

108TH CONGRESS  
1ST SESSION

# S. 824

To reauthorize the Federal Aviation Administration, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 8, 2003

Mr. MCCAIN (for himself, Mr. HOLLINGS, Mr. LOTT, and Mr. ROCKEFELLER)  
introduced the following bill; which was read twice and referred to the  
Committee on Commerce, Science, and Transportation

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## A BILL

To reauthorize 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; AMENDMENT OF TITLE 49.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Aviation Investment and Revitalization Vision Act”.

6 (b) AMENDMENT OF TITLE 49.—Except as otherwise  
7 expressly provided, whenever in this Act an amendment  
8 or repeal is expressed in terms of an amendment to, or  
9 a repeal of, a section or other provision, the reference shall

1 be considered to be made to a section or other provision  
 2 of title 49, United States Code.

3 **SEC. 2. TABLE OF CONTENTS.**

4 The table of contents for this Act is as follows:

- Sec. 1. Short title; amendment of title 49.
- Sec. 2. Table of contents.
  - Title I—Reauthorizations; FAA Management
  - Sec. 101. Airport improvement program.
  - Sec. 102. Airway facilities improvement program.
  - Sec. 103. FAA operations.
  - Sec. 104. Research, engineering, and development.
  - Sec. 105. Other programs.
  - Sec. 106. Reorganization of the Air Traffic Services Subcommittee.
  - Sec. 107. Clarification of responsibilities of chief operating officer.
  - Title II—Airport Development
  - Sec. 201. National capacity projects.
  - Sec. 202. Categorical exclusions.
  - Sec. 203. Alternatives analysis.
  - Sec. 204. Increase in apportionment for, and flexibility of, noise compatibility planning programs.
  - Sec. 205. Secretary of Transportation to identify airport congestion-relief projects and forecast airport operations annually.
  - Sec. 206. Design-build contracting.
  - Sec. 207. Special rule for airport in Illinois.
  - Sec. 208. Elimination of duplicative requirements.
  - Sec. 209. Streamlining the passenger facility fee program.
  - Sec. 210. Quarterly status reports.
  - Sec. 211. Noise disclosure requirements.
  - Sec. 212. Prohibition on requiring airports to provide rent-free space for FAA or TSA.
  - Sec. 213. Special rules for fiscal year 2004.
  - Title III—Airline Service Development
  - Sec. 301. Delay reduction meetings.
  - Sec. 302. Reauthorization of essential air service program.
  - Sec. 303. Small community air service development pilot program.
  - Sec. 304. DOT study of competition and access problems at large and medium hub airports.
  - Sec. 305. Competition disclosure requirement for large and medium hub airports.
  - Title IV—Aviation Security
  - Sec. 401. Study of effectiveness of transportation security system.
  - Sec. 402. Aviation security capital fund.
  - Sec. 403. Technical amendments related to security-related airport development.
  - Title V—Miscellaneous
  - Sec. 501. Extension of war risk insurance authority.
  - Sec. 502. Cost-sharing of air traffic modernization projects.
  - Sec. 503. Counterfeit or fraudulently represented parts violations.
  - Sec. 504. Clarifications to procurement authority.

1     **TITLE I—REAUTHORIZATIONS;**  
2                     **FAA MANAGEMENT**

3     **SEC. 101. AIRPORT IMPROVEMENT PROGRAM.**

4             (a) AUTHORIZATION OF APPROPRIATIONS.—Section  
5 48103 is amended—

6                 (1) by inserting “(a) IN GENERAL.—” before  
7 “The”;

8                 (2) by striking “and” in paragraph (4);

9                 (3) by striking “2003.” in paragraph (5) and  
10 inserting “2003;”;

11                (4) by inserting after paragraph (5) the fol-  
12 lowing:

13                     “(6) \$3,400,000,000 for fiscal year 2004;

14                     “(7) \$3,500,000,000 for fiscal year 2005; and

15                     “(8) \$3,600,000,000 for fiscal year 2006.”; and

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

17             “(b) ADMINISTRATIVE EXPENSES.—From the  
18 amounts authorized by paragraphs (6) through (8) of sub-  
19 section (a), there shall be available for administrative ex-  
20 penses relating to the airport improvement program, pas-  
21 senger facility fee approval and oversight, national airport  
22 system planning, airport standards development and en-  
23 forcement, airport certification, airport-related environ-  
24 mental activities (including legal service), to remain avail-  
25 able until expended—

1           “(1) for fiscal year 2004, \$69,737,000;  
 2           “(2) for fiscal year 2005, \$71,816,000; and  
 3           “(3) for fiscal year 2006, \$74,048,000.”.

4           (b) OBLIGATIONAL AUTHORITY.—Section 47104(c)  
 5 is amended by striking “2003,” and inserting “2006,”.

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

7           Section 48101(a) is amended by adding at the end  
 8 the following:

9           “(6) \$2,916,000,000 for fiscal year 2004.  
 10           “(7) \$2,971,000,000 for fiscal year 2005.  
 11           “(8) \$3,030,000,000 for fiscal year 2006.”.

12 **SEC. 103. FAA OPERATIONS.**

13           Section 106(k)(1) is amended—

14           (1) by striking “and” in subparagraph (C);  
 15           (2) by striking “2003.” in subparagraph (D)  
 16           and inserting “2003;”; and  
 17           (3) by adding at the end the following:

18           “(E) \$7,591,000,000 for fiscal year 2004;  
 19           “(F) \$7,732,000,000 for fiscal year 2005;  
 20           and  
 21           “(G) \$7,889,000,000 for fiscal year  
 22           2006.”.

23 **SEC. 104. RESEARCH, ENGINEERING AND DEVELOPMENT.**

24           Section 48102 is amended—

1 (1) by striking paragraphs (1) through (8) of  
2 subsection (a) and inserting:

3 “(1) For fiscal year 2004, \$289,000,000.

4 “(2) For fiscal year 2005, \$204,000,000.

5 “(3) For fiscal year 2006, \$317,000,000.”; and

6 (2) by redesignating subsection (h) as sub-  
7 section (g).

8 **SEC. 105. OTHER PROGRAMS.**

9 Section 106 of the Wendell H. Ford Aviation Invest-  
10 ment and Reform Act for the 21st Century is amended—

11 (1) by striking “2003” in subsection (a)(1)(A)  
12 and subsection (c)(2) and inserting “2006”; and

13 (2) by striking “2003,” in subsection (a)(2) and  
14 inserting “2006,”.

15 **SEC. 106. REORGANIZATION OF THE AIR TRAFFIC SERV-  
16 ICES SUBCOMMITTEE.**

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

18 (1) by redesignating subsections (q) and (r) as  
19 subsections (r) and (s), respectively; and

20 (2) by inserting after subsection (p) the fol-  
21 lowing:

22 “(q) AIR TRAFFIC MANAGEMENT COMMITTEE.—

23 “(1) ESTABLISHMENT.—The Secretary of  
24 Transportation shall establish an advisory committee  
25 which shall be known as the Air Traffic Services

1 Committee (in this subsection referred to as the  
2 ‘Committee’).

3 “(2) MEMBERSHIP.—

4 “(A) COMPOSITION AND APPOINTMENT.—

5 The Committee shall be composed of—

6 “(i) the Administrator of the Federal  
7 Aviation Administration, who shall serve as  
8 chair; and

9 “(ii) 4 members, to be appointed by  
10 the Secretary, after consultation with the  
11 Committee on Transportation and Infra-  
12 structure of the House of Representatives,  
13 and the Committee on Commerce, Science,  
14 and Transportation of the Senate.

15 “(B) NO FEDERAL OFFICER OR EM-  
16 PLOYEE.—No member appointed under sub-  
17 paragraph (A)(ii) may serve as an officer or  
18 employee of the United States Government  
19 while serving as a member of the Committee.

20 “(C) ELIGIBILITY.—Members appointed  
21 under subparagraph (A)(ii) shall—

22 “(i) have a fiduciary responsibility to  
23 represent the public interest;

24 “(ii) be citizens of the United States;  
25 and

1           “(iii) be appointed without regard to  
2 political affiliation and solely on the basis  
3 of their professional experience and exper-  
4 tise in one or more of the following areas:

5                   “(I) Management of large service  
6 organizations.

7                   “(II) Customer service.

8                   “(III) Management of large pro-  
9 curements.

10                  “(IV) Information and commu-  
11 nications technology.

12                  “(V) Organizational development.

13                  “(VI) Labor relations.

14           At least one of such members should have  
15 a background in managing large organiza-  
16 tions successfully. In the aggregate, such  
17 members should collectively bring to bear  
18 expertise in all of the areas described in  
19 subclauses (I) through (VI).

20           “(D) PROHIBITIONS ON MEMBERS OF COM-  
21 MITTEE.—No member appointed under sub-  
22 paragraph (A)(ii) may—

23                   “(i) have a pecuniary interest in, or  
24 own stock in or bonds of, an aviation or  
25 aeronautical enterprise, except an interest

1 in a diversified mutual fund or an interest  
2 that is exempt from the application of sec-  
3 tion 208 of title 18;

4 “(ii) engage in another business re-  
5 lated to aviation or aeronautics; or

6 “(iii) be a member of any organization  
7 that engages, as a substantial part of its  
8 activities, in activities to influence aviation-  
9 related legislation.

10 “(E) CLAIMS AGAINST MEMBERS.—

11 “(i) IN GENERAL.—A member ap-  
12 pointed under subparagraph (A)(ii) shall  
13 have no personal liability under Federal  
14 law with respect to any claim arising out  
15 of or resulting from an act or omission by  
16 such member within the scope of service as  
17 a member of the Air Traffic Services Com-  
18 mittee.

