

## LEGISLATIVE REPORT

### CONGRESS APPROVES FAA REAUTHORIZATION BILL

February 3, 2012

#### *What's at Issue*

The U.S. House of Representatives voted on final passage of H.R. 658, the FAA Modernization and Reform Act of 2012, to reauthorize the Federal Aviation Administration (FAA) and related programs.

#### *Why It's Important*

H.R. 658 includes a number of provisions that will impact the aviation community, including a comprehensive study of Part 135 operations along with the commissioning of a panel to review inconsistent interpretation and application of FAA regulations.

#### *Major Provisions*

##### **Title I – Funding Authorizations**

- Authorizes programs for four years, Fiscal Year 2012 – 2015.
- Allows the FAA to collect and administer registration and certification fees without detailing any fixed amounts.
- AIP Definition
- Allows general aviation airport sponsors to enter into a residential through-the-fence agreement without being in violation of federal grant assurances as long as the agreement meets specific conditions.

##### **Title II - NextGen Air Transportation System and Air Traffic Control Modernization**

- Processes and funding for priority NextGen air traffic control modernization projects planned for the next four years are streamlined.
- Deadlines and metrics are set for better measurement of NextGen progress as well as RNP/RNAV operations to ensure more effective cost management.
- A public/private partnership will be developed to assist the FAA with expediting the equipage of general aviation and commercial aircraft with NextGen technologies.

**MORE...**

## (Major Provision Continued)

### Title III – Safety

- **Judicial Review of Denial of Airman Certificates** – Any person significantly affected by a National Transportation Safety Board (NTSB) decision related to airman certificate action may obtain judicial review.
- **Helicopter Air Ambulance Operations** - Part 135 certificate holders providing air ambulance operations are required to comply with Part 135 regulations for weather minimums and flight and duty time requirements. Requires the FAA to complete a prior rulemaking on air ambulances.
- **Inspection of Foreign Repair Stations** – Requires the FAA to establish a system for assessing Part 145 foreign repair stations consistent with reporting requirements in the U.S.
- **Consistency of Regulatory Interpretations** – Requires the FAA to establish an advisory panel consisting of government and industry representatives to review the October 2010 Government Accountability Office report on the certification and approval process and report recommendations on inconsistent FAA regulatory interpretations.
- **Maintenance Providers** – Requires the FAA to establish regulation for work covered by employees of Part 145 repair stations.
- **Improved Voluntary Reporting System** – Requires the FAA to ensure that corrective action is taken for voluntary disclosure.
- **Duty Periods and Flight Time Limitations for Flight Crewmembers** - Rulemaking would be required to mandate that all other flight time flown by Part 121 flight crewmembers, including Part 91 flights for a certificate holder (i.e. repositioning flights) or Part 135 flights, apply toward the crewmember’s flight and duty time limitations. Requires the FAA to conduct separate rulemakings for Part 121 and Part 135.
- **Certain Flight Time Limitations for Flight Duty and Rest Requirements** – Prohibits the FAA from finalizing a proposed change in how Part 135 flight, duty and rest regulations are interpreted.

### Title IV – Air Service Improvements

- **Smoking Prohibition** - Prohibits smoking on scheduled air carriers on domestic and foreign travel, including Part 135 flights with more than 20 seats.
- **Study of Part 135 Operations** - Requires the FAA to analyze and report every three years Part 135 fleet data, including size and type of aircraft, equipment used, hours flown by each fleet, utilization rates and safety records.

**MORE...**

(Major Provision Continued)

**Title V – Environmental Streamlining**

- **Prohibition on operating certain aircraft weighing 75,000 pounds or less not complying with Stage 3 noise levels** - The operation of a civil subsonic turbojet weighing 75,000 pounds or less to or from a U.S. airport is prohibited after December 31, 2015, unless the aircraft complies with Stage 3 noise levels, as certified by the Secretary of the Department of Transportation (DOT).

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**Title VI – Aviation Insurance**

- This provision extends Authority to Limit Third-Party Liability of Air Carrier Arising From Acts of Terrorism to December 31, 2013.

**Title VII – Miscellaneous**

- **Study of Aviation Fuel Prices** - A study on the impact aviation fuel price increases to bring additional revenue into the Airport and Airway Trust Fund would be commissioned. The study must include general aviation, piston aircraft purchase and use, the aviation services industry (including repair and maintenance services), aviation manufacturing, aviation exports, and the use of small airport installations.
- **Special Flight Rules for Washington Metropolitan Area** - Requires the FAA and the Department of Homeland Security to submit a formal plan to the committee that outlines specific changes to decrease operational impact on general aviation aircraft in the national Capitol region.
- **Charitable Medical Flights** - Allows volunteer aircraft operations to accept fuel reimbursement flown for medical purposes.
- **Lithium Batteries** - Prohibits the DOT from enforcing any regulation on the transportation of lithium batteries in aircraft if the requirements are more stringent than the ICAO Technical Instructions.

**Title VIII –Federal Aviation Research and Development**

- **Aviation Fuel Research** - Provides funds for the FAA and NASA to continue research and development into the qualifications for an unleaded aviation fuel and a safe transition for piston aircraft.

**Title IX –Airport and Airways Trust Fund**

- **Treatment of Fractional Ownership Programs** - Determines IRS designation as non-commercial air transportation and taxation accordingly.

**MORE...**

## ***NATA Position***

NATA is pleased that Congress was able to reach agreement on a number of differences, enabling a final agreement on legislation to reauthorize the FAA. NATA supports the provisions in the bill to study Part 135 operations as well as to continue to address inconsistent regulations within the FAA. In addition, the association supports the benchmarks included to ensure that NextGen proceeds in a consistent manner while the FAA attempts to accelerate and streamline the process for certification standards of NextGen technologies.

However, NATA remains concerned with the provision allowing residential through-the-fence agreements at public-use airports. Not only does this provision threaten the federal investment in our nation's public-use airports, it also jeopardizes the businesses at those airports.

## ***Status***

The U.S. Senate is expected to vote on final passage of the conference report on Monday, February 6, 2012.

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