

HOUSE COMMITTEE APPROVES FAA REAUTHORIZATION BILL

February 18, 2011

What's at Issue

The U.S. House of Representatives Committee on Transportation and Infrastructure approved a bill to reauthorize the Federal Aviation Administration (FAA). [H.R. 658, the FAA Reauthorization and Reform Act of 2011](#) was voted on and ultimately approved in committee on February 16, 2011.

Why It's Important

The legislation provides an overall funding level of \$59.7 billion. The bill has been trimmed to coincide with the House agenda to reduce federal spending significantly. Specifically, the bill reduces the FAA's operating budget by 25%, reverting to fiscal year 2008 (FY08) funding levels for FY11 and FY12.

Major Provisions

H.R. 658 includes a number of provisions supported by the association, including the study of Part 135 operations along with the commissioning of a panel to review inconsistent regulations within the FAA.

The major provisions of the bill are as follows:

❖ **Title I – Authorizations**

➤ **Operations**

\$9.4 billion is included for FY11 and reduced to \$9.1 billion for FY12 through FY14.

➤ **Air Navigation Facilities and Equipment**

\$2.7 billion is provided for FY11 and reduced to \$2.6 billion for FY12 through FY14.

➤ **Passenger Facility Charges (PFC)**

PFCs will remain at \$4.50.

➤ **Residential Through-the-Fence Agreements at GA Airports**

This provision allows an airport sponsor to enter into a residential through-the-fence agreement without being in violation of federal grant assurances.

OVER...

(Major Provisions Continued)

❖ Title II – NextGen Air Transportation System and Air Traffic Control Modernization

➤ **Accelerating NextGen**

- The bill streamlines processes and funding for priority NextGen air traffic control modernization projects planned for the next four years, and
- Sets deadlines and metrics for better measurement of NextGen progress, including RNP/RNAV operations to ensure more effective cost management.

❖ 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 would be allowed to obtain judicial review.

➤ **Consistency of Regulatory Interpretations**

The FAA would be required 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 regulatory interpretations within the FAA.

➤ **Improved Pilot Licenses**

The FAA must issue improved pilot licenses that include photo identification and a biometric identifier.

➤ **Helicopter Air Ambulance Operations**

Part 135 certificate holders providing air ambulance operations would be required to comply with regulations for weather minimums and flight and duty time requirements.

➤ **Non-certificated Maintenance Providers**

Any individual performing work on a Part 121 aircraft must be an employee of the air carrier or the employee of a Part 145 repair station unless certain other requirements are met for contract maintenance providers.

➤ **Runway Safety Equipment Plan**

A plan will be implemented by the FAA to install equipment to alert controllers and flight crews of potential runway incursions. It will be a part of the FAA NextGen Implementation Plan.

➤ **Inspection of Foreign Repair Stations**

- The FAA would be required to establish a system for assessing Part 145 foreign repair stations and an annual reporting obligation.

MORE...

(Major Provisions Continued)

- The FAA would be allowed to accept inspections done by foreign governments, and it is suggested that the FAA consult with foreign governments to perform drug and alcohol testing. All Part 145 repair stations would be required to undergo FAA inspections biannually, with the exception of those in nations that have aviation treaties with the U.S.
- **Duty Periods and Flight Time Limitations to 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.
- ❖ **Title IV – Air Service Improvements**
 - **Essential Air Service**

This provision phases out funding for and ultimately sunsets the Essential Air Service (EAS) Program to provide \$400 million in budget savings over four years.
 - **Ronald Reagan Washington National Airport**

Slots at Reagan National Airport would be increased beyond the perimeter rule (flights more than 1,250 miles) by 10 without increasing the total number of operations at the airport.
 - **Study of Operations Regulated Under Part 135**
 - The FAA would be required to analyze the Part 135 fleet, including size and type of aircraft, equipment utilized, hours flown by each fleet, utilization rates and safety records, and
 - The report is to be updated every three years.
- ❖ **Title V – Environmental Streamlining**
 - **Phase Out of Stage 1 and Stage 2 Aircraft - 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 would be prohibited unless the aircraft complies with Stage 3 noise levels, as certified by the Secretary of Transportation.
 - **Exemption For Low Frequency Commercial Air Tours Over National Parks**

A limited exemption from the Air Tour Management Program process would be provided for those commercial air tour operators that conduct 50 or fewer annual operations over national parks.
- ❖ **Title VII – Aviation Insurance**
 - This provision extends authority to limit third-party liability of air carrier arising from acts of terrorism to December 31, 2013.

OVER...

(Major Provisions Continued)

❖ Title VIII – Miscellaneous

➤ Study of Aviation Fuel Prices

A study on the impact of 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.

❖ Title IX – National Mediation Board

➤ Repeal of Ruling

The rule relating to the representation of election procedures published on May 10, 2011, is repealed retroactively to January 1, 2011.

NATA Position

NATA is pleased that the House Committee on Transportation and Infrastructure has crafted a bill at record pace and approved it in committee within the first two months of the 112th congress. 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 objects to the creation of a ban on Stage 2 aircraft. The association also has serious concerns 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. The Senate bill, S. 223, does not contain this provision. NATA will work with the U.S. Senate on eliminating this provision in conference.

Status

The U.S. Senate passed [S.223, FAA Air Transportation Modernization and Safety Improvement Act](#) on February 17, 2011. The next step in the process for H.R. 658 is consideration by the House Committee on Ways and Means that will focus on the tax title of the bill. Once the House has completed the tax title, the full reauthorization bill will go to the House floor for a vote. Assuming successful passage, the House and Senate will then create a conference committee to reconcile the differences between the two bills so a final version can be voted on, passed, and signed into law by the President.

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