19 “(ii) EFFECT ON OTHER LAW.—This  
20 subparagraph shall not be construed—

21 “(I) to affect any other immunity  
22 or protection that may be available to  
23 a member of the Committee under ap-  
24 plicable law with respect to such  
25 transactions;



1                   “(II) to affect any other right or  
2                   remedy against the United States  
3                   under applicable law; or

4                   “(III) to limit or alter in any way  
5                   the immunities that are available  
6                   under applicable law for Federal offi-  
7                   cers and employees.

8                   “(F) ETHICAL CONSIDERATIONS.—

9                   “(i) FINANCIAL DISCLOSURE.—Dur-  
10                  ing the entire period that an individual ap-  
11                  pointed under subparagraph (A)(ii) is a  
12                  member of the Committee, such individual  
13                  shall be treated as serving as an officer or  
14                  employee referred to in section 101(f) of  
15                  the Ethics in Government Act of 1978 for  
16                  purposes of title I of such Act; except that  
17                  section 101(d) of such Act shall apply  
18                  without regard to the number of days of  
19                  service in the position.

20                  “(ii) RESTRICTIONS ON POST-EMPLOY-  
21                  MENT.—For purposes of section 207(c) of  
22                  title 18, an individual appointed under  
23                  subparagraph (A)(ii) shall be treated as an  
24                  employee referred to in section  
25                  207(c)(2)(A)(i) of such title during the en-

1           tire period the individual is a member of  
2           the Committee; except that subsections  
3           (c)(2)(B) and (f) of section 207 of such  
4           title shall not apply.

5           “(G) TERMS FOR AIR TRAFFIC SERVICES  
6           COMMITTEE MEMBERS.—A member appointed  
7           under subparagraph (A)(ii) shall be appointed  
8           for a term of 5 years.

9           “(H) REAPPOINTMENT.—An individual  
10          may not be appointed under subparagraph  
11          (A)(ii) to more than two 5-year terms.

12          “(I) VACANCY.—Any vacancy on the Com-  
13          mittee shall be filled in the same manner as the  
14          original appointment. Any member appointed to  
15          fill a vacancy occurring before the expiration of  
16          the term for which the member’s predecessor  
17          was appointed shall be appointed for the re-  
18          mainder of that term.

19          “(J) CONTINUATION IN OFFICE.—A mem-  
20          ber whose term expires shall continue to serve  
21          until the date on which the member’s successor  
22          takes office.

23          “(K) REMOVAL.—Any member appointed  
24          under subparagraph (A)(ii) may be removed for  
25          cause by the Secretary.

1 “(3) GENERAL RESPONSIBILITIES.—

2 “(A) OVERSIGHT.—The Committee shall  
3 oversee the administration, management, con-  
4 duct, direction, and supervision of the air traf-  
5 fic control system.

6 “(B) CONFIDENTIALITY.—The Committee  
7 shall ensure that appropriate confidentiality is  
8 maintained in the exercise of its duties.

9 “(4) SPECIFIC RESPONSIBILITIES.—The Com-  
10 mittee shall have the following specific responsibil-  
11 ities:

12 “(A) STRATEGIC PLANS.—To review, ap-  
13 prove, and monitor the strategic plan for the air  
14 traffic control system, including the establish-  
15 ment of—

16 “(i) a mission and objectives;

17 “(ii) standards of performance relative  
18 to such mission and objectives, including  
19 safety, efficiency, and productivity; and

20 “(iii) annual and long-range strategic  
21 plans.

22 “(B) MODERNIZATION AND IMPROVE-  
23 MENT.—To review and approve—

24 “(i) methods to accelerate air traffic  
25 control modernization and improvements in

1 aviation safety related to air traffic con-  
2 trol; and

3 “(ii) procurements of air traffic con-  
4 trol equipment in excess of \$100,000,000.

5 “(C) OPERATIONAL PLANS.—To review the  
6 operational functions of the air traffic control  
7 system, including—

8 “(i) plans for modernization of the air  
9 traffic control system;

10 “(ii) plans for increasing productivity  
11 or implementing cost-saving measures; and

12 “(iii) plans for training and education.

13 “(D) MANAGEMENT.—To—

14 “(i) review and approve the Adminis-  
15 trator’s appointment of a Chief Operating  
16 Officer under section 106(s);

17 “(ii) review the Administrator’s selec-  
18 tion, evaluation, and compensation of sen-  
19 ior executives of the Administration who  
20 have program management responsibility  
21 over significant functions of the air traffic  
22 control system;

23 “(iii) review and approve the Adminis-  
24 trator’s plans for any major reorganization  
25 of the Administration that would impact

1 on the management of the air traffic con-  
2 trol system;

3 “(iv) review and approve the Adminis-  
4 trator’s cost accounting and financial man-  
5 agement structure and technologies to help  
6 ensure efficient and cost-effective air traf-  
7 fic control operation; and

8 “(v) review the performance and com-  
9 pensation of managers responsible for  
10 major acquisition projects, including the  
11 ability of the managers to meet schedule  
12 and budget targets.

13 “(E) BUDGET.—To—

14 “(i) review and approve the budget re-  
15 quest of the Administration related to the  
16 air traffic control system prepared by the  
17 Administrator;

18 “(ii) submit such budget request to  
19 the Secretary; and

20 “(iii) ensure that the budget request  
21 supports the annual and long-range stra-  
22 tegic plans.

23 “(5) CONGRESSIONAL REVIEW OF PRE-OMB BUDGET  
24 REQUEST.—The Secretary shall submit the budget  
25 request referred to in paragraph (4)(E)(ii) for any

1 fiscal year to the President who shall transmit such  
2 request, without revision, to the Committees on  
3 Transportation and Infrastructure and Appropria-  
4 tions of the House of Representatives and the Com-  
5 mittees on Commerce, Science, and Transportation  
6 and Appropriations of the Senate, together with the  
7 President’s annual budget request for the Federal  
8 Aviation Administration for such fiscal year.

9 “(6) COMMITTEE PERSONNEL MATTERS.—

10 “(A) COMPENSATION OF MEMBERS.—Each  
11 member of the Committee, other than the chair  
12 and vice chair, shall be compensated at a rate  
13 of \$25,000 per year.

14 “(B) STAFF.—The chairperson of the  
15 Committee may appoint and terminate any per-  
16 sonnel that may be necessary to enable the  
17 Committee to perform its duties.

18 “(C) PROCUREMENT OF TEMPORARY AND  
19 INTERMITTENT SERVICES.—The chairperson of  
20 the Committee may procure temporary and  
21 intermittent services under section 3109(b) of  
22 title 5, United States Code.

23 “(7) ADMINISTRATIVE MATTERS.—

24 “(A) POWERS OF CHAIR.—Except as oth-  
25 erwise provided by a majority vote of the Com-

1           mittee, the powers of the chairperson shall in-  
2           clude—

3                   “(i) establishing subcommittees;

4                   “(ii) setting meeting places and times;

5                   “(iii) establishing meeting agendas;

6                   and

7                   “(iv) developing rules for the conduct  
8                   of business.

9                   “(B) MEETINGS.—The Committee shall  
10                  meet at least quarterly and at such other times  
11                  as the chairperson determines appropriate.

12                  “(C) QUORUM.—Three members of the  
13                  Committee shall constitute a quorum. A major-  
14                  ity of members present and voting shall be re-  
15                  quired for the Committee to take action.

16                  “(D) APPLICATION OF SUBSECTION (p)  
17                  PROVISIONS.—The following provisions of sub-  
18                  section (p) apply to the Committee to the same  
19                  extent as they apply to the Management Advi-  
20                  sory Council:

21                          “(i) Paragraph (4)(C) (relating to ac-  
22                          cess to documents and staff).

23                          “(ii) Paragraph (5) (relating to non-  
24                          application of Federal Advisory Committee  
25                          Act).

1                   “(iii) Paragraph (6)(G) (relating to  
2                   travel and per diem).

3                   “(iv) Paragraph (6)(H) (relating to  
4                   detail of personnel).

5                   “(8) REPORTS.—

6                   “(A) ANNUAL.—The Committee shall each  
7                   year report with respect to the conduct of its  
8                   responsibilities under this title to the Adminis-  
9                   trator, the Management Advisory Council, the  
10                  Committee on Transportation and Infrastruc-  
11                  ture of the House of Representatives, and the  
12                  Committee on Commerce, Science, and Trans-  
13                  portation of the Senate.

14                  “(B) COMPTROLLER GENERAL’S RE-  
15                  PORT.—Not later than April 30, 2003, the  
16                  Comptroller General of the United States shall  
17                  transmit to the Committee on Transportation  
18                  and Infrastructure of the House of Representa-  
19                  tives and the Committee on Commerce, Science,  
20                  and Transportation of the Senate a report on  
21                  the success of the Committee in improving the  
22                  performance of the air traffic control system.”.

23                  (b) CONFORMING AMENDMENTS.—

24                  (1) Subsection (p) of section 106 is amended—



1 (A) by striking “18” in paragraph (2) and  
2 inserting “13”;

3 (B) by inserting “and” after the semicolon  
4 in subparagraph (C) of paragraph (2);

5 (C) by striking “Transportation; and” in  
6 subparagraph (D) of paragraph (2) and insert-  
7 ing “Transportation.”;

8 (D) by striking subparagraph (E) of para-  
9 graph (2);

10 (E) by striking paragraph (3) and insert-  
11 ing the following:

12 “(3) NO FEDERAL OFFICER OR EMPLOYEE.—  
13 No member appointed under paragraph (2)(C) may  
14 serve as an officer or employee of the United States  
15 Government while serving as a member of the Coun-  
16 cil.”;

17 (F) by striking subparagraphs (C), (D),  
18 (H), and (I) of paragraph (6) and redesignating  
19 subparagraphs (E), (F), (G), (J), (K), and (L)  
20 as subparagraphs (C), (D), (E), (F), (G), and  
21 (H), respectively; and

22 (G) by striking paragraphs (7) and (8).

