



February 24, 2023

The Honorable Maria Cantwell
Chair
Committee on Commerce, Science and
Transportation
United States Senate
Washington, DC 20510

The Honorable Ted Cruz
Ranking Member
Committee on Commerce, Science and
Transportation
United States Senate
Washington, DC 20510

The Honorable Tammy Duckworth
Chair
Subcommittee on Aviation Safety, Operations,
and Innovation
United States Senate
Washington, DC 20510

The Honorable Jerry Moran
Ranking Member
Subcommittee on Aviation Safety, Operations,
and Innovation
United States Senate
Washington, DC 20510

Re: FAA Reauthorization

Dear Chair Cantwell, Ranking Member Cruz, Chair Duckworth, and Ranking Member Moran:

On behalf of the National Association of State Aviation Officials (NASAO), representing state aviation government agencies across all 50 states, Guam and Puerto Rico, we write to submit the below updated policy proposals for consideration in a Federal Aviation Administration (FAA) reauthorization bill.

As you craft legislation, NASAO encourages you to take this opportunity to continue to make significant contributions to repair and update existing aviation infrastructure, and to upgrade that infrastructure to take advantage of exciting new aeronautical technologies that will keep the United States at the forefront of global aviation. There continues to be great demand for investments to address our nation's airport infrastructure needs. NASAO also encourages you to strike the right balance in funding airports of different categories, ensuring that the nation's general aviation (GA) airports receive the additional funds they need to maintain their critical role in national aviation system and prepare for the future of aviation.

NASAO's proposals focus on nine key areas:

- Airport funding;
- Non-Primary Entitlement (NPE) Program reform;
- Preparing for a new era of aviation;
- Ensuring air service to small communities;
- Federal support of PFAS clean-up efforts at airports;
- Enhancing Infrastructure and Jobs Investment Act (IIJA) implementation;
- Improving weather observation resiliency and redundancy;
- State Block Grant Program enhancements; and

- Timeliness of FAA issuing AIP grants.

NASAO appreciates your consideration of these proposals as you draft a FAA reauthorization bill. We stand ready to engage and support your efforts to craft and pass a FAA reauthorization bill that provides the federal policy and funding needed to invest in our national aviation system. If you have any questions, please contact Jessica Nagasako, Director of Government Affairs, at 202-925-1399 or jnagasako@nasao.org.

Sincerely,



Dave Ulane, A.A.E.
Chair, NASAO Board of Directors,
Director, Aeronautics Division,
Colorado Department of Transportation



Gregory Pecoraro
NASAO President and CEO

CC: Members of the U.S. Senate Committee on Commerce, Science, and Transportation

NASAO's FAA Reauthorization Proposals

Provide Robust Aviation Funding

- ***Increase Airport Improvement Program (AIP) investment to not less than \$4 billion annually.*** The cost of construction has risen over the years, but we are spending less through the Airport Improvement Program (AIP) on airport infrastructure than we did in past years. An increase would enable states to not only update existing infrastructure but upgrade that infrastructure to take advantage of new aeronautical technologies that will keep the United States in the forefront of global aviation.
- ***Reauthorize supplemental discretionary airport infrastructure grants and ensure 50 percent of funds are used for non-hub and small hub airports and general aviation airports.*** These funds will go a long way for non-hub and small hub airports that are not able to leverage other funding sources, like Passenger Facility Charge (PFC) fees and bonds, to address their infrastructure needs.
- ***Continue to apportion AIP funding based on airports' calendar year 2019 or 2020 or 2021 passenger enplanements,*** whichever is highest, for FY 2023 to 2026 (consistent with the Bipartisan Infrastructure Law). This would ensure that airports continue to remain eligible for AIP and are able to fund critical airport safety projects.
- ***Raise and index the Passenger Facility Charge (PFC) rates at commercial service airports.*** Raising the PFC cap would give small airports, who have less options to raise airport revenue, a greater share of AIP entitlement funds. Large commercial service airports would be able to collect and use PFC revenue for airport infrastructure and forgo their AIP entitlements.

