records, if requested by the indi-
12 vidual.

13 “(7) REASONABLE CHARGES FOR PROCESSING
14 REQUESTS AND FURNISHING COPIES.—A person who
15 receives a request under paragraph (1) or (6) may
16 establish a reasonable charge for the cost of process-
17 ing the request and furnishing copies of the re-
18 quested records.

19 “(8) STANDARD FORMS.—The Administrator
20 shall promulgate—

21 “(A) standard forms that may be used by
22 an air carrier to request records under para-
23 graph (1); and

24 “(B) standard forms that may be used by
25 an air carrier to—

1 “(i) obtain the written consent of the
2 individual who is the subject of a request
3 under paragraph (1); and

4 “(ii) inform the individual of—

5 “(I) the request; and

6 “(II) the individual right of that
7 individual to receive a copy of any
8 records furnished in response to the
9 request.

10 “(9) RIGHT TO CORRECT INACCURACIES.—An
11 air carrier that maintains or requests and receives
12 the records of an individual under paragraph (1)
13 shall provide the individual with a reasonable oppor-
14 tunity to submit written comments to correct any in-
15 accuracies contained in the records before making a
16 final hiring decision with respect to the individual.

17 “(10) RIGHT OF PILOT TO REVIEW CERTAIN
18 RECORDS.—Notwithstanding any other provision of
19 law or agreement, an air carrier shall, upon written
20 request from a pilot employed by such carrier, make
21 available, within a reasonable time of the request, to
22 the pilot for review, any and all employment records
23 referred to in paragraph (1)(B) (i) or (ii) pertaining
24 to the employment of the pilot.

1 “(11) PRIVACY PROTECTIONS.—An air carrier
2 that receives the records of an individual under
3 paragraph (1) may use such records only to assess
4 the qualifications of the individual in deciding
5 whether or not to hire the individual as a pilot. The
6 air carrier shall take such actions as may be nec-
7 essary to protect the privacy of the pilot and the
8 confidentiality of the records, including ensuring
9 that information contained in the records is not di-
10 vulged to any individual that is not directly involved
11 in the hiring decision.

12 “(12) PERIODIC REVIEW.—Not later than 18
13 months after the date of the enactment of the Pilot
14 Records Improvement Act of 1996, and at least once
15 every 3 years thereafter, the Administrator shall
16 transmit to Congress a statement that contains, tak-
17 ing into account recent developments in the aviation
18 industry—

19 “(A) recommendations by the Adminis-
20 trator concerning proposed changes to Federal
21 Aviation Administration records, air carrier
22 records, and other records required to be fur-
23 nished under subparagraphs (A) and (B) of
24 paragraph (1); or

1 “(B) reasons why the Administrator does
2 not recommend any proposed changes to the
3 records referred to in subparagraph (A).

4 “(13) REGULATIONS.—The Administrator may
5 prescribe such regulations as may be necessary—

6 “(A) to protect—

7 “(i) the personal privacy of any indi-
8 vidual whose records are requested under
9 paragraph (1); and

10 “(ii) the confidentiality of those
11 records;

12 “(B) to preclude the further dissemination
13 of records received under paragraph (1) by the
14 person who requested those records; and

15 “(C) to ensure prompt compliance with
16 any request made under paragraph (1).

17 “(g) LIMITATION ON LIABILITY; PREEMPTION OF
18 STATE LAW.—

19 “(1) LIMITATION ON LIABILITY.—No action or
20 proceeding may be brought by or on behalf of an in-
21 dividual who has applied for or is seeking a position
22 with an air carrier as a pilot and who has signed a
23 release from liability, as provided for under para-
24 graph (2), against—

1 “(A) the air carrier requesting the records
2 of that individual under subsection (f)(1);

3 “(B) a person who has complied with such
4 request;

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

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

9 in the nature of an action for defamation, invasion
10 of privacy, negligence, interference with contract, or
11 otherwise, or under any Federal or State law with
12 respect to the furnishing or use of such records in
13 accordance with subsection (f).

14 “(2) PREEMPTION.—No State or political sub-
15 division thereof may enact, prescribe, issue, continue
16 in effect, or enforce any law (including any regula-
17 tion, standard, or other provision having the force
18 and effect of law) that prohibits, penalizes, or im-
19 poses liability for furnishing or using records in ac-
20 cordance with subsection (f).

21 “(3) PROVISION OF KNOWINGLY FALSE INFOR-
22 MATION.—Paragraphs (1) and (2) shall not apply
23 with respect to a person who furnishes information
24 in response to a request made under subsection
25 (f)(1), that—

1 “(A) the person knows is false; and

2 “(B) was maintained in violation of a
3 criminal statute of the United States.

4 “(h) LIMITATION ON STATUTORY CONSTRUCTION.—
5 Nothing in subsection (f) shall be construed as precluding
6 the availability of the records of a pilot in an investigation
7 or other proceeding concerning an accident or incident
8 conducted by the Administrator, the National Transpor-
9 tation Safety Board, or a court.”.

10 (b) CONFORMING AMENDMENTS.—Section 30305(b)
11 is amended—

12 (1) by redesignating paragraph (7) as para-
13 graph (8); and

14 (2) by inserting after paragraph (6) the follow-
15 ing:

16 “(7) An individual who is seeking employment
17 by an air carrier as a pilot may request the chief
18 driver licensing official of a State to provide infor-
19 mation about the individual under paragraph (2) to
20 the prospective employer of the individual or to the
21 Secretary of Transportation. Information may not be
22 obtained from the National Driver Register under
23 this subsection if the information was entered in the
24 Register more than 5 years before the request unless

1 the information is about a revocation or suspension
 2 still in effect on the date of the request.”.

3 (c) CIVIL PENALTIES.—Section 46301, as amended
 4 by section 1220(b) of this Act, is further amended—

5 (1) in each of subsections (a)(1)(A), (d)(2), and
 6 (f)(1)(A)(i) by inserting “44724,” after
 7 “44718(d),”; and

8 (2) in subsection (a)(2)(A) by inserting
 9 “44724,” after “44716,”.

10 (d) APPLICABILITY.—The amendments made by this
 11 section shall apply to any air carrier hiring an individual
 12 as a pilot whose application was first received by the car-
 13 rier on or after the 120th day following the date of the
 14 enactment of this Act.

15 **SEC. 503. STUDIES OF MINIMUM STANDARDS FOR PILOT**
 16 **QUALIFICATIONS AND OF PAY FOR TRAINING.**

17 (a) STUDY.—The Administrator of the Federal Avia-
 18 tion Administration shall appoint a task force consisting
 19 of appropriate representatives of the aviation industry to
 20 conduct—

21 (1) a study directed toward the development
 22 of—

23 (A) standards and criteria for
 24 preemployment screening tests measuring the
 25 psychomotor coordination, general intellectual

1 capacity, instrument and mechanical com-
2 prehension, and physical and mental fitness of
3 an applicant for employment as a pilot by an
4 air carrier; and

5 (B) standards and criteria for pilot train-
6 ing facilities to be licensed by the Administrator
7 and which will assure that pilots trained at
8 such facilities meet the preemployment screen-
9 ing standards and criteria described in subpara-
10 graph (A); and

11 (2) a study to determine if the practice of some
12 air carriers to require employees or prospective em-
13 ployees to pay for the training or experience that is
14 needed to perform flight check duties for an air car-
15 rier is in the public interest.

16 (b) REPORT.—Not later than 1 year after the date
17 of the enactment of this Act, the Administrator shall
18 transmit to Congress a report on the results of the study
19 conducted under subsection (a)(2).

20 **SEC. 504. STUDY OF MINIMUM FLIGHT TIME.**

21 (a) STUDY.—The Administrator of the Federal Avia-
22 tion Administration shall conduct a study to determine
23 whether current minimum flight time requirements appli-
24 cable to individuals seeking employment as a pilot with
25 an air carrier are sufficient to ensure public safety.

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

4 **TITLE VI—CHILD PILOT SAFETY**

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

6 This title may be cited as the “Child Pilot Safety
 7 Act”.

8 **SEC. 602. CHILD PILOT SAFETY.**

9 (a) MANIPULATION OF FLIGHT CONTROLS.—

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

12 **“§ 44724. Manipulation of flight controls**

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

15 “(1) a valid private pilots certificate issued by
 16 the Administrator of the Federal Aviation Adminis-
 17 tration under part 61 of title 14, Code of Federal
 18 Regulations; and

19 “(2) the appropriate medical certificate issued
 20 by the Administrator under part 67 of such title,
 21 to manipulate the controls of an aircraft if the pilot knows
 22 or should have known that the individual is attempting
 23 to set a record or engage in an aeronautical competition
 24 or aeronautical feat, as defined by the Administrator.

1 “(b) REVOCATION OF AIRMEN CERTIFICATES.—The
 2 Administrator shall issue an order revoking a certificate
 3 issued to an airman under section 44703 of this title if
 4 the Administrator finds that while acting as a pilot in
 5 command of an aircraft, the airman has permitted another
 6 individual to manipulate the controls of the aircraft in vio-
 7 lation of subsection (a).

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

12 (2) CONFORMING AMENDMENT.—The table of
 13 sections at the beginning of such chapter is amended
 14 by adding at the end the following:

“44724. Manipulation of flight controls.”.

15 (b) CHILDREN FLYING AIRCRAFT.—

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

19 (2) CONSIDERATIONS.—In conducting the
 20 study, the Administrator shall consider the effects of
 21 imposing any restrictions on children flying aircraft
 22 on safety and on the future of general aviation in
 23 the United States.