23 (2) Section 106(s) (as redesignated by sub-  
24 section (a) of this section) is amended—

1           (A) by striking “Air Traffic Services Sub-  
2           committee of the Aviation Management Advi-  
3           sory Council.” and inserting “Air Traffic Serv-  
4           ices Committee.” in paragraphs (1)(A) and  
5           (2)(A); and

6           (B) by striking “Air Traffic Services Sub-  
7           committee of the Aviation Management Advi-  
8           sory Council,” and inserting “Air Traffic Serv-  
9           ices Committee,” in paragraph (3).

10          (3) Section 106 is amended by adding at the  
11          end the following:

12          “(t) AIR TRAFFIC CONTROL SYSTEM DEFINED.—In  
13          this section, the term ‘air traffic control system’ has the  
14          meaning such term has under section 40102(a).”.

15          (c) TRANSITION FROM AIR TRAFFIC SERVICE SUB-  
16          COMMITTEE TO AIR TRAFFIC SERVICE COMMITTEE.—

17               (1) TERMINATION OF MANAGEMENT ADVISORY  
18          COUNCIL MEMBERSHIP.—Effective on the day after  
19          the date of enactment of this Act, any member of  
20          the Management Advisory Council appointed under  
21          section 106(p)(2)(E) of title 49, United States Code,  
22          (as such section was in effect on the day before such  
23          date of enactment) who is a member of the Council  
24          on such date of enactment shall cease to be a mem-  
25          ber of the Council.

1           (2) COMMENCEMENT OF MEMBERSHIP ON AIR  
2 TRAFFIC SERVICES COMMITTEE.—Effective on the  
3 day after the date of enactment of this Act, any  
4 member of the Management Advisory Council whose  
5 membership is terminated by paragraph (1) shall be-  
6 come a member of the Air Traffic Services Com-  
7 mittee as provided by section 106(q)(2)(G) of title  
8 49, United States Code, to serve for the remainder  
9 of the term to which that member was appointed to  
10 the Council.

11 **SEC. 107. CLARIFICATION OF RESPONSIBILITIES OF CHIEF**  
12 **OPERATING OFFICER.**

13           Section 106(s) (as redesignated by section 106(a)(1)  
14 of this Act) is amended—

15           (1) by striking “Transportation and Congress”  
16 in paragraph (4) and inserting “Transportation, the  
17 Committee on Transportation and Infrastructure of  
18 the House of Representatives, and the Committee on  
19 Commerce, Science, and Transportation of the Sen-  
20 ate,”;

21           (2) by striking “develop a strategic plan of the  
22 Administration for the air traffic control system, in-  
23 cluding the establishment of—” in paragraph (5)(A)  
24 and inserting “implement the strategic plan of the

1 Administration for the air traffic control system in  
 2 order to further—”;

3 (3) by striking “To review the operational func-  
 4 tions of the Administration,” in paragraph (5)(B)  
 5 and inserting “To oversee the day-to-day operational  
 6 functions of the Administration for air traffic con-  
 7 trol,”;

8 (4) by striking “system prepared by the Admin-  
 9 istrator;” in paragraph (5)(C)(i) and inserting “sys-  
 10 tem;”;

11 (5) by striking “Administrator and the Sec-  
 12 retary of Transportation;” in paragraph (5)(C)(ii)  
 13 and inserting “Administrator;”; and

14 (6) by striking paragraph (5)(C)(iii) and insert-  
 15 ing the following:

16 “(iii) ensure that the budget request  
 17 supports the agency’s annual and long-  
 18 range strategic plans for air traffic control  
 19 services.”.

## 20 **TITLE II—AIRPORT** 21 **DEVELOPMENT**

### 22 **SEC. 201. NATIONAL CAPACITY PROJECTS.**

23 (a) IN GENERAL.—Part B of subtitle VII is amended  
 24 by adding at the end the following:

“CHAPTER 477. NATIONAL CAPACITY PROJECTS

- “47701. Capacity enhancement
- “47702. Designation of national capacity projects
- “47703. Expedited coordinated environmental review process; project coordinators and environment impact teams
- “47704. Compatible land use initiative for national capacity projects
- “47705. Air traffic procedures at national capacity projects
- “47706. Pilot program for environmental review at national capacity projects
- “47707. Definitions

1 **“§ 47701. Capacity enhancement**

2       “(a) IN GENERAL.—Within 30 days after the date  
 3 of enactment of the Aviation Investment and Revitaliza-  
 4 tion Vision Act, the Secretary of Transportation shall  
 5 identify those airports among the 31 airports covered by  
 6 the Federal Aviation Administration’s Airport Capacity  
 7 Benchmark Report 2001 with delays that significantly af-  
 8 fect the national air transportation system.

9       “(b) TASK FORCE; CAPACITY ENHANCEMENT  
 10 STUDY.—

11           “(1) IN GENERAL.—The Secretary shall direct  
 12 any airport identified by the Secretary under sub-  
 13 section (a) that is not engaged in a runway expan-  
 14 sion process and has not initiated a capacity en-  
 15 hancement study (or similar capacity assessment)  
 16 since 1996—

17           “(A) to establish a delay reduction task  
 18 force to study means of increasing capacity at  
 19 the airport, including air traffic, airline sched-  
 20 uling, and airfield expansion alternatives; or

1           “(B) to conduct a capacity enhancement  
2 study.

3           “(2) SCOPE.—The scope of the study shall be  
4 determined by the airport and the Federal Aviation  
5 Administration, and where appropriate shall consider  
6 regional capacity solutions.

7           “(3) RECOMMENDATIONS SUBMITTED TO SEC-  
8 RETARY.—

9           “(A) TASK FORCE.—A task force estab-  
10 lished under this subsection shall submit a re-  
11 port containing its findings and conclusions, to-  
12 gether with any recommendations for capacity  
13 enhancement at the airport, to the Secretary  
14 within 9 months after the task force is estab-  
15 lished.

16           “(B) CES.—A capacity enhancement  
17 study conducted under this subsection shall be  
18 submitted, together with its findings and con-  
19 clusions, to the Secretary as soon as the study  
20 is completed.

21           “(c) RUNWAY EXPANSION AND RECONFIGURA-  
22 TION.—If the report or study submitted under subsection  
23 (b)(3) includes a recommendation for the construction or  
24 reconfiguration of runways at the airport, then the Sec-  
25 retary and the airport shall complete the planning and en-

1 vironmental review process within 5 years after report or  
2 study is submitted to the Secretary. The Secretary may  
3 extend the 5-year deadline under this subsection for up  
4 to 1 year if the Secretary determines that such an exten-  
5 sion is necessary and in the public interest. The Secretary  
6 shall notify the Senate Committee on Commerce, Science,  
7 and Transportation, and to the House of Representatives  
8 Committee on Transportation and Infrastructure of any  
9 such extension.

10 “(d) AIRPORTS THAT DECLINE TO UNDERTAKE EX-  
11 PANSION PROJECTS.—

12 “(1) IN GENERAL.—If an airport at which the  
13 construction or reconfiguration of runways is rec-  
14 ommended does not take action to initiate a plan-  
15 ning and environmental assessment process for the  
16 construction or reconfiguration of those runways  
17 within 30 days after the date on which the report or  
18 study is submitted to the Secretary, then—

19 “(A) the airport shall be ineligible for plan-  
20 ning and other expansion funds under sub-  
21 chapter I of chapter 471, notwithstanding any  
22 provision of that subchapter to the contrary;

23 “(B) no passenger facility fee may be ap-  
24 proved at that airport during the 5-year period  
25 beginning 30 days after the date on which the

1 report or study is submitted to the Secretary,  
2 for—

3 “(i) projects that, but for subpara-  
4 graph (A), could have been funded under  
5 chapter 471; or

6 “(ii) any project other than on-airport  
7 airfield-side capacity or safety-related  
8 projects.

9 “(2) SAFETY-RELATED AND ENVIRONMENTAL  
10 PROJECTS EXCEPTED.—Paragraph (1) does not  
11 apply to the use of funds for safety-related, security,  
12 or environment projects.

13 “(e) AIRPORTS THAT TAKE ACTION.—The Secretary  
14 shall take all actions possible to expedite funding and pro-  
15 vide options for funding to any airport undertaking run-  
16 way construction or reconfiguration projects in response  
17 to recommendations by its task force.

18 **“§ 47702. Designation of national capacity projects**

19 “(a) IN GENERAL.—In response to a petition from  
20 an airport sponsor, or in the case of an airport on the  
21 list of airports covered by the Federal Aviation Adminis-  
22 tration’s Airport Capacity Benchmarks study, the Sec-  
23 retary of Transportation may designate an airport devel-  
24 opment project as a national capacity project if the Sec-  
25 retary determines that the project to be designated will



1 significantly enhance the capacity of the national air  
2 transportation system.

3 “(b) DESIGNATION TO REMAIN IN EFFECT FOR 5  
4 YEARS.—The designation of a project as a national capac-  
5 ity project under paragraph (1) shall remain in effect for  
6 5 years. The Secretary may extend the 5-year period for  
7 up to 2 additional years upon request if the Secretary  
8 finds that substantial progress is being made toward com-  
9 pletion of the project.

10 **“§47703. Expedited coordinated environmental re-  
11 view process; project coordinators and  
12 environment impact teams.**

13 “(a) IN GENERAL.—The Secretary of Transportation  
14 shall implement an expedited coordinated environmental  
15 review process for national capacity projects that—

16 “(1) provides for better coordination among the  
17 Federal, regional, State, and local agencies con-  
18 cerned with the preparation of environmental impact  
19 statements or environmental assessments under the  
20 National Environmental Policy Act of 1969 (42  
21 U.S.C. 4321 et seq.);

22 “(2) provides for an expedited and coordinated  
23 process in the conduct of environmental reviews that  
24 ensures that, where appropriate, the reviews are  
25 done concurrently and not consecutively; and

1           “(3) provides for a date certain for completing  
2           all environmental reviews.