Modernize the Non-Primary Entitlement (NPE) Program

To ensure that the Non-Primary Entitlement (NPE) program better meets the needs of non-primary airports, NASAO urges Congress to:

- ***Increase the funding levels to airports with more activity (\$1 million for national airports, \$500,000 for commercial service non-primary airports, \$500,000 for regional airports, \$250,000 for local airports, \$150,000 for basic airports, and \$0 for unclassified airports) and correspondingly increase State Apportionment to ensure that an increase in NPE does not further reduce State Apportionment funds.*** The General Aviation (GA) entitlement portion of AIP is divided into two categories: State Apportionment and Non-Primary Entitlement (NPE). NPE grants are available for general aviation, reliever, and nonprimary commercial service airports at up to \$150,000 per year. The remainder of the funds are then allocated for State Apportionment and go to the highest priority projects that are determined through a sound and established planning formula. These grants have been very effective at preserving an important component of the nation's aviation system. However, NPE grants must be carried over for a period of years to provide adequate funding for most airport improvement projects given that the buying power of these funds has decreased significantly since the program was established.

In addition, State Apportionment has seen year-over-year reductions since the inception of the NPE program in 2001. It will be critical for Congress to address both NPE and State Apportionment funding levels when looking at enhancing the NPE program. Increasing the funding levels of these two programs will ensure that these airports are able to begin critical shovel-ready improvement projects sooner rather than later.

- ***Allow for the option of airport sponsors to transfer unused NPE funds to State aviation agencies and make them available to National Plan of Integrated Airport Systems (NPIAS) airports within their state.*** Non-primary airports can bank/carryover these funds for up to four years to accumulate \$600,000. When non-primary airports have expired NPE funds, these funds are transferred to FAA's discretionary fund for use by FAA in that fiscal year. This proposal would ensure that these funds are invested in the respective states as intended.

Prepare for a New Era of Aviation

To ensure that the United States is ready for the next generation of aircraft and the states and localities are able to adequately prepare for these new aircraft, NASAO urges Congress to:

Advanced Air Mobility (AAM)

- ***Task the FAA with developing plans and policies and identify how to make federal funding available to support both on and off airport development for AAM.*** With both electric and hydrogen propelled aircraft in development, it is critical that the FAA start planning how it will support airports and off airport transportation nodes with these new infrastructure needs.
- ***Charge the FAA with providing states baseline standards to assist with the infrastructure planning requirements to accommodate AAM, such as electrical requirements, and charging standards.*** Planning that could be accomplished now at airports and within communities will help speed up the incorporation of AAM aircraft as they become available.
- ***Require the FAA to establish a national standard to address advanced air mobility (AAM) airspace coordination and control informed by the ongoing work of the Advanced Aviation Advisory Committee.*** Allowing for third party providers operating under the guidance of the FAA and the established standards would enable the federated system to expand more rapidly as AAM aircraft become certified while maintaining the appropriate level of safety.

Uncrewed Aircraft System (UAS)

- ***Require the FAA to establish an outline for a constructive Federal regulatory framework for drone integration strategies that support the application of a low-altitude drone activity and require the FAA to work collaboratively with states to develop an acceptable framework.*** The role of state government in integrating UAS technology into the airspace has been recognized by the inclusion of NASAO designees on the relevant UAS advisory and rulemaking committees. NASAO believes that a constructive federal, state, local partnership can be reached by the levels of government proactively working with industry stakeholders.

- ***Authorize a grant program that provides not less than \$100 million to state, local, and tribal governments to purchase drones for infrastructure inspection purposes and not less than \$100 million to community colleges/universities to support drone education and workforce training programs. State aviation agencies recognize the value in and are looking to leverage drone technology to inspect ageing infrastructure. This grant program will support the efforts of state, local, and tribal governments to capitalize on those benefits while investing in workforce development programs to bolster the workforce of the future.***

Sustainable Aviation Fuel (SAF)

- ***Continue federal support of SAF development and production*** to significantly reduce harmful greenhouse gas (GHG) emissions and ultra fine particulate matter. SAF is a viable bridging strategy to reduce carbon emissions while AAM aircraft have time to mature.