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

5 (A) whether the restrictions established by
 6 the amendment made by subsection (a)(1)
 7 should be modified or repealed; and

8 (B) whether certain individuals or groups
 9 should be exempt from any age, altitude, or
 10 other restrictions that the Administrator may
 11 impose by regulation.

12 (4) REGULATIONS.—As a result of the findings
 13 of the study, the Administrator may issue regula-
 14 tions imposing age, altitude, or other restrictions on
 15 children flying aircraft.

16 **TITLE VII—FAMILY ASSISTANCE**

17 **SEC. 701. SHORT TITLE.**

18 This title may be cited as the “Aviation Disaster
 19 Family Assistance Act of 1996”.

20 **SEC. 702. ASSISTANCE BY NATIONAL TRANSPORTATION** 21 **SAFETY BOARD TO FAMILIES OF PAS-** 22 **SENGERS INVOLVED IN AIRCRAFT ACCI-** 23 **DENTS.**

24 (a) AUTHORITY TO PROVIDE ASSISTANCE.—

1 (1) IN GENERAL.—Subchapter III of chapter
 2 11 is amended by adding at the end the following:

3 **“§ 1136. Assistance to families of passengers involved**
 4 **in aircraft accidents**

5 “(a) IN GENERAL.—As soon as practicable after
 6 being notified of an aircraft accident within the United
 7 States involving an air carrier or foreign air carrier and
 8 resulting in a major loss of life, the Chairman of the Na-
 9 tional Transportation Safety Board shall—

10 “(1) designate and publicize the name and
 11 phone number of a director of family support serv-
 12 ices who shall be an employee of the Board and shall
 13 be responsible for acting as a point of contact within
 14 the Federal Government for the families of pas-
 15 sengers involved in the accident and a liaison be-
 16 tween the air carrier or foreign air carrier and the
 17 families; and

18 “(2) designate an independent nonprofit organi-
 19 zation, with experience in disasters and posttrauma
 20 communication with families, which shall have pri-
 21 mary responsibility for coordinating the emotional
 22 care and support of the families of passengers in-
 23 volved in the accident.

24 “(b) RESPONSIBILITIES OF THE BOARD.—The Board
 25 shall have primary Federal responsibility for facilitating

1 the recovery and identification of fatally-injured pas-
2 sengers involved in an accident described in subsection (a).

3 “(c) RESPONSIBILITIES OF DESIGNATED ORGANIZA-
4 TION.—The organization designated for an accident under
5 subsection (a)(2) shall have the following responsibilities
6 with respect to the families of passengers involved in the
7 accident:

8 “(1) To provide mental health and counseling
9 services, in coordination with the disaster response
10 team of the air carrier or foreign air carrier in-
11 volved.

12 “(2) To take such actions as may be necessary
13 to provide an environment in which the families may
14 grieve in private.

15 “(3) To meet with the families who have trav-
16 eled to the location of the accident, to contact the
17 families unable to travel to such location, and to
18 contact all affected families periodically thereafter
19 until such time as the organization, in consultation
20 with the director of family support services des-
21 ignated for the accident under subsection (a)(1), de-
22 termines that further assistance is no longer needed.

23 “(4) To communicate with the families as to
24 the roles of the organization, government agencies,
25 and the air carrier or foreign air carrier involved

1 with respect to the accident and the post-accident
2 activities.

3 “(5) To arrange a suitable memorial service, in
4 consultation with the families.

5 “(d) PASSENGER LISTS.—

6 “(1) REQUESTS FOR PASSENGER LISTS.—

7 “(A) REQUESTS BY DIRECTOR OF FAMILY
8 SUPPORT SERVICES.—It shall be the respon-
9 sibility of the director of family support services
10 designated for an accident under subsection
11 (a)(1) to request, as soon as practicable, from
12 the air carrier or foreign air carrier involved in
13 the accident a list, which is based on the best
14 available information at the time of the request,
15 of the names of the passengers that were
16 aboard the aircraft involved in the accident.

17 “(B) REQUESTS BY DESIGNATED ORGANI-
18 ZATION.—The organization designated for an
19 accident under subsection (a)(2) may request
20 from the air carrier or foreign air carrier in-
21 volved in the accident a list described in sub-
22 paragraph (A).

23 “(2) USE OF INFORMATION.—The director of
24 family support services and the organization may
25 not release to any person information on a list ob-

1 tained under paragraph (1) but may provide infor-
2 mation on the list about a passenger to the family
3 of the passenger to the extent that the director of
4 family support services or the organization considers
5 appropriate.

6 “(e) CONTINUING RESPONSIBILITIES OF THE
7 BOARD.—In the course of its investigation of an accident
8 described in subsection (a), the Board shall, to the maxi-
9 mum extent practicable, ensure that the families of pas-
10 sengers involved in the accident—

11 “(1) are briefed, prior to any public briefing,
12 about the accident, its causes, and any other find-
13 ings from the investigation; and

14 “(2) are individually informed of and allowed to
15 attend any public hearings and meetings of the
16 Board about the accident.

17 “(f) USE OF AIR CARRIER RESOURCES.—To the ex-
18 tent practicable, the organization designated for an acci-
19 dent under subsection (a)(2) shall coordinate its activities
20 with the air carrier or foreign air carrier involved in the
21 accident so that the resources of the carrier can be used
22 to the greatest extent possible to carry out the organiza-
23 tion’s responsibilities under this section.

24 “(g) PROHIBITED ACTIONS.—

1 “(1) ACTIONS TO IMPEDE THE BOARD.—No
2 person (including a State or political subdivision)
3 may impede the ability of the Board (including the
4 director of family support services designated for an
5 accident under subsection (a)(1)), or an organization
6 designated for an accident under subsection (a)(2),
7 to carry out its responsibilities under this section or
8 the ability of the families of passengers involved in
9 the accident to have contact with one another.

10 “(2) UNSOLICITED COMMUNICATIONS.—In the
11 event of an accident involving an air carrier provid-
12 ing interstate or foreign air transportation, no unsol-
13 icited communication concerning a potential action
14 for personal injury or wrongful death may be made
15 by an attorney or any potential party to the litiga-
16 tion to an individual injured in the accident, or to
17 a relative of an individual involved in the accident,
18 before the 30th day following the date of the acci-
19 dent.

20 “(h) DEFINITIONS.—In this section, the following
21 definitions apply:

22 “(1) AIRCRAFT ACCIDENT.—The term ‘aircraft
23 accident’ means any aviation disaster regardless of
24 its cause or suspected cause.

1 “(2) PASSENGER.—The term ‘passenger’ in-
2 cludes an employee of an air carrier aboard an air-
3 craft.”.

4 (2) CONFORMING AMENDMENT.—The table of
5 sections for such chapter is amended by inserting
6 after the item relating to section 1135 the following:

“1136. Assistance to families of passengers involved in aircraft accidents.”.

7 (b) PENALTIES.—Section 1155(a)(1) of such title is
8 amended—

9 (1) by striking “or 1134(b) or (f)(1)” and in-
10 serting “, section 1134(b), section 1134(f)(1), or
11 section 1136(g)”; and

12 (2) by striking “either of” and inserting “any
13 of”.

14 **SEC. 703. AIR CARRIER PLANS TO ADDRESS NEEDS OF FAM-**
15 **ILIES OF PASSENGERS INVOLVED IN AIR-**
16 **CRAFT ACCIDENTS.**

17 (a) IN GENERAL.—Chapter 411 is amended by add-
18 ing at the end the following:

19 **“§ 41113. Plans to address needs of families of pas-**
20 **sengers involved in aircraft accidents**

21 “(a) SUBMISSION OF PLANS.—Not later than 6
22 months after the date of the enactment of this section,
23 each air carrier holding a certificate of public convenience
24 and necessity under section 41102 of this title shall sub-

1 mit to the Secretary and the Chairman of the National
2 Transportation Safety Board a plan for addressing the
3 needs of the families of passengers involved in any aircraft
4 accident involving an aircraft of the air carrier and result-
5 ing in a major loss of life.

6 “(b) CONTENTS OF PLANS.—A plan to be submitted
7 by an air carrier under subsection (a) shall include, at a
8 minimum, the following:

9 “(1) A plan for publicizing a reliable, toll-free
10 telephone number, and for providing staff, to handle
11 calls from the families of the passengers.

12 “(2) A process for notifying the families of the
13 passengers, before providing any public notice of the
14 names of the passengers, either by utilizing the serv-
15 ices of the organization designated for the accident
16 under section 1136(a)(2) of this title or the services
17 of other suitably trained individuals.

18 “(3) An assurance that the notice described in
19 paragraph (2) will be provided to the family of a
20 passenger as soon as the air carrier has verified that
21 the passenger was aboard the aircraft (whether or
22 not the names of all of the passengers have been
23 verified) and, to the extent practicable, in person.

24 “(4) An assurance that the air carrier will pro-
25 vide to the director of family support services des-

1 ignated for the accident under section 1136(a)(1) of
2 this title, and to the organization designated for the
3 accident under section 1136(a)(2) of this title, im-
4 mediately upon request, a list (which is based on the
5 best available information at the time of the request)
6 of the names of the passengers aboard the aircraft
7 (whether or not such names have been verified), and
8 will periodically update the list.

9 “(5) An assurance that the family of each pas-
10 senger will be consulted about the disposition of all
11 remains and personal effects of the passenger within
12 the control of the air carrier.