3           “(b) HIGH PRIORITY FOR AIRPORT ENVIRONMENTAL  
4           REVIEWS.—Each department and agency of the United  
5           States Government with jurisdiction over environmental  
6           reviews shall accord any such review involving a national  
7           capacity project the highest possible priority and conduct  
8           the review expeditiously. If the Secretary finds that any  
9           such department or agency is not complying with the re-  
10          quirements of this subsection, the Secretary shall notify  
11          the Senate Committee on Commerce, Science, and Trans-  
12          portation, and to the House of Representatives Committee  
13          on Transportation and Infrastructure immediately.

14          “(c) PROJECT COORDINATORS; EIS TEAMS.—

15                 “(1) DESIGNATION.—For each project des-  
16                 ignated by the Secretary as a national capacity  
17                 project under subsection (a) for which an environ-  
18                 mental impact statement or environmental assess-  
19                 ment must be filed, the Secretary shall—

20                         “(A) designate a project coordinator within  
21                         the Department of Transportation; and

22                         “(B) establish an environmental impact  
23                         team within the Department.

24                 “(2) FUNCTION.—The project coordinator and  
25                 the environmental impact team shall—

1           “(A) coordinate the activities of all Fed-  
2 eral, State, and local agencies involved in the  
3 project;

4           “(B) to the extent possible, working with  
5 Federal, State and local officials, reduce and  
6 eliminate duplicative and overlapping Federal,  
7 State, and local permit requirements;

8           “(C) to the extent possible, eliminate dupli-  
9 cate Federal, State, and local environmental re-  
10 view procedures; and

11           “(D) provide direction for compliance with  
12 all applicable Federal, State, and local environ-  
13 mental requirements for the project.

14 **“§47704. Compatible land use initiative for national**  
15 **capacity projects**

16           “(a) IN GENERAL.—The Secretary of Transportation  
17 may make grants under chapter 471 to States and units  
18 of local government for land use compatibility plans di-  
19 rectly related to national capacity projects for the pur-  
20 poses of making the use of land areas around the airport  
21 compatible with aircraft operations if the land use plan  
22 or project meets the requirements of this section.

23           “(b) CONDITIONS.—A land use plan or project meets  
24 the requirements of this section if it—

1           “(1) is sponsored by the public agency that has  
2           the authority to plan and adopt land use control  
3           measures, including zoning, in the planning area in  
4           and around the airport and that agency provides  
5           written assurances to the Secretary that it will work  
6           with the affected airport to identify and adopt such  
7           measures;

8           “(2) does not duplicate, and is not inconsistent  
9           with, an airport noise compatibility program pre-  
10          pared by an airport owner or operator under chapter  
11          475 or with other planning carried out by the air-  
12          port.

13          “(3) is subject to an agreement between the  
14          public agency sponsor and the airport owner or oper-  
15          ator that the development of the land use compat-  
16          ibility plan will be done cooperatively;

17          “(4) is consistent with the airport operation  
18          and planning, including the use of any noise expo-  
19          sure contours on which the land use compatibility  
20          planning or project is based; and

21          “(5) has been approved jointly by the airport  
22          owner or operator and the public agency sponsor.

23          “(c) ASSURANCES FROM SPONSORS.— The Secretary  
24          may require the airport sponsor, public agency, or other  
25          entity to which a grant may be awarded under this section

1 to provide such additional assurances, progress reports,  
2 and other information as the Secretary determines to be  
3 necessary to carry out this section.

4 **“§47705. Air traffic procedures at national capacity**  
5 **projects**

6 “(a) IN GENERAL.—The Secretary of Transportation  
7 may consider prescribing flight procedures to avoid or  
8 minimize potentially significant adverse noise impacts of  
9 the project during the environmental planning process for  
10 a national capacity project that involves the construction  
11 of new runways or the reconfiguration of existing runways.  
12 If the Secretary determines that noise mitigation flight  
13 procedures are consistent with safe and efficient use of  
14 the navigable airspace, then, at the request of the airport  
15 sponsor, the Administrator may, in a manner consistent  
16 with applicable Federal law, commit to prescribing such  
17 procedures in any record of decision approving the project.

18 “(b) MODIFICATION.—Notwithstanding any commit-  
19 ment by the Secretary under subsection (a), the Secretary  
20 may initiate changes to such procedures if necessary to  
21 maintain safety and efficiency in light of new information  
22 or changed circumstances.

1 **“§ 47706. Pilot program for environmental review at**  
2 **national capacity projects**

3 “(a) IN GENERAL.—The Secretary of Transportation  
4 shall initiate a 5-year pilot program funded by airport  
5 sponsors—

6 “(1) to hire additional fulltime-equivalent envi-  
7 ronmental specialists and attorneys, or

8 “(2) to obtain the services of such specialists  
9 and attorneys from outside the United States Gov-  
10 ernment, to assist in the provision of an appropriate  
11 nationwide level of staffing for planning and envi-  
12 ronmental review of runway development projects for  
13 national capacity projects at the Federal Aviation  
14 Administration.

15 “(b) ELIGIBLE PARTICIPANTS.—Participation in the  
16 pilot program shall be available, on a voluntary basis, to  
17 airports with an annual passenger enplanement of not less  
18 than 3 million passengers. The Secretary shall specify the  
19 minimum contribution necessary to qualify for participa-  
20 tion in the pilot program, which shall be not less than the  
21 amount necessary to compensate the Department of  
22 Transportation for the expense of a fulltime equivalent en-  
23 vironmental specialist and attorney qualified at the GS-  
24 14 equivalent level.

25 “(c) RETENTION OF REVENUES.—The salaries and  
26 expenses account of the Federal Aviation Administration

1 shall retain as an offsetting collection such sums as may  
2 be necessary from such proceeds for the costs of devel-  
3 oping and implementing the program required by sub-  
4 section (a). Such offsetting collections shall be available  
5 for obligation subject to the terms and conditions of the  
6 receiving appropriations account, and shall be deposited  
7 in such accounts on a quarterly basis. Such offsetting col-  
8 lections are authorized to remain available until expended  
9 for such purpose.

10 **“§ 47707. Definitions**

11 “In this chapter:

12 “(1) NATIONAL CAPACITY PROJECT.—The term  
13 ‘national capacity project’ means a project des-  
14 ignated by the Secretary under section 44702.

15 “(2) OTHER TERMS.—The definitions in section  
16 47102 apply to any terms used in this chapter that  
17 are defined in that section.”.

18 (b) ADDITIONAL STAFF AUTHORIZED.—The Sec-  
19 retary of Transportation is authorized to hire additional  
20 environmental specialists and attorneys needed to process  
21 environmental impact statements in connection with air-  
22 port construction projects and to serve as project coordi-  
23 nators and environmental impact team members under  
24 section 47703 of title 49, United States Code.

1 (c) CLERICAL AMENDMENT.—The analysis for sub-  
 2 title VII is amended by inserting after the item relating  
 3 to section 475 the following:

“477. National capacity projects .....47701”.

4 **SEC. 202. CATEGORICAL EXCLUSIONS.**

5 Not later than 30 days after the date of enactment  
 6 of this Act, the Secretary of Transportation shall report  
 7 to the Senate Committee on Commerce, Science, and  
 8 Transportation on the categorical exclusions currently rec-  
 9 ognized and provide a list of proposed additional categor-  
 10 ical exclusions from the requirement that an environ-  
 11 mental assessment or an environmental impact statement  
 12 be prepared under the National Environmental Policy Act  
 13 of 1969 (42 U.S.C. 4321 et seq.) for projects at airports.  
 14 In determining the list of additional proposed categorical  
 15 exclusions, the Secretary shall include such other projects  
 16 as the Secretary determines should be categorically ex-  
 17 cluded in order to ensure that Department of Transpor-  
 18 tation environmental staff resources are not diverted to  
 19 lower priority tasks and are available to expedite the envi-  
 20 ronmental reviews of airport capacity enhancement  
 21 projects at congested airports.

22 **SEC. 203. ALTERNATIVES ANALYSIS.**

23 (a) NOTICE REQUIREMENT.—Not later than 30 days  
 24 after the date on which the Secretary of Transportation  
 25 identifies an airport capacity enhancement project at a



1 congested airport under section 47171(c) of title 49,  
2 United States Code, the Secretary shall publish a notice  
3 in the Federal Register requesting comments on whether  
4 reasonable alternatives exist to the project.

5 (b) CERTAIN REASONABLE ALTERNATIVES DE-  
6 FINED.—For purposes of this section, an alternative shall  
7 be considered reasonable if—

8 (1) the alternative does not create an unreason-  
9 able burden on interstate commerce, the national  
10 aviation system, or the navigable airspace;

11 (2) the alternative is not inconsistent with  
12 maintaining the safe and efficient use of the navi-  
13 gable airspace;

14 (3) the alternative does not conflict with a law  
15 or regulation of the United States;

16 (4) the alternative would result in at least the  
17 same reduction in congestion at the airport or in the  
18 national aviation system as the proposed project;  
19 and

20 (5) in any case in which the alternative is a  
21 proposed construction project at an airport other  
22 than a congested airport, firm commitments to pro-  
23 vide such alternate airport capacity exists, and the  
24 Secretary determines that such alternate airport ca-  
25 pacity will be available no later than 4 years after

1 the date of the Secretary's determination under this  
2 section.

3 (c) COMMENT PERIOD.—The Secretary shall provide  
4 a period of 60 days for comments on a project identified  
5 by the Secretary under this section after the date of publi-  
6 cation of notice with respect to the project.

7 (d) DETERMINATION OF EXISTENCE OF REASON-  
8 ABLE ALTERNATIVES.—Not later than 90 days after the  
9 last day of a comment period established under subsection  
10 (c) for a project, the Secretary shall determine whether  
11 reasonable alternatives exist to the project. The deter-  
12 mination shall be binding on all persons, including Federal  
13 and State agencies, acting under or applying Federal laws  
14 when considering the availability of alternatives to the  
15 project.

