

## **U.S. HOUSE APPROVES FAA REAUTHORIZATION BILL**

April 6, 2011

### ***What's at Issue***

On April 1, 2011, the U.S. House of Representatives approved a long-term bill to reauthorize the Federal Aviation Administration (FAA) and related programs. [H.R. 658, FAA Reauthorization and Reform Act of 2011](#) was approved [by a vote of 223 to 196](#).

### ***Why It's Important***

With House passage of H.R. 658, Congress is one step closer to finalizing legislation to reauthorize the FAA. H.R. 658 provides an overall funding level of \$59.7 billion, a significant reduction in federal spending. 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 a comprehensive study of Part 135 operations along with the commissioning of a panel to review inconsistent FAA regulations. The following NATA-supported provisions were agreed upon and will be included in the final version of the House-passed bill:

- ❖ An amendment offered by Representative Robert Woodall (R-GA) prohibits the FAA from finalizing a Notice of Proposed Interpretation that revises existing Part 135 interpretations to permit air ambulance and cargo flight crews to extend their duty day when unexpected circumstances occur beyond their control.
- ❖ Chairman Mica also included a provision that preserves the Block Aircraft Registration Request (BARR) program, which allows private aircraft owners and operators to request that the FAA block their aircraft registration number in aircraft situation display data of a noncommercial flight.
- ❖ Chairman Mica included a provision that ensures liability protection for volunteer pilots of nonprofit organizations who fly for the public benefit.

**OVER...**

**(Major Provisions Continued)**

- ❖ Representative Bill Shuster (R-PA) introduced a provision that would significantly improve the FAA regulatory process by requiring the agency to recognize that the aviation industry is composed of a variety of segments with different operating characteristics and directing the FAA to tailor its regulations to address the unique characteristics of each industry segment.

The major provisions of the bill follow:

- ❖ **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 General Aviation Airports**

- Airport sponsors are allowed to enter into a residential through-the-fence agreement without being in violation of federal grant assurances.

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

- **Accelerating NextGen**

- 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.

- ❖ **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.

- **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 FAA regulatory interpretations.

**MORE...**

## (Major Provisions Continued)

### ➤ **Improved Pilots 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 are 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**

The FAA will implement a plan 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.
- The FAA would be allowed to accept inspections done by foreign governments and to 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 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 Ronald Reagan Washington 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.

**OVER...**

**(Major Provisions Continued)**

- **Study of Operations Regulated Under Part 135**
  - The FAA would be required to analyze Part 135 fleet data, including size and type of aircraft, equipment used, hours flown by each fleet, utilization rates and safety records.
  - 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 is prohibited after December 31, 2016, 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 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.
  
- ❖ **Title VIII –National Mediation Board**
  - **Repeal of Ruling**

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

***NATA Position***

NATA is pleased that the House of Representatives passed a bill that will improve aviation safety and address the needs of the association’s membership. After 18 extensions and 4 years

**MORE...**

**(NATA Position Continued)**

of delay, the association applauds the record pace of passage within the 112<sup>th</sup> congress. 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.

Congressman John Duncan, Jr. (R-TN), a senior member of the House Committee on Transportation and Infrastructure, spoke on behalf of the association during floor debate to address his growing concern with airports competing against private businesses. Duncan highlighted the need for government not to compete against private businesses, including fixed base operators. Duncan has received a commitment from House Committee on Transportation and Infrastructure leaders to convene a series of meetings on the subject to address this important issue. NATA is hopeful that this matter can be addressed during conference negotiations.

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. The Senate bill, S. 223, does not contain this provision. NATA will work with the U.S. Senate on eliminating this harmful provision in conference.

***Status***

The House bill and the Senate bill S.223, *FAA Air Transportation Modernization and Safety Improvement Act*, which passed on February 17, 2011, will move into a conference committee to resolve differences between the bills. NATA is hopeful that the final bill will be voted on, passed, and signed into law by the President before the current extension deadline of May 31, 2011.

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