13 “(6) An assurance that if requested by the fam-
14 ily of a passenger, any possession of the passenger
15 within the control of the air carrier (regardless of its
16 condition) will be returned to the family unless the
17 possession is needed for the accident investigation or
18 any criminal investigation.

19 “(7) An assurance that any unclaimed posses-
20 sion of a passenger within the control of the air car-
21 rier will be retained by the air carrier for at least
22 18 months.

23 “(8) An assurance that the family of each pas-
24 senger will be consulted about construction by the

1 air carrier of any monument to the passengers, in-
2 cluding any inscription on the monument.

3 “(9) An assurance that the treatment of the
4 families of nonrevenue passengers (and any other
5 victim of the accident) will be the same as the treat-
6 ment of the families of revenue passengers.

7 “(10) An assurance that the air carrier will
8 work with any organization designated under section
9 1136(a)(2) of this title on an ongoing basis to en-
10 sure that families of passengers receive an appro-
11 priate level of services and assistance following each
12 accident.

13 “(11) An assurance that the air carrier will
14 provide reasonable compensation to any organization
15 designated under section 1136(a)(2) of this title for
16 services provided by the organization.

17 “(12) An assurance that the air carrier will as-
18 sist the family of a passenger in traveling to the lo-
19 cation of the accident and provide for the physical
20 care of the family while the family is staying at such
21 location.

22 “(13) An assurance that the air carrier will
23 commit sufficient resources to carry out the plan.

24 “(c) CERTIFICATE REQUIREMENT.—After the date
25 that is 6 months after the date of the enactment of this

1 section, the Secretary may not approve an application for
 2 a certificate of public convenience and necessity under sec-
 3 tion 41102 of this title unless the applicant has included
 4 as part of such application a plan that meets the require-
 5 ments of subsection (b).

6 “(d) LIMITATION ON LIABILITY.—An air carrier shall
 7 not be liable for damages in any action brought in a Fed-
 8 eral or State court arising out of the performance of the
 9 air carrier in preparing or providing a passenger list pur-
 10 suant to a plan submitted by the air carrier under sub-
 11 section (b), unless such liability was caused by conduct
 12 of the air carrier which was grossly negligent or which con-
 13 stituted intentional misconduct.

14 “(e) AIRCRAFT ACCIDENT AND PASSENGER DE-
 15 FINED.—In this section, the terms ‘aircraft accident’ and
 16 ‘passenger’ have the meanings such terms have in section
 17 1136 of this title.”.

18 (b) CONFORMING AMENDMENT.—The table of sec-
 19 tions for such chapter is amended by adding at the end
 20 the following:

“41113. Plans to address needs of families of passengers involved in aircraft ac-
 cidents.”.

21 **SEC. 704. ESTABLISHMENT OF TASK FORCE.**

22 (a) ESTABLISHMENT.—The Secretary of Transpor-
 23 tation, in cooperation with the National Transportation
 24 Safety Board, the Federal Emergency Management Agen-

1 cy, the American Red Cross, air carriers, and families
2 which have been involved in aircraft accidents shall estab-
3 lish a task force consisting of representatives of such enti-
4 ties and families, representatives of air carrier employees,
5 and representatives of such other entities as the Secretary
6 considers appropriate.

7 (b) GUIDELINES AND RECOMMENDATIONS.—The
8 task force established pursuant to subsection (a) shall de-
9 velop—

10 (1) guidelines to assist air carriers in respond-
11 ing to aircraft accidents;

12 (2) recommendations on methods to ensure that
13 attorneys and representatives of media organizations
14 do not intrude on the privacy of families of pas-
15 sengers involved in an aircraft accident;

16 (3) recommendations on methods to ensure that
17 the families of passengers involved in an aircraft ac-
18 cident who are not citizens of the United States re-
19 ceive appropriate assistance;

20 (4) recommendations on methods to ensure that
21 State mental health licensing laws do not act to pre-
22 vent out-of-state mental health workers from work-
23 ing at the site of an aircraft accident or other relat-
24 ed sites;

1 (5) recommendations on the extent to which
2 military experts and facilities can be used to aid in
3 the identification of the remains of passengers in-
4 volved in an aircraft accident; and

5 (6) recommendations on methods to improve
6 the timeliness of the notification provided by air car-
7 riers to the families of passengers involved in an air-
8 craft accident, including—

9 (A) an analysis of the steps that air car-
10 riers would have to take to ensure that an accu-
11 rate list of passengers on board the aircraft
12 would be available within 1 hour of the accident
13 and an analysis of such steps to ensure that
14 such list would be available within 3 hours of
15 the accident;

16 (B) an analysis of the added costs to air
17 carriers and travel agents that would result if
18 air carriers were required to take the steps de-
19 scribed in subparagraph (A);

20 (C) an analysis of any inconvenience to
21 passengers, including flight delays, that would
22 result if air carriers were required to take the
23 steps described in subparagraph (A); and

24 (D) an analysis of the implications for per-
25 sonal privacy that would result if air carriers

1 were required to take the steps described in
2 subparagraph (A).

3 (c) REPORT.—Not later than 1 year after the date
4 of the enactment of this Act, the Secretary shall transmit
5 to Congress a report containing the model plan and rec-
6 ommendations developed by the task force under sub-
7 section (b).

8 **SEC. 705. LIMITATION ON STATUTORY CONSTRUCTION.**

9 Nothing in this title or any amendment made by this
10 title may be construed as limiting the actions that an air
11 carrier may take, or the obligations that an air carrier
12 may have, in providing assistance to the families of pas-
13 sengers involved in an aircraft accident.

14 **TITLE VIII—AIRPORT REVENUE**
15 **PROTECTION**

16 **SEC. 801. SHORT TITLE.**

17 This title may be cited as the “Airport Revenue Pro-
18 tection Act of 1996”.

19 **SEC. 802. FINDINGS; PURPOSE.**

20 (a) IN GENERAL.—Congress finds that—

21 (1) section 47107 of title 49, United States
22 Code, prohibits the diversion of certain revenue gen-
23 erated by a public airport as a condition of receiving
24 a project grant;

1 (2) a grant recipient that uses airport revenue
2 for purposes that are not airport related in a man-
3 ner inconsistent with chapter 471 of title 49, United
4 States Code, illegally diverts airport revenues;

5 (3) any diversion of airport revenues in viola-
6 tion of the condition referred to in paragraph (1)
7 undermines the interest of the United States in pro-
8 moting a strong national air transportation system
9 that is responsive to the needs of airport users;

10 (4) the Secretary and the Administrator have
11 not enforced airport revenue diversion rules ade-
12 quately and must have additional regulatory tools to
13 increase enforcement efforts; and

14 (5) sponsors who have been found to have ille-
15 gally diverted airport revenues—

16 (A) have not reimbursed or made restitui-
17 tion to airports in a timely manner; and

18 (B) must be encouraged to do so.

19 (b) PURPOSE.—The purpose of this title is to ensure
20 that airport users are not burdened with hidden taxation
21 for unrelated municipal services and activities by—

22 (1) eliminating the ability of any State or politi-
23 cal subdivision thereof that is a recipient of a project
24 grant to divert airport revenues for purposes that

1 are not related to an airport, in violation of section
2 47107 of title 49, United States Code;

3 (2) imposing financial reporting requirements
4 that are designed to identify instances of illegal di-
5 versions referred to in paragraph (1);

6 (3) establishing a statute of limitations for air-
7 port revenue diversion actions;

8 (4) clarifying limitations on revenue diversion
9 that are permitted under chapter 471 of title 49,
10 United States Code; and

11 (5) establishing clear penalties and enforcement
12 mechanisms for identifying and prosecuting airport
13 revenue diversion.

14 **SEC. 803. DEFINITIONS.**

15 For purposes of this title, the following definitions
16 apply:

17 (1) ADMINISTRATOR.—The term “Adminis-
18 trator” means the Administrator of the Federal
19 Aviation Administration.

20 (2) AIRPORT.—The term “airport” has the
21 meaning provided that term in section 47102(2) of
22 title 49, United States Code.

23 (3) PROJECT GRANT.—The term “project
24 grant” has the meaning provided that term in sec-
25 tion 47102(14) of title 49, United States Code.

1 (4) SECRETARY.—The term “Secretary” means
2 the Secretary of Transportation.

3 (5) SPONSOR.—The term “sponsor” has the
4 meaning provided that term in section 47102(19) of
5 title 49, United States Code.

6 **SEC. 804. RESTRICTION ON USE OF AIRPORT REVENUES.**

7 (a) IN GENERAL.—Subchapter I of chapter 471, as
8 amended by section 142 of this Act, is further amended
9 by adding after section 47132 the following:

10 **“§ 47133. Restriction on use of revenues**

11 “(a) PROHIBITION.—Local taxes on aviation fuel (ex-
12 cept taxes in effect on December 30, 1987) or the revenues
13 generated by an airport that is the subject of Federal as-
14 sistance may not be expended for any purpose other than
15 the capital or operating costs of—

16 “(1) the airport;

17 “(2) the local airport system; or

18 “(3) any other local facility that is owned or op-
19 erated by the person or entity that owns or operates
20 the airport that is directly and substantially related
21 to the air transportation of passengers or property.

22 “(b) EXCEPTIONS.—Subsection (a) shall not apply if
23 a provision enacted not later than September 2, 1982, in
24 a law controlling financing by the airport owner or opera-
25 tor, or a covenant or assurance in a debt obligation issued

1 not later than September 2, 1982, by the owner or opera-
 2 tor, provides that the revenues, including local taxes on
 3 aviation fuel at public airports, from any of the facilities
 4 of the owner or operator, including the airport, be used
 5 to support not only the airport but also the general debt
 6 obligations or other facilities of the owner or operator.