16 (e) LIMITATION ON APPLICABILITY.—This section  
17 does not apply to—

18 (1) any alternatives analysis required under the  
19 National Environmental Policy Act of 1969 (42  
20 U.S.C. 4321 et. seq.); or

21 (2) a project at an airport if the airport sponsor  
22 requests, in writing, to the Secretary that this sec-  
23 tion not apply to the project.

1 **SEC. 204. INCREASE IN APPORTIONMENT FOR, AND FLEXI-**  
 2 **BILITY OF, NOISE COMPATIBILITY PLANNING**  
 3 **PROGRAMS.**

4 Section 47117(e)(1)(A) is amended—

5 (1) by striking the first sentence and inserting:  
 6 “At least 35 percent for grants for airport noise  
 7 compatibility planning under section 47505(a)(2) for  
 8 a national capacity project, for carrying out noise  
 9 compatibility programs under section 47504(c) of  
 10 this title, and for noise mitigation projects approved  
 11 in an environmental record of decision for an airport  
 12 development project designated as a national capac-  
 13 ity project under section 47702.”; and

14 (2) by striking “or not such 34 percent require-  
 15 ment” in the second sentence and inserting “the  
 16 funding level required by the preceding sentence”.

17 **SEC. 205. SECRETARY OF TRANSPORTATION TO IDENTIFY**  
 18 **AIRPORT CONGESTION-RELIEF PROJECTS**  
 19 **AND FORECAST AIRPORT OPERATIONS ANNU-**  
 20 **ALLY.**

21 (a) IDENTIFICATION OF PROJECTS.—

22 (1) IN GENERAL.—Within 90 days after the  
 23 date of enactment of this Act, the Secretary of  
 24 Transportation shall provide—

25 (A) a list of planned air traffic and air-  
 26 port-capacity projects at congested Airport Ca-

1           capacity Benchmark airports the completion of  
 2           which will substantially relieve congestion at  
 3           those airports; and

4                   (B) a list of options for expanding capacity  
 5           at the 8 airports on the list at which the most  
 6           severe delays are occurring, to the Senate Com-  
 7           mittee on Commerce, Science, and Transpor-  
 8           tation, and to the House of Representatives  
 9           Committee on Transportation and Infrastruc-  
 10          ture. The Secretary shall provide updated lists  
 11          to those Committees 2 years after the date of  
 12          enactment of this Act.

13           (2) DELISTING OF PROJECTS.—The Secretary  
 14          shall remove a project from the list provided to the  
 15          Committees under paragraph (1) upon the request,  
 16          in writing, of an airport operator if the operator  
 17          states in the request that construction of the project  
 18          will not be completed within 10 years from the date  
 19          of the request.

20 **SEC. 206. DESIGN-BUILD CONTRACTING.**

21           (a) IN GENERAL.—Subchapter I of chapter 471 is  
 22          amended by adding at the end the following:

23 **“§ 47138. Design-build contracting**

24           “(a) IN GENERAL.—The Administrator may approve  
 25          an application of an airport sponsor under this section to

1 authorize the airport sponsor to award a design-build con-  
2 tract using a selection process permitted under applicable  
3 State or local law if—

4 “(1) the Administrator approves the application  
5 using criteria established by the Administrator;

6 “(2) the design-build contract is in a form that  
7 is approved by the Administrator;

8 “(3) the Administrator is satisfied that the con-  
9 tract will be executed pursuant to competitive proce-  
10 dures and contains a schematic design adequate for  
11 the Administrator to approve the grant;

12 “(4) use of a design-build contract will be cost  
13 effective and expedite the project;

14 “(5) the Administrator is satisfied that there  
15 will be no conflict of interest; and

16 “(6) the Administrator is satisfied that the se-  
17 lection process will be as open, fair, and objective as  
18 the competitive bid system and that at least three or  
19 more bids will be submitted for each project under  
20 the selection process.

21 “(b) REIMBURSEMENT OF COSTS.—The Adminis-  
22 trator may reimburse an airport sponsor for design and  
23 construction costs incurred before a grant is made pursu-  
24 ant to this section if the project is approved by the Admin-  
25 istrator in advance and is carried out in accordance with

1 all administrative and statutory requirements that would  
 2 have been applicable under this chapter 471, if the project  
 3 were carried out after a grant agreement had been exe-  
 4 cuted.

5 “(c) DESIGN-BUILD CONTRACT DEFINED.—In this  
 6 section, the term ‘design-build contract’ means an agree-  
 7 ment that provides for both design and construction of a  
 8 project by a contractor.”.

9 (b) CONFORMING AMENDMENT.—The chapter anal-  
 10 ysis for chapter 471 is amended by inserting after the item  
 11 relating to section 47137 the following:

“47138. Design-build contracting.”.

12 **SEC. 207. SPECIAL RULE FOR AIRPORT IN ILLINOIS.**

13 (a) IN GENERAL.—Nothing in this title shall be con-  
 14 strued to preclude the application of any provision of this  
 15 Act to the State of Illinois or any other sponsor of a new  
 16 airport proposed to be constructed in the State of Illinois.

17 (b) AUTHORITY OF THE GOVERNOR.—Nothing in  
 18 this title shall be construed to preempt the authority of  
 19 the Governor of the State of Illinois as of August 1, 2001,  
 20 to approve or disapprove airport development projects.

21 **SEC. 208. ELIMINATION OF DUPLICATIVE REQUIREMENTS.**

22 (a) IN GENERAL.—Section 47106(c)(1) is amend-  
 23 ed—

24 (1) by inserting “and” after “project;” in sub-  
 25 paragraph (A)(ii);

1 (2) by striking subparagraph (B); and

2 (3) by redesignating subparagraph (C) as sub-  
3 paragraph (B).

4 (b) CONFORMING AMENDMENTS.—Section 47106(c)  
5 of such title is amended—

6 (1) by striking paragraph (4);

7 (2) by redesignating paragraph (5) as para-  
8 graph (4); and

9 (3) by striking “(1)(C)” in paragraph (4), as  
10 redesignated, and inserting “(1)(B)”.

11 **SEC. 209. STREAMLINING THE PASSENGER FACILITY FEE**  
12 **PROGRAM.**

13 Section 40117 is amended—

14 (1) by striking from “finds—” in paragraph (4)  
15 of subsection (b) through the end of that paragraph  
16 and inserting “finds that the project cannot be paid  
17 for from funds reasonably expected to be available  
18 for the programs referred to in section 48103.”;

19 (2) by adding at the end of subsection (c)(2)  
20 the following:

21 “(E) The agency will include in its applica-  
22 tion or notice submitted under subsection (1)  
23 copies of all certifications of agreement or dis-  
24 agreement received under subparagraph (D).

1           “(F) For the purpose of this section, an el-  
2           igible agency providing notice and consultation  
3           to an air carrier and foreign air carrier is  
4           deemed to have satisfied this requirement if it  
5           limits such notices and consultations to air car-  
6           riers and foreign air carriers that have a signifi-  
7           cant business interest on the airport. In devel-  
8           oping regulations to implement this provision,  
9           the Secretary shall consider a significant busi-  
10          ness interest to be defined as an air carrier or  
11          foreign air carrier that has no less than 1.0  
12          percent of boardings at the airport in the prior  
13          calendar year, except that no air carrier or for-  
14          eign air carrier may be considered excluded  
15          under this section if it has at least 25,000  
16          boardings at the airport in the prior calendar  
17          year, or if it operates scheduled service, without  
18          regard to such percentage requirements.”;

19          (3) by redesignating paragraph (3) of sub-  
20          section (c) as paragraph (4) and inserting after  
21          paragraph (2) the following:

22                 “(3) Before submitting an application, the eligi-  
23                 ble agency must provide reasonable notice and an  
24                 opportunity for public comment. The Secretary shall



1 prescribe regulations that define reasonable notice  
2 and provide for at least—

3 “(A) a requirement that the eligible agency  
4 provide public notice of intent to collect a pas-  
5 senger facility fee so as to inform those inter-  
6 ested persons and agencies who may be af-  
7 fected, including—

8 “(i) publication in local newspapers of  
9 general circulation;

10 “(ii) publication in other local media;

11 and

12 “(iii) posting the notice on the agen-  
13 cy’s website;

14 “(B) a requirement for submission of pub-  
15 lic comments no sooner than 30 days after pub-  
16 lishing of the notice and not later than 45 days  
17 after publication; and

18 “(C) a requirement that the agency include  
19 in its application or notice submitted under  
20 paragraph (1) copies of all comments received  
21 under subparagraph (B).”;

22 (4) by striking “shall” in the first sentence of  
23 paragraph (4), as redesignated, of subsection (c) and  
24 inserting “may”; and

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

1       “(1) PILOT PROGRAM FOR PASSENGER FACILITY FEE  
2 AUTHORIZATIONS AT SMALL AIRPORTS.—

3           “(1) There is established a pilot program for  
4 the Secretary to test alternative procedures for au-  
5 thorizing small airports to impose passenger facility  
6 fees. An eligible agency may impose a passenger fa-  
7 cility fee at a non-hub airport (as defined in section  
8 47102 of this title) that it controls for use on eligi-  
9 ble airport-related projects at that airport, in accord-  
10 ance with the provisions of this subsection. These  
11 procedures shall be in lieu of the procedures other-  
12 wise specified in this section.

13           “(2) The eligible agency must provide reason-  
14 able notice and an opportunity for consultation to  
15 air carriers and foreign air carriers in accordance  
16 with subsection (c)(2), and must provide reasonable  
17 notice and opportunity for public comment in ac-  
18 cordance with subsection (c)(3).

