

## **H.R. 302, Federal Aviation Administration Reauthorization Act of 2018 Summarized**

On October 5, the president signed into law [H.R. 302](#), a \$96.7 billion five-year Reauthorization of the Federal Aviation Administration (FAA). This bill represents the longest funding period for FAA programs since 1982.

H.R. 302 includes a provision long sought by NAPA to reauthorize the Airfield Pavement Technology Program, which focuses on research and deployment of innovative technologies that extend the life of airfield pavements. While H.R. 302 does not lift the federal cap on the Passenger Facility Charge (PFC), which would have generated more revenue for airfield construction, it does provide \$3.35 billion in flat funding for the Airport Improvement Program (AIP) over a 5-year period. Unless another budget agreement raises the PFC cap, there will be no new AIP funding after 2019 beyond what is authorized in the FAA bill. This could make it difficult for airports to address infrastructure needs.

Below is a detailed summary of the bill as it relates to the asphalt pavement industry.

### **FAA FUNDING AUTHORIZATIONS**

The measure would authorize the appropriation of the following amounts from the Airport and Airway Trust Fund (in millions).

Fiscal year	Airport Improvement Program Grants
<b>2018</b>	<b>\$3,350</b>
<b>2019</b>	<b>\$3,350</b>
<b>2020</b>	<b>\$3,350</b>
<b>2021</b>	<b>\$3,350</b>
<b>2022</b>	<b>\$3,350</b>
<b>2023</b>	<b>\$3,350</b>

### **AIRPORT IMPROVEMENT PROGRAM**

The bill provides stable funding at \$3.35 billion for the Airport Improvement Program (AIP), which issues grants to fund construction for critical safety, security and capacity projects at airports of all sizes and is supported entirely by users of the aviation system through the Airport and Airways Trust Fund (AATF). The bill also includes a pilot program that allows the FAA to provide AIP funds to states as a block grant

would be expanded to include as many as 20 states per fiscal year, instead of 10. The federal share of airport project costs would be 75 percent at medium or large hub airports. Projects at other airports, including in states participating in the block grant program, could be eligible for a 90 percent federal share. The share is currently based on airports' annual passenger boardings. The share could be as much as 95 percent for multiphase construction projects that received a grant in fiscal 2011.

In addition, the measure would make several changes that will allow certain airports to receive increased AIP funds for airfield projects. The bill directs FAA to apportion entitlement funds based on CY 2012 enplanements, even if those enplanements later fall below 10,000, as long as the airport maintains scheduled service for FYs 2018 through 2021. It also provides an annual entitlement of \$600,000 for each airport with annual passenger enplanements between 8,000 and 10,000.

### **PASSENGER FACILITY CHARGES**

Despite considerable pressure from NAPA and airport industry groups to do so, Congress did not raise the cap on Passenger Facility Charges (PFC) in the Act, and those PFCs remain capped at \$4.50 per passenger. PFCs are a locally determined levy, collected at the point of sale, used to finance federally approved capital-improvement projects that enhance safety, security, or capacity. Unfortunately, the bill does not lift the federal cap on the PFC, which would have generated more revenue for airfield construction. However, the bill does allow all airports to participate in a pilot program in which the Transportation Department uses an expedited procedure for authorizing PFCs. The program is currently limited to non-hub airports.

### **NEW GRANT PROGRAM**

The measure would establish a new discretionary grant program for projects at non-primary airports that are classified as regional, local, or basic airport and not located in within a Metropolitan Statistical Area. It would authorize \$1.02 billion for grants in fiscal 2019, increasing to \$1.11 billion in fiscal 2023. At least 50 percent of the funds would have to be used for non-hub and small hub airports, as well as general aviation airports.