7 “(c) RULE OF CONSTRUCTION.—Nothing in this sec-
 8 tion may be construed to prevent the use of a State tax
 9 on aviation fuel to support a State aviation program or
 10 the use of airport revenue on or off the airport for a noise
 11 mitigation purpose.”.

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

14 “(5) PENALTY FOR DIVERSION OF AVIATION
 15 REVENUES.—The amount of a civil penalty assessed
 16 under this section for a violation of section 47107(b)
 17 of this title (or any assurance made under such sec-
 18 tion) or section 47133 of this title may be increased
 19 above the otherwise applicable maximum amount
 20 under this section to an amount not to exceed 3
 21 times the amount of revenues that are used in viola-
 22 tion of such section.”.

23 (c) CONFORMING AMENDMENT.—The table of sec-
 24 tions for such subchapter is amended by inserting after

1 the item relating to section 47132, as added by section
 2 142 of this Act, the following:

“47133. Restriction on use of revenues.”.

3 **SEC. 805. REGULATIONS; AUDITS AND ACCOUNTABILITY.**

4 (a) IN GENERAL.—Section 47107 is amended by
 5 adding at the end the following:

6 “(m) AUDIT CERTIFICATION.—

7 “(1) IN GENERAL.—The Secretary of Transpor-
 8 tation, acting through the Administrator of the Fed-
 9 eral Aviation Administration, shall promulgate regu-
 10 lations that require a recipient of a project grant (or
 11 any other recipient of Federal financial assistance
 12 that is provided for an airport) to include as part of
 13 an annual audit conducted under sections 7501
 14 through 7505 of title 31, a review and opinion of the
 15 review concerning the funding activities with respect
 16 to an airport that is the subject of the project grant
 17 (or other Federal financial assistance) and the spon-
 18 sors, owners, or operators (or other recipients) in-
 19 volved.

20 “(2) CONTENT OF REVIEW.—A review con-
 21 ducted under paragraph (1) shall provide reasonable
 22 assurances that funds paid or transferred to spon-
 23 sors are paid or transferred in a manner consistent
 24 with the applicable requirements of this chapter and
 25 any other applicable provision of law (including reg-

1 ulations promulgated by the Secretary or the Admin-
2 istrator).

3 “(3) REQUIREMENTS FOR AUDIT REPORT.—

4 The report submitted to the Secretary under this
5 subsection shall include a specific determination and
6 opinion regarding the appropriateness of the disposi-
7 tion of airport funds paid or transferred to a spon-
8 sor.

9 “(n) RECOVERY OF ILLEGALLY DIVERTED FUNDS.—

10 “(1) IN GENERAL.—Not later than 180 days
11 after the issuance of an audit or any other report
12 that identifies an illegal diversion of airport revenues
13 (as determined under subsections (b) and (l) and
14 section 47133), the Secretary, acting through the
15 Administrator, shall—

16 “(A) review the audit or report;

17 “(B) perform appropriate factfinding; and

18 “(C) conduct a hearing and render a final
19 determination concerning whether the illegal di-
20 version of airport revenues asserted in the audit
21 or report occurred.

22 “(2) NOTIFICATION.—Upon making such a
23 finding, the Secretary, acting through the Adminis-
24 trator, shall provide written notification to the spon-
25 sor and the airport of—

1 “(A) the finding; and

2 “(B) the obligations of the sponsor to re-
3 imburse the airport involved under this para-
4 graph.

5 “(3) ADMINISTRATIVE ACTION.—The Secretary
6 may withhold any amount from funds that would
7 otherwise be made available to the sponsor, includ-
8 ing funds that would otherwise be made available to
9 a State, municipality, or political subdivision thereof
10 (including any multimodal transportation agency or
11 transit authority of which the sponsor is a member
12 entity) as part of an apportionment or grant made
13 available pursuant to this title, if the sponsor—

14 “(A) receives notification that the sponsor
15 is required to reimburse an airport; and

16 “(B) has had an opportunity to reimburse
17 the airport, but has failed to do so.

18 “(4) CIVIL ACTION.—If a sponsor fails to pay
19 an amount specified under paragraph (3) during the
20 180-day period beginning on the date of notification
21 and the Secretary is unable to withhold a sufficient
22 amount under paragraph (3), the Secretary, acting
23 through the Administrator, may initiate a civil ac-
24 tion under which the sponsor shall be liable for civil
25 penalty in an amount equal to the illegal diversion

1 in question plus interest (as determined under sub-
2 section (o)).

3 “(5) DISPOSITION OF PENALTIES.—

4 “(A) AMOUNTS WITHHELD.—The Sec-
5 retary or the Administrator shall transfer any
6 amounts withheld under paragraph (3) to the
7 Airport and Airway Trust Fund.

8 “(B) CIVIL PENALTIES.—With respect to
9 any amount collected by a court in a civil action
10 under paragraph (4), the court shall cause to be
11 transferred to the Airport and Airway Trust
12 Fund any amount collected as a civil penalty
13 under paragraph (4).

14 “(6) REIMBURSEMENT.—The Secretary, acting
15 through the Administrator, shall, as soon as prac-
16 ticable after any amount is collected from a sponsor
17 under paragraph (4), cause to be transferred from
18 the Airport and Airway Trust Fund to an airport af-
19 fected by a diversion that is the subject of a civil ac-
20 tion under paragraph (4), reimbursement in an
21 amount equal to the amount that has been collected
22 from the sponsor under paragraph (4) (including
23 any amount of interest calculated under subsection
24 (o)).

1 “(7) STATUTE OF LIMITATIONS.—No person
2 may bring an action for the recovery of funds ille-
3 gally diverted in violation of this section (as deter-
4 mined under subsections (b) and (l)) or section
5 47133 after the date that is 6 years after the date
6 on which the diversion occurred.

7 “(o) INTEREST.—

8 “(1) IN GENERAL.—Except as provided in para-
9 graph (2), the Secretary, acting through the Admin-
10 istrator, shall charge a minimum annual rate of in-
11 terest on the amount of any illegal diversion of reve-
12 nues referred to in subsection (n) in an amount
13 equal to the average investment interest rate for tax
14 and loan accounts of the Department of the Treas-
15 ury (as determined by the Secretary of the Treas-
16 ury) for the applicable calendar year, rounded to the
17 nearest whole percentage point.

18 “(2) ADJUSTMENT OF INTEREST RATES.—If,
19 with respect to a calendar quarter, the average in-
20 vestment interest rate for tax and loan accounts of
21 the Department of the Treasury exceeds the average
22 investment interest rate for the immediately preced-
23 ing calendar quarter, rounded to the nearest whole
24 percentage point, the Secretary of the Treasury may

1 adjust the interest rate charged under this sub-
2 section in a manner that reflects that change.

3 “(3) ACCRUAL.—Interest assessed under sub-
4 section (n) shall accrue from the date of the actual
5 illegal diversion of revenues referred to in subsection
6 (n).

7 “(4) DETERMINATION OF APPLICABLE RATE.—
8 The applicable rate of interest charged under para-
9 graph (1) shall—

10 “(A) be the rate in effect on the date on
11 which interest begins to accrue under para-
12 graph (3); and

13 “(B) remain at a rate fixed under subpara-
14 graph (A) during the duration of the indebted-
15 ness.

16 “(p) PAYMENT BY AIRPORT TO SPONSOR.—If, in the
17 course of an audit or other review conducted under this
18 section, the Secretary or the Administrator determines
19 that an airport owes a sponsor funds as a result of activi-
20 ties conducted by the sponsor or expenditures by the spon-
21 sor for the benefit of the airport, interest on that amount
22 shall be determined in the same manner as provided in
23 paragraphs (1) through (4) of subsection (o), except that
24 the amount of any interest assessed under this subsection

1 shall be determined from the date on which the Secretary
2 or the Administrator makes that determination.”.

3 (b) REVISION OF POLICIES AND PROCEDURES;
4 DEADLINES.—

5 (1) IN GENERAL.—Not later than 90 days after
6 the date of the enactment of this Act, the Secretary,
7 acting through the Administrator, shall revise the
8 policies and procedures established under section
9 47107(l) of title 49, United States Code, to take
10 into account the amendments made to that section
11 by this title.

12 (2) STATUTE OF LIMITATIONS.—Section
13 47107(l) is amended by adding at the end the fol-
14 lowing:

15 “(5) STATUTE OF LIMITATIONS.—In addition to
16 the statute of limitations specified in subsection
17 (n)(7), with respect to project grants made under
18 this chapter—

19 “(A) any request by a sponsor to any air-
20 port for additional payments for services con-
21 ducted off of the airport or for reimbursement
22 for capital contributions or operating expenses
23 shall be filed not later than 6 years after the
24 date on which the expense is incurred; and

1 “(B) any amount of airport funds that are
 2 used to make a payment or reimbursement as
 3 described in subparagraph (A) after the date
 4 specified in that subparagraph shall be consid-
 5 ered to be an illegal diversion of airport reve-
 6 nues that is subject to subsection (n).”.