19           “(3) The eligible agency must submit to the  
20 Secretary a notice of intention to impose a passenger  
21 facility fee, which notice shall include—

22           “(A) information that the Secretary may  
23 require by regulation on each project for which  
24 authority to impose a passenger facility charge  
25 is sought;

1           “(B) the amount of revenue from pas-  
2           senger facility charges that is proposed to be  
3           collected for each project; and

4           “(C) the level of the passenger facility  
5           charge that is proposed.

6           “(4) The Secretary shall acknowledge receipt of  
7           the notice and indicate any objection to the imposi-  
8           tion of a passenger facility fee for any project identi-  
9           fied in the notice within 30 days after receipt of the  
10          eligible agency’s notice.

11          “(5) Unless the Secretary objects within 30  
12          days after receipt of the eligible agency’s notice, the  
13          eligible agency is authorized to impose a passenger  
14          facility fee in accordance with the terms of its no-  
15          tice.

16          “(6) Not later than 180 days after the date of  
17          enactment of this subsection, the Secretary shall  
18          propose such regulations as may be necessary to  
19          carry out this subsection.

20          “(7) The authority granted under this sub-  
21          section shall expire three years after the issuance of  
22          the regulation required by paragraph (6).

23          “(8) An acknowledgement issued under para-  
24          graph (4) shall not be considered an order of the  
25          Secretary issued under section 46110 of this title.”.

1 **SEC. 210. QUARTERLY STATUS REPORTS.**

2 Beginning with the second calendar quarter ending  
3 after the date of enactment of this Act, the Secretary of  
4 Transportation shall provide quarterly status reports to  
5 the Senate Committee on Commerce, Science, and Trans-  
6 portation and the House of Representatives Committee on  
7 Transportation and Infrastructure on the status of con-  
8 struction of each major runway project undertaken at the  
9 largest 40 commercial airports in terms of annual  
10 enplanements.

11 **SEC. 211. NOISE DISCLOSURE REQUIREMENTS.**

12 (a) DEFINITIONS.—Section 47501 is amended by  
13 adding at the end—

14 “(3) ‘Federal agency’ means any department,  
15 agency, corporation, or other establishment or in-  
16 strumentality of the executive branch of the Federal  
17 Government, and includes the Federal National  
18 Mortgage Association and the Federal Home Loan  
19 Mortgage Corporation.

20 “(4) ‘Federal entity for lending regulation’  
21 means the Board of Governors of the Federal Re-  
22 serve System, the Federal Deposit Insurance Cor-  
23 poration, the Comptroller of the Currency, the Office  
24 of Thrift Supervision, the National Credit Union Ad-  
25 ministration, and the Farm Credit Administration,  
26 and with respect to a particular regulated lending

1 institution means the entity primarily responsible for  
2 the supervision of the institution.

3 “(5) ‘Federal agency lender’ means a Federal  
4 agency that makes direct loans secured by improved  
5 real estate or a mobile home, to the extent such  
6 agency acts in such capacity.

7 “(6) ‘residential real estate’ means real estate  
8 upon which a residential dwelling is located.

9 “(7) ‘noise exposure map’ means a noise expo-  
10 sure map that complies with section 47503 of this  
11 title and part 150 of title 14, Code of Federal Regu-  
12 lations.

13 “(8) ‘regulated lending institution’ means any  
14 bank, savings and loan association, credit union,  
15 farm credit bank, Federal land bank association,  
16 production credit association, or similar institution  
17 subject to the supervision of a Federal entity for  
18 lending regulation.”.

19 (b) NOISE EXPOSURE MAPS.—Section 47503(b) is  
20 amended to read as follows:

21 “(b) REVISED MAPS.—If, in an area surrounding an  
22 airport, a change in the operation of the airport would  
23 establish a substantial new noncompatible use, or would  
24 significantly reduce noise over existing noncompatible  
25 uses, beyond the forecast year, the airport operator shall

1 submit a revised noise exposure map to the Secretary  
2 showing the new noncompatible use or noise reduction.”.

3 (c) NOTIFICATION OF NOISE EXPOSURE.—Chapter  
4 457 is amended by adding at the end the following:

5 **“§47511. Notification of noise exposure**

6 “(a) NOISE EXPOSURE MAP.—An airport operator  
7 shall make available to lending institutions, upon request,  
8 the most recent noise exposure map submitted under sec-  
9 tion 47503 of this title.

10 “(b) LIST OF AIRPORTS.—The Secretary shall main-  
11 tain a list of airports for which the airport operators have  
12 submitted a noise exposure map under section 47503 of  
13 this title.

14 “(c) REGULATED LENDING INSTITUTIONS.—Each  
15 Federal entity for lending regulation (after consultation  
16 and coordination with the Federal Financial Institutions  
17 Examination Council) shall direct by regulation that a reg-  
18 ulated lending institution may not make, increase, extend  
19 or renew any loan secured by residential real estate or a  
20 mobile home that is located or to be located in the vicinity  
21 of an airport on the Secretary’s list described in subsection  
22 (b), unless the loan applicant’s purchase agreement for the  
23 residential real estate or mobile home provides notice to  
24 the purchaser (or satisfactory assurances are provided  
25 that the seller has provided written notice to the purchaser

1 prior to the purchaser's signing of the purchase agree-  
2 ment) that the property is within the area of the noise  
3 contours on a noise exposure map submitted under section  
4 47503 of this chapter. The notice to the purchaser shall  
5 be acknowledged by the purchaser's signing of the pur-  
6 chase agreement or other notification document and the  
7 regulated lending institution shall retain a record of the  
8 receipt of the notice by the purchaser.

9       “(d) FEDERAL AGENCY LENDERS.—Each Federal  
10 agency lender shall by regulation require notification in  
11 the manner provided in subsection (c) with respect to any  
12 loan that is made by the Federal agency lender and se-  
13 cured by residential real estate or a mobile home located  
14 or to be located in the vicinity of an airport on the Sec-  
15 retary's list described in subsection (b).

16       “(e) CONTENTS OF NOTICE.—The notice required  
17 under this section shall disclose—

18               “(1) that the property is located within the  
19 noise contours depicted on the most recent noise ex-  
20 posure map submitted by the airport operator ac-  
21 cording to section 47503 of this chapter, and is sub-  
22 ject to aircraft noise exposure; and

23               “(2) the name and telephone number of the air-  
24 port where the purchaser may obtain more informa-  
25 tion on the aircraft noise exposure.”.

1 **SEC. 212. PROHIBITION ON REQUIRING AIRPORTS TO PRO-**  
2 **VIDE RENT-FREE SPACE FOR FAA OR TSA.**

3 (a) IN GENERAL.—Chapter 401 is amended by add-  
4 ing at the end the following:

5 **“§ 40129. Prohibition on rent-free space require-**  
6 **ments for FAA or TSA**

7 “(a) IN GENERAL.—Neither the Secretary of Trans-  
8 portation nor the Secretary of Homeland Security may re-  
9 quire airport sponsors to provide building construction,  
10 maintenance, utilities and expenses, or space in airport  
11 sponsor-owned buildings to the Federal Aviation Adminis-  
12 tration or the Transportation Security Administration  
13 without cost for services relating to air traffic control, air  
14 navigation, aviation security, or weather reporting.

15 “(b) NEGOTIATED AGREEMENTS.—Subsection (a)  
16 does not prohibit—

17 “(1) the negotiation of agreements between ei-  
18 ther Secretary and an airport sponsor to provide  
19 building construction, maintenance, utilities and ex-  
20 penses, or space in airport sponsor-owned buildings  
21 to the Federal Aviation Administration or the  
22 Transportation Security Administration without cost  
23 or at below-market rates; or

24 “(2) either Secretary from requiring airport  
25 sponsors to provide land without cost to the Federal  
26 Aviation Administration for air traffic control facili-



1 ties or space without cost to the Transportation Se-  
 2 curity Administration for necessary security check-  
 3 points.”.

4 (b) CONFORMING AMENDMENT.—The chapter anal-  
 5 ysis for chapter 401 is amended by adding at the end the  
 6 following:

“40129. Prohibition on rent-free space requirements for FAA or TSA.”.

7 **SEC. 213. SPECIAL RULES FOR FISCAL YEAR 2004.**

8 (a) APPORTIONMENT TO CERTAIN AIRPORTS WITH  
 9 DECLINING BOARDINGS.—

10 (1) IN GENERAL.—For fiscal year 2004, the  
 11 Secretary of Transportation may apportion funds  
 12 under section 47114 of title 49, United States Code,  
 13 to the sponsor of an airport described in paragraph  
 14 (2) in an amount equal to the amount apportioned  
 15 to that airport under that section for fiscal year  
 16 2002, notwithstanding any provision of section  
 17 47114 to the contrary.

18 (2) AIRPORTS TO WHICH PARAGRAPH (1) AP-  
 19 PLIES.—Paragraph (1) applies to any airport deter-  
 20 mined by the Secretary to have had—

21 (A) less than one-half of 1 percent of the  
 22 total United States passenger boardings (as de-  
 23 fined in section 47102(10) of title 49, United  
 24 States Code) for the calendar year used for de-

1           termining apportionments under section 47114  
2           for fiscal year 2004;

3                   (B) less than 10,000 passenger boardings  
4           in calendar year 2002; and

5                   (C) 10,000 or more passenger boardings in  
6           calendar year 2000.

7           (b) TEMPORARY INCREASE IN GOVERNMENT SHARE  
8 OF AIP PROJECT COSTS AT CERTAIN AIRPORTS.—Not-  
9 withstanding section 47109(a)(3) of title 49, United  
10 States Code, the Government’s share of allowable project  
11 costs for a grant made in fiscal year 2004 under chapter  
12 471 of that title to an airport described in that section  
13 shall be 95 percent.