### **RESEARCH AND DEVELOPMENT**

H.R. 302 includes a provision long sought by NAPA to reauthorize the Airfield Pavement Technology Program, which focuses on research and deployment of innovative technologies that extend the life of airfield pavements. Research and deployment of asphalt airfield pavement technologies is important to maximize the investments made in airfield infrastructure. Implementation of new pavement technologies will aid in the development of safer, more cost effective, and longer lasting airfield pavements. Bill text reads:

**SEC. 744. RESEARCH AND DEPLOYMENT OF CERTAIN AIRFIELD PAVEMENT TECHNOLOGIES.**

*Using amounts made available under section 48102(a) of title 49, United States Code, the Administrator of the Federal Aviation Administration may carry out a program for the research and development of aircraft pavement technologies under which the Administrator makes grants to, and enters into cooperative agreements with, institutions of higher education and nonprofit organizations that—*

- 1) research concrete and asphalt airfield pavement technologies that extend the life of airfield pavements;*
- 2) develop and conduct training;*
- 3) provide for demonstration projects; and*
- 4) promote the latest airfield pavement technologies to aid in the development of safer, more cost effective, and more durable airfield pavements.*

Congress established the research program to improve airfield pavements in Section 905 of Public Law 106-81, the Wendell H. Ford Aviation Investment and Reform Act for the 21<sup>st</sup> Century. The program was reauthorized and expanded to include asphalt in Section 704 of Public Law 108-176, Vision 100 – Century of Aviation Reauthorization Act.

The research projects completed under the airfield improvement program focused on improving quality of pavements, reducing costs, improving safety and providing training. The program produced 19 reports, two guides, five webinars, numerous workshops, and collaboration between the Federal Aviation Administration (FAA), Corps of Engineers, the asphalt pavement industry, airport owners, airlines, manufacturers, and consultants. In addition, the program has received a total of \$4.8 million through a cooperative grant agreement with the Federal Aviation Administration. A total of 12 projects have been competitively awarded to nine organizations.

Pavement research has been integral to the Federal Aviation Administration's (FAA) ability to achieve performance goals regarding runway pavement conditions. The Airfield Pavement Research Program helps to address the continued need to improve FAA runway design, construction and maintenance standards.

**OTHER PROVISIONS**

**State Highway Specifications**

The bill authorizes the use of state highway specifications for airfield pavement construction at non-primary airports with runways of 5,000 feet or shorter serving aircrafts that do not exceed 60,000

pounds if there are no negative safety implications and does not decrease pavement durability or sustainability. Under this provision airports may not seek funds for runway rehabilitation or reconstruction for pavements constructed at airfields using state highway specifications for a period of 10 years after construction is completed unless it is determined that the rehabilitation is a required to improve safety. Bill text reads:

**SEC. 136. USE OF STATE HIGHWAY SPECIFICATIONS.**

*Section 47114(d)(5) of title 49, United States Code, is amended to read as follows:*

*“(5) USE OF STATE HIGHWAY SPECIFICATIONS.—The Secretary shall use the highway specifications of a State for airfield pavement construction and improvement using funds made available under this subsection at nonprimary airports serving aircraft that do not exceed 60,000 pounds gross weight if—*

*“(A) such State requests the use of such specifications; and*

*“(B) the Secretary determines that—*

*“(i) safety will not be negatively affected; and*

*“(ii) the life of the pavement, with necessary maintenance and upkeep, will not be shorter than it would be if constructed using Administration standards.”*

Geosynthetic Materials

Finally, H.R. 302 calls on the FAA Administrator to encourage the use of durable, resilient, and sustainable materials. Bill text reads:

**SEC. 525. GEOSYNTHETIC MATERIALS.**

*The Administrator, to the extent practicable, shall encourage the use of durable, resilient, and sustainable materials and practices, including the use of geosynthetic materials and other innovative technologies, in carrying out the activities of the Federal Aviation Administration.*

**RESOURCES**

1. [Bill Text](#)
2. [Highlight of House-Senate Agreement](#)
3. [Congressional Record Summary – Senate](#) (begins page S6427)
4. [Congressional Record Summary – House](#) (begins page H8905)
5. [CBO Estimate of Spending Revenue Effects](#)
6. [Senate Votes](#)
7. [House Votes](#)