7 **SEC. 806. CONFORMING AMENDMENTS TO THE INTERNAL**
 8 **REVENUE CODE OF 1986.**

9 Section 9502 of the Internal Revenue Code of 1986
 10 is amended—

11 (1) by striking “and” at the end of subsection
 12 (b)(3);

13 (2) by striking the period at the end of sub-
 14 section (b)(4) and inserting “, and”;

15 (3) by adding at the end of subsection (b) the
 16 following:

17 “(5) amounts determined by the Secretary of
 18 the Treasury to be equivalent to the amounts of civil
 19 penalties collected under section 47107(n) of title
 20 49, United States Code.”; and

21 (4) by adding at the end of subsection (d) the
 22 following:

23 “(5) TRANSFERS FROM THE AIRPORT AND AIR-
 24 WAY TRUST FUND ON ACCOUNT OF CERTAIN AIR-
 25 PORTS.—The Secretary of the Treasury may trans-

1 fer from the Airport and Airway Trust Fund to the
 2 Secretary of Transportation or the Administrator of
 3 the Federal Aviation Administration an amount to
 4 make a payment to an airport affected by a diver-
 5 sion that is the subject of an administrative action
 6 under paragraph (3) or a civil action under para-
 7 graph (4) of section 47107(n) of title 49, United
 8 States Code.”.

9 **TITLE IX—METROPOLITAN** 10 **WASHINGTON AIRPORTS**

11 **SEC. 901. SHORT TITLE.**

12 This title may be cited as the “Metropolitan Wash-
 13 ington Airports Amendments Act of 1996”.

14 **SEC. 902. USE OF LEASED PROPERTY.**

15 Section 6005(c)(2) of the Metropolitan Washington
 16 Airports Act of 1986 (49 U.S.C. App. 2454(c)(2)) is
 17 amended by inserting before the period at the end of the
 18 second sentence the following: “which are not inconsistent
 19 with the needs of aviation”.

20 **SEC. 903. BOARD OF DIRECTORS.**

21 (a) APPOINTMENT OF ADDITIONAL MEMBERS.—Sec-
 22 tion 6007(e)(1) of the Metropolitan Washington Airports
 23 Act of 1986 (49 U.S.C. App. 2456(e)(1)) is amended—

24 (1) in the matter preceding subparagraph (A)
 25 by striking “11” and inserting “13”; and

1 (2) in subparagraph (D) by striking “one mem-
2 ber” and inserting “three members”.

3 (b) RESTRICTIONS.—Section 6007(e)(2) of the Met-
4 ropolitan Washington Airports Act of 1986 (49 U.S.C.
5 App. 2456(e)(2)) is amended by striking “except that”
6 and all that follows through the period and inserting “ex-
7 cept that the members appointed by the President shall
8 be registered voters of States other than Maryland, Vir-
9 ginia, or the District of Columbia.”.

10 (c) TERMS.—Section 6007(e)(3) of the Metropolitan
11 Washington Airports Act of 1986 (49 U.S.C. App.
12 2456(e)(3)) is amended—

13 (1) in subparagraph (B) by striking “and” at
14 the end;

15 (2) in subparagraph (C) by striking the period
16 at the end and inserting “; and”; and

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

18 “(D) by the President after the date of the
19 enactment of this subparagraph, 1 shall be ap-
20 pointed for 4 years.

21 A member may serve after the expiration of that
22 member’s term until a successor has taken office.”.

23 (d) VACANCIES.—Section 6007(e) of the Metropoli-
24 tan Washington Airports Act of 1986 (49 U.S.C. App.
25 2456(e)) is amended by redesignating paragraphs (4) and

1 (5) as paragraphs (8) and (9), respectively, and by insert-
2 ing after paragraph (3) the following:

3 “(4) VACANCIES.—A vacancy in the board of
4 directors shall be filled in the manner in which the
5 original appointment was made. Any member ap-
6 pointed to fill a vacancy occurring before the expira-
7 tion of the term for which the member’s predecessor
8 was appointed shall be appointed only for the re-
9 mainder of such term.”.

10 (e) POLITICAL PARTIES OF PRESIDENTIAL AP-
11 PPOINTEES.—Section 6007(e) of the Metropolitan Wash-
12 ington Airports Act of 1986 (49 U.S.C. App. 2456(e)) is
13 amended by inserting after paragraph (4), as inserted by
14 subsection (d) of this section, the following:

15 “(5) POLITICAL PARTIES OF PRESIDENTIAL AP-
16 PPOINTEES.—Not more than 2 of the members of the
17 board appointed by the President may be of the
18 same political party.”.

19 (f) DUTIES OF PRESIDENTIAL APPOINTEES.—Sec-
20 tion 6007(e) of the Metropolitan Washington Airports Act
21 of 1986 (49 U.S.C. App. 2456(e)) is amended by inserting
22 after paragraph (5), as inserted by subsection (e) of this
23 section, the following:

24 “(6) DUTIES OF PRESIDENTIAL APPOINTEES.—
25 In carrying out their duties on the board, members

1 of the board appointed by the President shall ensure
 2 that adequate consideration is given to the national
 3 interest.”.

4 (g) DEADLINE FOR PRESIDENTIAL APPOINT-
 5 MENTS.—Section 6007(e) of the Metropolitan Washington
 6 Airports Act of 1986 (49 U.S.C. App. 2456(e)) is amend-
 7 ed by inserting after paragraph (6), as inserted by sub-
 8 section (f) of this section, the following:

9 “(7) DEADLINE FOR PRESIDENTIAL APPOINT-
 10 MENTS.—

11 “(A) DEADLINE.—The members to be ap-
 12 pointed to the board by the President under
 13 section 6007(e)(1)(D) shall be appointed on or
 14 before September 30, 1997.

15 “(B) APPLICABILITY OF LIMITATIONS.—If
 16 the deadline of subparagraph (A) is not met,
 17 the Secretary and the Airports Authority shall
 18 be subject to the limitations described in sub-
 19 section (i) for the period beginning on October
 20 1, 1997, and ending on the first day on which
 21 all of the members referred to in subparagraph
 22 (A) have been appointed.”.

23 (h) REQUIRED NUMBER OF VOTES.—Section
 24 6007(e)(9) of the Metropolitan Washington Airports Act
 25 of 1986 (49 U.S.C. App. 2456(e)(9)), as redesignated by

1 subsection (d) of this section, is amended by striking
2 “Seven” and inserting “Eight”.

3 **SEC. 904. TERMINATION OF BOARD OF REVIEW.**

4 (a) IN GENERAL.—Section 6007 of the Metropolitan
5 Washington Airports Act of 1986 (49 U.S.C. App. 2456)
6 is amended by striking subsections (f) and (h) and redес-
7 ignating subsections (g) and (i) as subsections (f) and (g),
8 respectively.

9 (b) STAFF.—Section 6007 of the Metropolitan Wash-
10 ington Airports Act of 1986 (49 U.S.C. App. 2456) is
11 amended—

12 (1) by inserting paragraph (8) of subsection (f),
13 as in effect before the amendment made by sub-
14 section (a) of this section, after subsection (g), as
15 redesignated by such subsection (a);

16 (2) by moving such paragraph 2 ems to the left
17 and redesignating such paragraph as subsection (h);
18 and

19 (3) in subsection (h), as so redesignated—

20 (A) in the first sentence by striking “The
21 Board of Review” and inserting “To assist the
22 Secretary in carrying out this Act, the Sec-
23 retary”; and

24 (B) in the second sentence by striking
25 “Board” and inserting “Secretary”.

1 (c) CONFORMING AMENDMENTS.—The Metropolitan
 2 Washington Airports Act of 1986 (49 U.S.C. App. 2451
 3 et seq.) is amended—

4 (1) in section 6009(b) by striking “or by rea-
 5 son” and all that follows before the period; and

6 (2) in section 6011 by striking “Except as pro-
 7 vided in section 6007(h), if” and inserting “If”.

8 (d) PROTECTION OF CERTAIN ACTIONS.—Actions
 9 taken by the Metropolitan Washington Airports Authority
 10 and required to be submitted to the Board of Review pur-
 11 suant to section 6007(f)(4) of the Metropolitan Washing-
 12 ton Airports Act of 1986 before the date of the enactment
 13 of this Act shall remain in effect and shall not be set aside
 14 solely by reason of a judicial order invalidating certain
 15 functions of the Board of Review.

16 **SEC. 905. LIMITATIONS.**

17 Section 6007 of the Metropolitan Washington Air-
 18 ports Act of 1986 (49 U.S.C. App. 2456) is further
 19 amended by adding at the end the following:

20 “(i) LIMITATIONS.—After October 1, 2001—

21 “(1) the Secretary may not approve an applica-
 22 tion of the Airports Authority for an airport develop-
 23 ment project grant under subchapter I of chapter
 24 471 of title 49, United States Code; and

1 “(2) the Secretary may not approve an applica-
2 tion of the Airports Authority to impose a passenger
3 facility fee under section 40117 of such title.”.

4 **SEC. 906. USE OF DULLES AIRPORT ACCESS HIGHWAY.**

5 The Metropolitan Washington Airports Act of 1986
6 (49 U.S.C. App. 2451 et seq.) is further amended by add-
7 ing at the end the following:

8 **“SEC. 6013. USE OF DULLES AIRPORT ACCESS HIGHWAY.**

9 “(a) RESTRICTIONS.—Except as provided by sub-
10 section (b), the Airports Authority shall continue in effect
11 and enforce paragraphs (1) and (2) of section 4.2 of the
12 Metropolitan Washington Airports Regulations, as in ef-
13 fect on February 1, 1995.