14           **TITLE III—AIRLINE SERVICE**  
15                   **DEVELOPMENT**

16           **SEC. 301. DELAY REDUCTION MEETINGS.**

17           (a) IN GENERAL.—Subchapter I of chapter 417 is  
18 amended by adding at the end the following new section:

19           **“§41723. Delay reduction actions**

20                   “(a) DELAY REDUCTION MEETINGS.—

21                           “(1) SCHEDULING REDUCTION MEETINGS.—

22           The Secretary of Transportation may request that  
23           air carriers meet with the Administrator of the Fed-  
24           eral Aviation Administration to discuss flight reduc-  
25           tions at severely congested airports to reduce over-

1 scheduling and flight delays during hours of peak  
2 operation if—

3 “(A) the Administrator of the Federal  
4 Aviation Administration determines that it is  
5 necessary to convene such a meeting; and

6 “(B) the Secretary determines that the  
7 meeting is necessary to meet a serious transpor-  
8 tation need or achieve an important public ben-  
9 efit.

10 “(2) MEETING CONDITIONS.—Any meeting  
11 under paragraph (1)—

12 “(A) shall be chaired by the Administrator;

13 “(B) shall be open to all scheduled air car-  
14 riers; and

15 “(C) shall be limited to discussions involv-  
16 ing the airports and time periods described in  
17 the Administrator’s determination.

18 “(3) FLIGHT REDUCTION TARGETS.—Before  
19 any such meeting is held, the Administrator shall es-  
20 tablish flight reduction targets for the meeting and  
21 notify the attending air carriers of those targets not  
22 less than 48 hours before the meeting.

23 “(4) DELAY REDUCTION OFFERS.—An air car-  
24 rier attending the meeting shall make any delay re-

1       duction offer to the Administrator rather than to an-  
2       other carrier.

3           “(5) TRANSCRIPT.—The Administrator shall  
4       ensure that a transcript of the meeting is kept and  
5       made available to the public not later than 3 busi-  
6       ness days after the conclusion of the meeting.

7           “(b) STORMY WEATHER AGREEMENTS LIMITED EX-  
8       EMPTION.—

9           “(1) IN GENERAL.—The Secretary may estab-  
10      lish a program to authorize by order discussions and  
11      agreements between 2 or more air carriers for the  
12      purpose of reducing flight delays during periods of  
13      inclement weather.

14          “(2) REQUIREMENTS.—An authorization issued  
15      under paragraph (1)—

16           “(A) may only be issued by the Secretary  
17      after a determination by the Federal Aviation  
18      Administration that inclement weather is likely  
19      to adversely and directly affect capacity at an  
20      airport for a period of at least 3 hours;

21           “(B) shall apply only to discussions and  
22      agreements concerning flights directly affected  
23      by the inclement weather; and

24           “(C) shall remain in effect for a period of  
25      24 hours.

1           “(3) PROCEDURE.—The Secretary shall estab-  
2           lish procedures within 30 days after such date of en-  
3           actment for—

4                   “(A) filing requests for an authorization  
5                   under paragraph (1);

6                   “(B) participation under paragraph (5) by  
7                   representatives of the Department of Transpor-  
8                   tation in any meetings or discussions held pur-  
9                   suant to such an order; and

10                   “(C) the determination by the Federal  
11                   Aviation Administration about the impact of in-  
12                   element weather.

13           “(4) COPY OF PARTICIPATION REQUEST FILED  
14           WITH SECRETARY.—Before an air carrier may re-  
15           quest an order under paragraph (1), it shall file a  
16           request with the Secretary, in such form and man-  
17           ner as the Secretary may prescribe, to participate in  
18           the program established under paragraph (1).

19           “(5) DOT PARTICIPATION.—The Secretary  
20           shall ensure that the Department is represented at  
21           any meetings authorized under this subsection.

22           “(c) EXEMPTION AUTHORIZED.—When the Secretary  
23           finds that it is required by the public interest, the Sec-  
24           retary, as part of an order issued under subsection (b)(1),  
25           shall exempt a person affected by the order from the anti-

1 trust laws to the extent necessary to allow the person to  
 2 proceed with the activities approved in the order.

3 “(d) ANTITRUST LAWS DEFINED.—In this section,  
 4 the term ‘antitrust laws’ has the meaning given that term  
 5 in the first section of the Clayton Act (15 U.S.C. 12).

6 “(e) SUNSET.—The authority of the Secretary to  
 7 issue an order under subsection (b)(1) of this section ex-  
 8 pires at the end of the 2-year period that begins 45 days  
 9 after the date of enactment of the Aviation Investment  
 10 and Revitalization Vision Act. The Secretary may extend  
 11 the 2-year Period for an additional 2 years if the Secretary  
 12 determines that such an extension is necessary and in the  
 13 public interest. The Secretary shall notify the Senate Com-  
 14 mittee on Commerce, Science, and Transportation, and to  
 15 the House of Representatives Committee on Transpor-  
 16 tation and Infrastructure of any such extension.”.

17 (b) CONFORMING AMENDMENT.—The chapter anal-  
 18 ysis for chapter 417 is amended by inserting after the item  
 19 relating to section 41722 the following new item:

“41723. Delay reduction actions.”.

20 **SEC. 302. REAUTHORIZATION OF ESSENTIAL AIR SERVICE**  
 21 **PROGRAM.**

22 There are authorized to be appropriated to the Sec-  
 23 retary of Transportation to carry out the essential air  
 24 service program under subchapter II of chapter 417 of

1 title 49, United States Code, \$113,000,000 for each of  
 2 the fiscal years 2004, 2005, and 2006.

3 **SEC. 303. SMALL COMMUNITY AIR SERVICE DEVELOPMENT**  
 4 **PILOT PROGRAM.**

5 (a) 3-YEAR EXTENSION.—Section 41743(e)(2) of  
 6 title 49, United States Code, is amended—

7 (1) by striking “There is” and inserting “There  
 8 are”;

9 (2) by striking “2001 and” and inserting  
 10 “2001,”; and

11 (3) by striking “2003” and inserting “2003,  
 12 and \$27,500,000 for the 3 fiscal year period begin-  
 13 ning with fiscal year 2004.”.

14 (b) ADDITIONAL COMMUNITIES.—Section  
 15 41743(c)(4) of such title is amended by striking “pro-  
 16 gram.” and inserting “program each year. No community,  
 17 consortia of communities, or combination thereof may par-  
 18 ticipate in the program twice.”.

19 **SEC. 304. DOT STUDY OF COMPETITION AND ACCESS PROB-**  
 20 **LEMS AT LARGE AND MEDIUM HUB AIR-**  
 21 **PORTS.**

22 (a) IN GENERAL.—The Secretary of Transportation  
 23 shall study competition and airline access problems at hub  
 24 airports (as defined in section 41731(a)(3)) of title 49,  
 25 United States Code, and medium hub airports (as defined

1 in section 41714(h)(9) of that title). In the study, the Sec-  
 2 retary shall examine, among other matters—

3 (1) gate usage and availability; and

4 (2) the effects of the pricing of gates and other  
 5 facilities on competition and access.

6 (b) REPORT.—The Secretary shall transmit a report  
 7 of the Secretary’s findings and conclusions together with  
 8 any recommendations, including legislative recommenda-  
 9 tions, the Secretary may have for improving competition  
 10 and airline access at such airports to the Senate Com-  
 11 mittee on Commerce, Science, and Transportation and the  
 12 House of Representatives Committee on Transportation  
 13 and Infrastructure within 6 months after the date of en-  
 14 actment of this Act.

15 **SEC. 305. COMPETITION DISCLOSURE REQUIREMENT FOR**  
 16 **LARGE AND MEDIUM HUB AIRPORTS.**

17 Section 47107 is amended by adding at the end the  
 18 following:

19 “(q) COMPETITION DISCLOSURE REQUIREMENT.—

20 “(1) IN GENERAL.—The Secretary of Transpor-  
 21 tation may approve an application under this sub-  
 22 chapter for an airport development project grant for  
 23 a hub airport or a medium hub airport only if the  
 24 Secretary receives assurances that the airport spon-  
 25 sor will provide the information required by para-



1 graph (2) at such time and in such form as the Sec-  
2 retary may require.

3 “(2) COMPETITIVE ACCESS.—If an airport de-  
4 nies an application by an air carrier to receive access  
5 to gates or other facilities at that airport in order  
6 to provide service to the airport or to expand service  
7 at the airport, then, within 30 days after denying  
8 the request, the airport sponsor shall—

9 “(A) notify the Secretary of the denial;  
10 and

11 “(B) transmit a report to the Secretary  
12 that—

13 “(i) describes the request;

14 “(ii) explains the reasons for the de-  
15 nial; and

16 “(iii) provides a time frame within  
17 which, if any, the airport will be able to ac-  
18 commodate the request.

19 “(3) DEFINITIONS.—In this subsection:

20 “(A) HUB AIRPORT.—The term ‘hub air-  
21 port’ has the meaning given that term by sec-  
22 tion 41731(a)(3).

23 “(B) MEDIUM HUB AIRPORT.—The term  
24 ‘medium hub airport’ has the meaning given  
25 that term by section 41714(h)(9).”.

1     **TITLE IV—AVIATION SECURITY**

2     **SEC. 401. STUDY OF EFFECTIVENESS OF TRANSPORTATION**  
3                     **SECURITY SYSTEM.**

4             (a) IN GENERAL.—The Secretary of Homeland Security shall study the effectiveness of the aviation security system, including the air marshal program, hardening of cockpit doors, and security screening of passengers, checked baggage, and cargo.

9             (b) REPORT.—The Secretary shall transmit a report of the Secretary’s findings and conclusions together with any recommendations, including legislative recommendations, the Secretary may have for improving the effectiveness of aviation security to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure within 6 months after the date of enactment of this Act. In the report the Secretary shall also describe any redeployment of Transportation Security Administration resources based on those findings and conclusions. The Secretary may submit the report to the Committees in classified and redacted form.