14 “(b) ENFORCEMENT.—The district courts of the
15 United States shall have jurisdiction to compel the Air-
16 ports Authority and its officers and employees to comply
17 with the requirements of this section. An action may be
18 brought on behalf of the United States by the Attorney
19 General or by any aggrieved party.”.

20 **SEC. 907. EFFECT OF JUDICIAL ORDER.**

21 The Metropolitan Washington Airports Act of 1986
22 (49 U.S.C. App. 2451 et seq.) is further amended by add-
23 ing at the end the following:

1 **“SEC. 6014. EFFECT OF JUDICIAL ORDER.**

2 “If any provision of the Metropolitan Washington
3 Airports Amendments Act of 1996 or the amendments
4 made by such Act (or the application of that provision to
5 any person, circumstance, or venue) is held invalid by a
6 judicial order, on the day after the date of the issuance
7 of such order, and thereafter, the Secretary of Transpor-
8 tation and the Metropolitan Washington Airports Author-
9 ity shall be subject to the limitations described in section
10 6007(i) of this Act.”.

11 **SEC. 908. AMENDMENT OF LEASE.**

12 The Secretary of Transportation shall amend the
13 lease entered into with the Metropolitan Washington Air-
14 ports Authority under section 6005(a) of the Metropolitan
15 Washington Airports Authority Act of 1986 to secure the
16 Airports Authority’s consent to the amendments made to
17 such Act by this title.

18 **SEC. 909. SENSE OF THE SENATE.**

19 It is the sense of the Senate that the Metropolitan
20 Washington Airports Authority—

21 (1) should not provide any reserved parking
22 areas free of charge to Members of Congress, other
23 Government officials, or diplomats at Washington
24 National Airport or Washington Dulles International
25 Airport; and

1 (2) should establish a parking policy for such
 2 airports that provides equal access to the public, and
 3 does not provide preferential parking privileges to
 4 Members of Congress, other Government officials, or
 5 diplomats.

6 **TITLE X—EXTENSION OF AIR-**
 7 **PORT AND AIRWAY TRUST**
 8 **FUND EXPENDITURES**

9 **SEC. 1001. EXTENSION OF AIRPORT AND AIRWAY TRUST**
 10 **FUND EXPENDITURES.**

11 (a) EXTENSION OF EXPENDITURE AUTHORITY.—
 12 Paragraph (1) of section 9502(d) of the Internal Revenue
 13 Code of 1986 is amended by striking “October 1, 1996”
 14 and inserting “October 1, 1998”.

15 (b) EXTENSION OF TRUST FUND PURPOSES.—Sub-
 16 paragraph (A) of section 9502(d)(1) of such Code is
 17 amended by inserting before the semicolon at the end “or
 18 the Federal Aviation Reauthorization Act of 1996”.

19 **TITLE XI—FAA RESEARCH, ENGI-**
 20 **NEERING, AND DEVELOP-**
 21 **MENT**

22 **SEC. 1101. SHORT TITLE.**

23 This title may be cited as the “FAA Research, Engi-
 24 neering, and Development Management Reform Act of
 25 1996”.

1 **SEC. 1102. AUTHORIZATION OF APPROPRIATIONS.**

2 Section 48102(a) is amended—

3 (1) by striking “and” at the end of paragraph
4 (1)(J);

5 (2) by striking the period at the end of para-
6 graph (2)(J) and inserting in lieu thereof “; and”;
7 and

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

9 “(3) for fiscal year 1997—

10 “(A) \$13,660,000 for system development
11 and infrastructure projects and activities;

12 “(B) \$34,889,000 for capacity and air
13 traffic management technology projects and ac-
14 tivities;

15 “(C) \$19,000,000 for communications,
16 navigation, and surveillance projects and activi-
17 ties;

18 “(D) \$13,000,000 for weather projects and
19 activities;

20 “(E) \$5,200,000 for airport technology
21 projects and activities;

22 “(F) \$36,504,000 for aircraft safety tech-
23 nology projects and activities;

24 “(G) \$57,055,000 for system security tech-
25 nology projects and activities;

1 “(H) \$23,504,000 for human factors and
2 aviation medicine projects and activities;

3 “(I) \$3,600,000 for environment and en-
4 ergy projects and activities; and

5 “(J) \$2,000,000 for innovative/cooperative
6 research projects and activities.”.

7 **SEC. 1103. RESEARCH PRIORITIES.**

8 Section 48102(b) is amended—

9 (1) by redesignating paragraph (2) as para-
10 graph (3); and

11 (2) by striking “AVAILABILITY FOR RE-
12 SEARCH.—(1)” and inserting in lieu thereof “RE-
13 SEARCH PRIORITIES.—(1) The Administrator shall
14 consider the advice and recommendations of the re-
15 search advisory committee established by section
16 44508 of this title in establishing priorities among
17 major categories of research and development activi-
18 ties carried out by the Federal Aviation Administra-
19 tion.

20 “(2)”.

21 **SEC. 1104. RESEARCH ADVISORY COMMITTEE.**

22 Section 44508(a)(1) is amended—

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

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

4 (3) by inserting after subparagraph (C) the fol-
 5 lowing:

6 “(D) annually review the allocation made by the
 7 Administrator of the amounts authorized by section
 8 48102(a) of this title among the major categories of
 9 research and development activities carried out by
 10 the Administration and provide advice and rec-
 11 ommendations to the Administrator on whether such
 12 allocation is appropriate to meet the needs and ob-
 13 jectives identified under subparagraph (A).”.

14 **SEC. 1105. NATIONAL AVIATION RESEARCH PLAN.**

15 Section 44501(c) is amended—

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

18 (2) by amending subparagraph (B) to read as
 19 follows:

20 “(B) The plan shall—

21 “(i) provide estimates by year of the schedule,
 22 cost, and work force levels for each active and
 23 planned major research and development project
 24 under sections 40119, 44504, 44505, 44507, 44509,
 25 44511–44513, and 44912 of this title, including ac-

tivities carried out under cooperative agreements with other Federal departments and agencies;

“(ii) specify the goals and the priorities for allocation of resources among the major categories of research and development activities, including the rationale for the priorities identified;

“(iii) identify the allocation of resources among long-term research, near-term research, and development activities; and

“(iv) highlight the research and development activities that address specific recommendations of the research advisory committee established under section 44508 of this title, and document the recommendations of the committee that are not accepted, specifying the reasons for nonacceptance.”; and

(3) in paragraph (3) by inserting “, including a description of the dissemination to the private sector of research results and a description of any new technologies developed” after “during the prior fiscal year”.

TITLE XII—MISCELLANEOUS PROVISIONS

SEC. 1201. PURCHASE OF HOUSING UNITS.

Section 40110 is amended—

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

3 (2) by inserting after subsection (a) the follow-
4 ing:

5 “(b) PURCHASE OF HOUSING UNITS.—

6 “(1) AUTHORITY.—In carrying out this part,
7 the Administrator may purchase a housing unit (in-
8 cluding a condominium or a housing unit in a build-
9 ing owned by a cooperative) that is located outside
10 the contiguous United States if the cost of the unit
11 is \$300,000 or less.

12 “(2) ADJUSTMENTS FOR INFLATION.—For fis-
13 cal years beginning after September 30, 1997, the
14 Administrator may adjust the dollar amount speci-
15 fied in paragraph (1) to take into account increases
16 in local housing costs.

17 “(3) CONTINUING OBLIGATIONS.—Notwith-
18 standing section 1341 of title 31, the Administrator
19 may purchase a housing unit under paragraph (1)
20 even if there is an obligation thereafter to pay nec-
21 essary and reasonable fees duly assessed upon such
22 unit, including fees related to operation, mainte-
23 nance, taxes, and insurance.

24 “(4) CERTIFICATION TO CONGRESS.—The Ad-
25 ministrator may purchase a housing unit under

1 paragraph (1) only if, at least 30 days before com-
 2 pleting the purchase, the Administrator transmits to
 3 the Committee on Transportation and Infrastructure
 4 of the House of Representatives and the Committee
 5 on Commerce, Science, and Transportation of the
 6 Senate a report containing—

7 “(A) a description of the housing unit and
 8 its price;

9 “(B) a certification that the price does not
 10 exceed the median price of housing units in the
 11 area; and

12 “(C) a certification that purchasing the
 13 housing unit is the most cost-beneficial means
 14 of providing necessary accommodations in car-
 15 rying out this part.

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

20 **SEC. 1202. CLARIFICATION OF PASSENGER FACILITY REVE-**
 21 **NUES AS CONSTITUTING TRUST FUNDS.**

22 Section 40117(g) is amended by adding at the end
 23 the following:

24 “(4) Passenger facility revenues that are held by an
 25 air carrier or an agent of the carrier after collection of

1 a passenger facility fee constitute a trust fund that is held
2 by the air carrier or agent for the beneficial interest of
3 the eligible agency imposing the fee. Such carrier or agent
4 holds neither legal nor equitable interest in the passenger
5 facility revenues except for any handling fee or retention
6 of interest collected on unremitted proceeds as may be al-
7 lowed by the Secretary.”.

8 **SEC. 1203. AUTHORITY TO CLOSE AIRPORT LOCATED NEAR**
9 **CLOSED OR REALIGNED MILITARY BASE.**

10 Notwithstanding any other provision of a law, rule,
11 or grant assurance, an airport that is not a commercial
12 service airport may be closed by its sponsor without any
13 obligation to repay grants made under chapter 471 of title
14 49, United States Code, the Airport and Airway Improve-
15 ment Act of 1982, or any other law if the airport is located
16 within 2 miles of a United States Army depot which has
17 been closed or realigned; except that in the case of disposal
18 of the land associated with the airport, the part of the
19 proceeds from the disposal that is proportional to the Gov-
20 ernment’s share of the cost of acquiring the land shall be
21 paid to the Secretary of Transportation for deposit in the
22 Airport and Airway Trust Fund established under section
23 9502 of the Internal Revenue Code of 1986 (26 U.S.C.
24 9502).

1 **SEC. 1204. GADSDEN AIR DEPOT, ALABAMA.**

2 (a) AUTHORITY TO GRANT WAIVERS.—Notwith-
3 standing section 16 of the Federal Airport Act (as in ef-
4 fect on May 4, 1949), the Secretary is authorized, subject
5 to the provisions of section 47153 of title 49, United
6 States Code, and the provisions of subsection (b) of this
7 section, to waive any of the terms contained in the deed
8 of conveyance dated May 4, 1949, under which the United
9 States conveyed certain property to the city of Gadsden,
10 Alabama, for airport purposes.

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

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

20 (2) Any such amount so received by the city
21 shall be used by the city for the development, im-
22 provement, operation, or maintenance of a public
23 airport, lands (including any improvements thereto)
24 which produce revenues that are used for airport de-
25 velopment purposes, or both.

1 **SEC. 1205. REGULATIONS AFFECTING INTRASTATE AVIA-**
2 **TION IN ALASKA.**

3 In modifying regulations contained in title 14, Code
4 of Federal Regulations, in a manner affecting intrastate
5 aviation in Alaska, the Administrator of the Federal Avia-
6 tion Administration shall consider the extent to which
7 Alaska is not served by transportation modes other than
8 aviation, and shall establish such regulatory distinctions
9 as the Administrator considers appropriate.

10 **SEC. 1206. WESTCHESTER COUNTY AIRPORT, NEW YORK.**

11 Notwithstanding sections 47107(b) and 47133 of
12 title 49, United States Code, and any other law, regula-
13 tion, or grant assurance, all fees received by Westchester
14 County Airport in the State of New York may be paid
15 into the treasury of Westchester County pursuant to sec-
16 tion 119.31 of the Westchester County Charter if the Sec-
17 retary finds that the expenditures from such treasury for
18 the capital and operating costs of the Airport after Decem-
19 ber 31, 1990, have been and will be equal to or greater
20 than the fees that such treasury receives from the Airport.

21 **SEC. 1207. BEDFORD AIRPORT, PENNSYLVANIA.**

22 If the Administrator of the Federal Aviation Admin-
23 istration decommissions an instrument landing system in
24 Pennsylvania, the Administrator may transfer and install
25 the system at Bedford Airport, Pennsylvania.

1 **SEC. 1208. WORCESTER MUNICIPAL AIRPORT, MASSACHU-**
 2 **SETTS.**

3 The Administrator of the Federal Aviation Adminis-
 4 tration shall take such actions as may be necessary to im-
 5 prove the safety of aircraft landing at Worcester Municipal
 6 Airport, Massachusetts, including, if appropriate, provid-
 7 ing air traffic radar service to such airport from the Provi-
 8 dence Approach Radar Control in Coventry, Rhode Island.

9 **SEC. 1209. CENTRAL FLORIDA AIRPORT, SANFORD, FLOR-**
 10 **IDA.**

11 The Administrator of the Federal Aviation Adminis-
 12 tration shall take such actions as may be necessary to im-
 13 prove the safety of aircraft landing at Central Florida Air-
 14 port, Sanford, Florida, including, if appropriate, providing
 15 a new instrument landing system on Runway 27R.

16 **SEC. 1210. AIRCRAFT NOISE OMBUDSMAN.**

17 Section 106, as amended by section 230 of this Act,
 18 is further amended by adding at the end the following:

19 “(q) AIRCRAFT NOISE OMBUDSMAN.—

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

22 “(2) GENERAL DUTIES AND RESPONSIBIL-
 23 ITIES.—The Ombudsman shall—

24 “(A) be appointed by the Administrator;

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

1 “(C) be consulted when the Administration
 2 proposes changes in aircraft routes so as to
 3 minimize any increases in aircraft noise over
 4 populated areas.

5 “(3) NUMBER OF FULL-TIME EQUIVALENT EM-
 6 PLOYEES.—The appointment of an Ombudsman
 7 under this subsection shall not result in an increase
 8 in the number of full-time equivalent employees in
 9 the Administration.”.

10 **SEC. 1211. SPECIAL RULE FOR PRIVATELY OWNED RE-**
 11 **LIEVER AIRPORTS.**

12 Section 47109 is amended by adding at the end the
 13 following:

14 “(c) SPECIAL RULE FOR PRIVATELY OWNED RE-
 15 LIEVER AIRPORTS.—If a privately owned reliever airport
 16 contributes any lands, easements, or rights-of-way to carry
 17 out a project under this subchapter, the current fair mar-
 18 ket value of such lands, easements, or rights-of-way shall
 19 be credited toward the non-Federal share of allowable
 20 project costs.”.

21 **SEC. 1212. SENSE OF THE SENATE REGARDING THE FUND-**
 22 **ING OF THE FEDERAL AVIATION ADMINIS-**
 23 **TRATION.**

24 (a) FINDINGS.—The Senate finds that—

1 (1) Congress is responsible for ensuring that
2 the financial needs of the Federal Aviation Adminis-
3 tration, the agency that performs the critical func-
4 tion of overseeing the Nation's air traffic control
5 system and ensuring the safety of air travelers in
6 the United States, are met;

7 (2) aviation excise taxes that constitute the Air-
8 port and Airway Trust Fund, which provides most
9 of the funding for the Federal Aviation Administra-
10 tion, have expired;

11 (3) the surplus in the Airport and Airway Trust
12 Fund will be spent by the Federal Aviation Adminis-
13 tration by December 1996;

14 (4) the existing system of funding the Federal
15 Aviation Administration will not provide the agency
16 with sufficient short-term or long-term funding;

17 (5) this Act creates a sound process to review
18 Federal Aviation Administration funding and de-
19 velop a funding system to meet the Federal Aviation
20 Administration's long-term funding needs; and

21 (6) without immediate action by Congress to
22 ensure that the Federal Aviation Administration's fi-
23 nancial needs are met, air travelers' confidence in
24 the system could be undermined.

1 (b) SENSE OF THE SENATE.—It is the sense of the
2 Senate that there should be an immediate enactment of
3 an 18-month reinstatement of the aviation excise taxes to
4 provide short-term funding for the Federal Aviation Ad-
5 ministration.

6 **SEC. 1213. RURAL AIR FARE STUDY.**

7 (a) IN GENERAL.—The Secretary shall conduct a
8 study to—

9 (1) compare air fares paid (calculated as both
10 actual and adjusted air fares) for air transportation
11 on flights conducted by commercial air carriers—

12 (A) between—

13 (i) nonhub airports located in small
14 communities; and

15 (ii) large hub airports; and

16 (B) between large hub airports;

17 (2) analyze—

18 (A) the extent to which passenger service
19 that is provided from nonhub airports is pro-
20 vided on—

21 (i) regional commuter commercial air
22 carriers; or

23 (ii) major air carriers;

1 (B) the type of aircraft employed in pro-
2 viding passenger service at nonhub airports;
3 and

4 (C) whether there is competition among
5 commercial air carriers with respect to the pro-
6 vision of air service to passengers from nonhub
7 airports.

8 (b) FINDINGS.—The Secretary shall include in the re-
9 port of the study conducted under subsection (a) findings
10 concerning—

11 (1) whether passengers who use commercial air
12 carriers to and from rural areas (as defined by the
13 Secretary) pay a disproportionately greater price for
14 that transportation than passengers who use com-
15 mercial air carriers between urban areas (as defined
16 by the Secretary);

17 (2) the nature of competition, if any, in rural
18 markets (as defined by the Secretary) for commer-
19 cial air carriers;

20 (3) whether a relationship exists between higher
21 air fares and competition among commercial air car-
22 riers for passengers traveling on jet aircraft from
23 small communities (as defined by the Secretary)
24 and, if such a relation exists, the nature of that rela-
25 tionship;

1 (4) the number of small communities that have
2 lost air service as a result of the deregulation of
3 commercial air carriers with respect to air fares;

4 (5) the number of small communities served by
5 airports with respect to which, after commercial air
6 carrier fares were deregulated, jet aircraft service
7 was replaced by turboprop aircraft service; and

8 (6) where such replacement occurred, any cor-
9 responding decreases in available seat capacity for
10 consumers at the airports referred to in that sub-
11 paragraph.

12 (c) REPORT.—Not later than 60 days after the date
13 of the enactment of this Act, the Secretary shall submit
14 a final report on the study carried out under subsection
15 (a) to the Committee on Commerce, Science, and Trans-
16 portation of the Senate and the Committee on Transpor-
17 tation and Infrastructure of the House of Representatives.

18 (d) DEFINITIONS.—For purposes of this section, the
19 following definitions apply:

20 (1) ADJUSTED AIR FARE.—The term “adjusted
21 air fare” means an actual air fare that is adjusted
22 for distance traveled by a passenger.

23 (2) AIR CARRIER.—The term “air carrier” is
24 defined in section 40102(a)(2) of title 49, United
25 States Code.

1 (3) AIRPORT.—The term “airport” is defined in
2 section 40102(9) of such title.