22     **SEC. 402. AVIATION SECURITY CAPITAL FUND.**

23             (a) IN GENERAL.—There is established within the Department of Transportation a fund to be known as the Aviation Security Capital Fund. There are appropriated

1 to the Fund \$500,000,000 for each of the fiscal years  
2 2004 through 2007, such amounts to be derived from fees  
3 received under section 44940 of title 49, United States  
4 Code. Amounts in the fund shall be allocated in such a  
5 manner that—

6 (1) 40 percent shall be made available for hub  
7 airports;

8 (2) 20 percent shall be made available for me-  
9 dium hub airports;

10 (3) 15 percent shall be made available for small  
11 hub airports and non-hub airports; and

12 (4) 25 percent may be distributed at the Sec-  
13 retary's discretion.

14 (b) PURPOSE.—Amounts in the Fund shall be avail-  
15 able to the Secretary of Transportation, after consultation  
16 with the Under Secretary of Homeland Security for Bor-  
17 der and Transportation Security to provide financial as-  
18 sistance to airport sponsors to defray capital investment  
19 in transportation security at airport facilities in accord-  
20 ance with the provisions of this section. The program shall  
21 be administered in concert with the airport improvement  
22 program under chapter 417 of title 49, United States  
23 Code.

24 (c) APPORTIONMENT.—Amounts made available  
25 under subsection (a)(1), (a)(2), or (a)(3) shall be appor-

1 tioned among the airports in each category in accordance  
2 with a formula based on the ratio that passenger  
3 emplanements at each airport in the category bears to the  
4 total passenger emplanements at all airports in that cat-  
5 egory.

6 (d) MATCHING REQUIREMENTS.—

7 (1) IN GENERAL.—Not less than the following  
8 percentage of the costs of any project funded under  
9 this section shall be derived from non-Federal  
10 sources:

11 (A) For hub airports and medium hub air-  
12 ports, 25 percent.

13 (B) For airports other than hub airports  
14 and medium hub airports, 10 percent.

15 (2) USE OF BOND PROCEEDS.—In determining  
16 the amount of non-Federal sources of funds, the  
17 proceeds of State and local bond issues shall not be  
18 considered to be derived, directly or indirectly, from  
19 Federal sources without regard to the Federal in-  
20 come tax treatment of interest and principal of such  
21 bonds.

22 (e) LETTERS OF INTENT.—The Secretary of Trans-  
23 portation, or his delegate, may execute letters of intent  
24 to commit funding to airport sponsors from the Fund.

1 (f) CONFORMING AMENDMENT.—Section  
2 44940(a)(1) of title 49, United States Code, is amended  
3 by adding at the end the following:

4 “(H) The costs of security-related capital  
5 improvements at airports.”.

6 (g) DEFINITIONS.—Any term used in this section  
7 that is defined or used in chapter 417 of title 49 United  
8 States Code has the meaning given that term in that chap-  
9 ter.

10 **SEC. 403. TECHNICAL AMENDMENTS RELATED TO SECUR-**  
11 **RITY-RELATED AIRPORT DEVELOPMENT.**

12 (a) DEFINITION OF AIRPORT DEVELOPMENT.—Sec-  
13 tion 47102(3)(B) is amended—

14 (1) by inserting “and” after the semicolon in  
15 clause (viii);

16 (2) by striking “circular; and” in clause (ix)  
17 and inserting “circular.”; and

18 (3) by striking clause (x).

19 (b) IMPROVEMENT OF FACILITIES AND EQUIP-  
20 MENT.—Section 301(a) of the Federal Aviation Reauthor-  
21 ization Act of 1996 (49 U.S.C. 44901 note) is amended  
22 by striking “travel.” and inserting “travel if the improve-  
23 ments or equipment will be owned and operated by the  
24 airport.”.

1           **TITLE V—MISCELLANEOUS**

2   **SEC. 501. EXTENSION OF WAR RISK INSURANCE AUTHOR-**  
3                           **ITY.**

4           (a) EXTENSION OF POLICIES.—Section 44302(f)(1)  
5 is amended by striking “2003,” each place it appears and  
6 inserting “2006,”.

7           (b) EXTENSION OF LIABILITY LIMITATION.—Section  
8 44303(b) is amended by striking “2003,” and inserting  
9 “2006,”.

10          (c) EXTENSION OF AUTHORITY.—Section 44310 is  
11 amended by striking “2003.” and inserting “2006.”.

12   **SEC. 502. COST-SHARING OF AIR TRAFFIC MODERNIZATION**  
13                           **PROJECTS.**

14          (a) IN GENERAL.—Chapter 445 is amended by add-  
15 ing at the end the following:

16   **“§ 44517. Program to permit cost-sharing of air traf-**  
17                           **fic modernization projects**

18          “(a) IN GENERAL.—Subject to the requirements of  
19 this section, the Secretary may carry out a program under  
20 which the Secretary may make grants to project sponsors  
21 for not more than 10 eligible projects per fiscal year for  
22 the purpose of improving aviation safety and enhancing  
23 mobility of the Nation’s air transportation system by en-  
24 couraging non-Federal investment in critical air traffic  
25 control facilities and equipment.

1       “(b) FEDERAL SHARE.—The Federal share of the  
2 cost of an eligible project carried out under the program  
3 shall not exceed 33 percent. The non-Federal share of the  
4 cost of an eligible project shall be provided from non-Fed-  
5 eral sources, including revenues collected pursuant to sec-  
6 tion 40117 of this title.

7       “(c) LIMITATION ON GRANT AMOUNTS.—No eligible  
8 project may receive more than \$5,000,000 in Federal  
9 funds under the program.

10       “(d) FUNDING.—The Secretary shall use amounts  
11 appropriated under section 48101(a) of this title to carry  
12 out this program.

13       “(e) DEFINITIONS.—In this section:

14               “(1) ELIGIBLE PROJECT.—The term ‘eligible  
15 project’ means a project relating to the Nation’s air  
16 traffic control system that is certified or approved by  
17 the Administrator and that promotes safety, effi-  
18 ciency, or mobility. Such projects may include—

19                       “(A) airport-specific air traffic facilities  
20 and equipment, including local area augmenta-  
21 tion systems, instrument landing systems,  
22 weather and wind shear detection equipment,  
23 lighting improvements, and control towers;

24                       “(B) automation tools to effect improve-  
25 ments in airport capacity, including passive

1 final approach spacing tools and traffic man-  
2 agement advisory equipment; and

3 “(C) facilities and equipment that enhance  
4 airspace control procedures, including consolida-  
5 tion of terminal radar control facilities and  
6 equipment, or assist in en route surveillance, in-  
7 cluding oceanic and offshore flight tracking.

8 “(2) PROJECT SPONSOR.—The term ‘project  
9 sponsor’ means any major user of the National Air-  
10 space System, as determined by the Secretary, in-  
11 cluding a public-use airport or a joint venture be-  
12 tween a public-use airport and one or more air car-  
13 riers.

14 “(f) TRANSFERS OF EQUIPMENT.—Notwithstanding  
15 any other provision of law, and upon agreement by the  
16 Administrator of the Federal Aviation Administration,  
17 project sponsors may transfer, without consideration, to  
18 the Federal Aviation Administration, facilities, equipment,  
19 or automation tools, the purchase of which was assisted  
20 by a grant made under this section, if such facilities,  
21 equipment or tools meet Federal Aviation Administration  
22 operation and maintenance criteria.

23 “(g) GUIDELINES.—The Administrator shall issue  
24 advisory guidelines on the implementation of the program,



1 which shall not be subject to administrative rulemaking  
 2 requirements under subchapter II of chapter 5 of title 5.”.

3 (b) CONFORMING AMENDMENT.—The chapter anal-  
 4 yses for chapter 445 is amended by adding at the end the  
 5 following:

“44517. Program to permit cost-sharing of air traffic modernization  
 projects.”.

6 **SEC. 503. COUNTERFEIT OR FRAUDULENTLY REP-**  
 7 **RESENTED PARTS VIOLATIONS.**

8 Section 44726(a)(1) is amended —

9 (1) by striking “or” after the semicolon in sub-  
 10 paragraph (A);

11 (2) by redesignating subparagraph (B) as sub-  
 12 paragraph (D);

13 (3) by inserting after subparagraph (A) the fol-  
 14 lowing:

15 “(B) who knowingly, and with intent to de-  
 16 fraud, carried out or facilitated an activity pun-  
 17 ishable under a law described in subparagraph  
 18 (A);

19 “(C) whose certificate is revoked under  
 20 subsection (b) of this section; or”; and

21 (4) by striking “convicted of such a violation.”  
 22 in subparagraph (D), as redesignated, and inserting  
 23 “described in subparagraph (A), (B) or (C).”.

1 **SEC. 504. CLARIFICATIONS TO PROCUREMENT AUTHORITY.**

2 (a) UPDATE AND CLARIFICATION OF AUTHORITY.—

3 (1) Section 40110(c) is amended to read as fol-  
4 lows:

5 “(c) DUTIES AND POWERS.—When carrying out sub-  
6 section (a) of this section, the Administrator of the Fed-  
7 eral Aviation Administration may—

8 “(1) notwithstanding section 1341(a)(1) of title  
9 31, lease an interest in property for not more than  
10 20 years;

11 “(2) consider the reasonable probable future  
12 use of the underlying land in making an award for  
13 a condemnation of an interest in airspace; and

14 “(3) dispose of property under subsection (a)(2)  
15 of this section, except for airport and airway prop-  
16 erty and technical equipment used for the special  
17 purposes of the Administration, only under sections  
18 121, 123, and 126 and chapter 5 of title 40.”.

19 (2) Section 40110(d)(1) is amended by striking  
20 “implement, not later than January 1, 1996,” and  
21 inserting “implement”.

22 (b) CLARIFICATION.—Section 106(f)(2)(A)(ii) is  
23 amended by striking “property” and inserting “property,  
24 services,”.

○