3 (4) COMMERCIAL AIR CARRIER.—The term
4 “commercial air carrier” means an air carrier that
5 provides air transportation for commercial purposes
6 (as determined by the Secretary).

7 (5) HUB AIRPORT.—The term “hub airport” is
8 defined in section 41731(a)(2) of such title.

9 (6) LARGE HUB AIRPORT.—The term “large
10 hub airport” shall be defined by the Secretary but
11 the definition may not include a small hub airport,
12 as that term is defined in section 41731(a)(5) of
13 such title.

14 (7) MAJOR AIR CARRIER.—The term “major air
15 carrier” shall be defined by the Secretary.

16 (8) NONHUB AIRPORT.—The term “nonhub air-
17 port” is defined in section 41731(a)(4) of such title.

18 (9) REGIONAL COMMUTER AIR CARRIER.—The
19 term “regional commuter air carrier” shall be de-
20 fined by the Secretary.

21 **SEC. 1214. CARRIAGE OF CANDIDATES IN STATE AND**
22 **LOCAL ELECTIONS.**

23 The Administrator of the Federal Aviation Adminis-
24 tration shall revise section 91.321 of the Administration’s
25 regulations (14 C.F.R. 91.321), relating to the carriage

1 of candidates in Federal elections, to make the same or
 2 similar rules applicable to the carriage of candidates for
 3 election to public office in State and local government elec-
 4 tions.

5 **SEC. 1215. SPECIAL FLIGHT RULES IN THE VICINITY OF**
 6 **GRAND CANYON NATIONAL PARK.**

7 The Secretary of Transportation, acting through the
 8 Administrator of the Federal Aviation Administration,
 9 shall take such action as may be necessary to provide 45
 10 additional days for comment by interested persons on the
 11 special flight rules in the vicinity of Grand Canyon Na-
 12 tional Park and the Draft Environmental Assessment de-
 13 scribed in the notice of proposed rulemaking issued on
 14 July 31, 1996, at 61 Fed. Reg. 40120 et seq.

15 **SEC. 1216. TRANSFER OF AIR TRAFFIC CONTROL TOWER;**
 16 **CLOSING OF FLIGHT SERVICE STATIONS.**

17 (a) HICKORY, NORTH CAROLINA TOWER.—

18 (1) TRANSFER.—The Administrator of the Fed-
 19 eral Aviation Administration may transfer any title,
 20 right, or interest the United States has in the air
 21 traffic control tower located at the Hickory Regional
 22 Airport to the City of Hickory, North Carolina, for
 23 the purpose of enabling the city to provide air traffic
 24 control services to operators of aircraft.

1 (2) STUDY.—The Administrator shall conduct a
2 study to determine whether the number of oper-
3 ations at Hickory Regional Airport meet the criteria
4 for contract towers and shall certify in writing to the
5 Committee on Commerce, Science, and Transpor-
6 tation of the Senate and the Committee on Com-
7 merce and Infrastructure of the House of Represent-
8 atives whether that airport meets those criteria.

9 (b) NEW BERN-CRAVEN COUNTY STATION.—The
10 Administrator shall not close the New Bern-Craven Coun-
11 ty flight services station or the Hickory Regional Airport
12 flight service station unless the Administrator certifies in
13 writing to the Committee on Commerce, Science, and
14 Transportation of the Senate and the Committee on
15 Transportation and Infrastructure of the House of Rep-
16 resentatives that such closure will not result in a degrada-
17 tion of air safety and that it will reduce costs to taxpayers.

18 (c) PIERRE, SOUTH DAKOTA STATION.—The Admin-
19 istrator shall not close the Pierre, South Dakota Regional
20 Airport flight service station unless following the 180th
21 day after the date of the enactment of this Act the Admin-
22 istrator certifies in writing to the Committee on Com-
23 merce, Science, and Transportation of the Senate and the
24 Committee on Transportation and Infrastructure of the
25 House of Representatives that such closure will not result

1 in a degradation of air safety, air service, or the loss of
2 meteorological services or data that cannot otherwise be
3 obtained in a more cost-effective manner, and that it will
4 reduce costs to taxpayers.

5 **SEC. 1217. LOCATION OF DOPPLER RADAR STATIONS, NEW**
6 **YORK.**

7 (a) STUDY.—The Administrator of the Federal Avia-
8 tion Administration shall conduct a study of the feasibility
9 of constructing 2 offshore platforms to serve as sites for
10 the location of Doppler radar stations for John F. Ken-
11 nedy International Airport and LaGuardia Airport in New
12 York City, New York.

13 (b) REPORT.—Not later than 90 days after the date
14 of the enactment of this Act, the Administrator shall
15 transmit to Congress a report on the results of the study
16 conducted under subsection (a), including proposed loca-
17 tions for the offshore platforms. Such locations shall be
18 as far as possible from populated areas while providing
19 appropriate safety measures for John F. Kennedy Inter-
20 national Airport and LaGuardia Airport.

21 **SEC. 1218. TRAIN WHISTLE REQUIREMENTS.**

22 (a) IN GENERAL.—Section 20153 is amended by
23 adding at the end the following:

24 “(i) REGULATIONS.—In issuing regulations under
25 this section, the Secretary—

1 “(1) shall take into account the interest of com-
2 munities that—

3 “(A) have in effect restrictions on the
4 sounding of a locomotive horn at highway-rail
5 grade crossings; or

6 “(B) have not been subject to the routine
7 (as defined by the Secretary) sounding of a lo-
8 comotive horn at highway-rail grade crossings;

9 “(2) shall work in partnership with affected
10 communities to provide technical assistance and
11 shall provide a reasonable amount of time for local
12 communities to install supplementary safety meas-
13 ures, taking into account local safety initiatives
14 (such as public awareness initiatives and highway-
15 rail grade crossing traffic law enforcement pro-
16 grams) subject to such terms and condition as the
17 Secretary deems necessary, to protect public safety;
18 and

19 “(3) may waive (in whole or in part) any re-
20 quirement of this section (other than a requirement
21 of this subsection or subsection (j)) that the Sec-
22 retary determines is not likely to contribute signifi-
23 cantly to public safety.

24 “(j) EFFECTIVE DATE OF REGULATIONS.—Any reg-
25 ulations under this section shall not take effect before the

1 365th day following the date of publication of the final
2 rule.”.

3 **SEC. 1219. INCREASED FEES.**

4 (a) IN GENERAL.—Notwithstanding any other provi-
5 sion of law, the Surface Transportation Board shall not
6 increase fees for services to be collected from small ship-
7 pers in connection with rail maximum rate complaints pur-
8 suant to part 1002 of title 49, Code of Federal Regula-
9 tions, Ex Parte No. 542.

10 (b) APPLICABILITY.—Subsection (a) shall no longer
11 be effective after September 30, 1998.

12 **SEC. 1220. STRUCTURES INTERFERING WITH AIR COM-**
13 **MERCE.**

14 (a) LANDFILLS.—Section 44718 is amended by add-
15 ing at the end the following:

16 “(d) LANDFILLS.—For the purposes of enhancing
17 aviation safety, in a case in which 2 landfills have been
18 proposed to be constructed or established within 6 miles
19 of a commercial service airport with fewer than 50,000
20 enplanements per year, no person shall construct or estab-
21 lish either landfill if an official of the Federal Aviation
22 Administration has stated in writing within the 3-year pe-
23 riod ending on the date of the enactment of this subsection
24 that 1 of the landfills would be incompatible with aircraft
25 operations at the airport, unless the landfill is already ac-

1 tive on such date of enactment or the airport operator
 2 agrees to the construction or establishment of the land-
 3 fill.”.

4 (b) CIVIL PENALTIES.—Section 46301 is amended by
 5 inserting “44718(d),” after “44716,” in each of sub-
 6 sections (a)(1)(A), (d)(2), and (f)(1)(A)(i).

7 **SEC. 1221. HAWAII CARGO.**

8 Notwithstanding any other provision of law, and for
 9 a period that shall not extend beyond September 30, 1998,
 10 an air carrier which commenced all-cargo turnaround serv-
 11 ice during November 1995 with Stage 2 aircraft with a
 12 maximum weight of more than 75,000 pounds may oper-
 13 ate no more than one Stage 2 aircraft in all-cargo turn-
 14 around service and may also maintain a second such air-
 15 craft in reserve. The reserve aircraft may only be used
 16 as a replacement aircraft when the first aircraft is not air-
 17 worthy or is unavailable due to closure of an airport at
 18 which the first aircraft is located in the State of Hawaii.

19 **SEC. 1222. LIMITATION ON AUTHORITY OF STATES TO REG-**
 20 **ULATE GAMBLING DEVICES ON VESSELS.**

21 Subsection (b)(2) of section 5 of the Act of January
 22 2, 1951 (commonly referred to as the “Johnson Act”) (64
 23 Stat. 1135, chapter 1194; 15 U.S.C. 1175), is amended
 24 by adding at the end the following:

1 “(C) EXCLUSION OF CERTAIN VOYAGES
2 AND SEGMENTS.—Except for a voyage or seg-
3 ment of a voyage that occurs within the bound-
4 aries of the State of Hawaii, a voyage or seg-
5 ment of a voyage is not described in subpara-
6 graph (B) if such voyage or segment includes or
7 consists of a segment—

8 “(i) that begins that ends in the same
9 State;

10 “(ii) that is part of a voyage to an-
11 other State or to a foreign country; and

12 “(iii) in which the vessel reaches the
13 other State or foreign country within 3
14 days after leaving the State in which such
15 segment begins.”.