Ensure Air Service to Small Communities

- ***Allow communities that successfully exited EAS and were then locked out of EAS due to provisions in the FAA Modernization and Reform Act of 2012 (P.L. 112-95) to rejoin the program to help restore scheduled air service that has been reduced or suspended as a result of the pandemic.***
- ***NASAO urges Congress to continue investments in the Essential Air Service (EAS), Small Community Air Service Development (SCASDP), and the Contract Tower Programs.*** These programs ensure small communities have access to commercial air service.
- NASAO urges Congress to ***address the aviation workforce shortage, including the pilot shortage.***

Provide Federal Support for PFAS Clean-up Efforts at Airports

- ***Implement federally assisted clean-up programs for PFAS contamination at airports stemming from FAA-required use of firefighting foams containing PFAS. In addition, NASAO urges Congress to review and provide liability protections for all U.S. airports faced with this challenge.*** While some progress has been made in identifying PFAS as an emerging contaminant, direct federal support of all airports (separate from the Airport Improvement Program) is needed to accelerate the clean-up process at contaminated sites. Not only are airports faced with difficult choices when called upon to extinguish fires using the only FAA-approved firefighting foams, airports are now subject to environmental enforcement actions in many states, harming the viability of the national transportation system. Airports should not be held liable for PFAS contamination as a result of complying with a federal requirement.

Enhance Infrastructure Investment and Jobs Act (IIJA) Implementation

- ***Provide administrative funding to States to assist with implementation.*** States' workload has doubled since the pandemic with the flow of federal funds to airports, which has strained State

aviation agencies' resources and staff. Many States are concerned about the inadequate staff levels that they currently have to implement IJA. Regardless of a State aviation agencies' status (e.g., Block Grant State or Channeling State), program funding assistance to States is needed to ensure IJA funds is efficiently and effectively rolled out.

- ***Ensure funds are spent efficiently by allowing airports to transfer IJA funds between airports, including the option for State aviation agencies to assist in transferring funds between airports in their State.*** The IJA does not address the issue of transferring funds, but FAA's FAQ states that airports are not allowed to do this. Without being able to transfer funds between airports, we may see many airports carry over funds year to year and are trying to complete projects in year 4 and 5, which could create a shortage of contractors and increase prices because many airports are trying to complete projects at the same time. Allowing those State aviation agencies who are willing to assist airports within in their States to transfer funds will also help ensure that funds are spent efficiently. Several States have been using this tool successfully for many years with AIP entitlement funds.

Improve Weather Observation Resiliency and Redundancy

- ***Direct the U.S. Government Accountability Office (GAO) to review the Automated Surface Observing Systems (ASOS) and Automated Weather Observing System (AWOS) and provide recommendations on how to improve the reliability and redundancy of the system.*** The ASOS¹ (jointly managed program by the National Weather Service (NWS), FAA, and U.S. Department of Defense) and AWOS (usually airport-owned and managed system that compliments ASOS) are the country's primary surface weather observing network supporting weather forecast activities and aviation operations (e.g., regional air carriers and cargo operators). Both systems are aging and in need of updated infrastructure. While the FAA/NWS are in the process of updating ASOS, States and airports are facing challenges in updating its AWOS infrastructure as the lack of suppliers and cost of installing and maintaining the systems is becoming unmanageable. For example, when a weather station goes down, it can take up to a week before flights can resume due to delays in acquiring and installing replacement parts. A study is needed to address the complexity of the challenges of this critical weather reporting system as it's an integral part of ensuring safety in our aviation system. The need for and importance of affordable weather reporting will only grow as vertiports are integrated into the National Airspace System.
- ***Direct the FAA to provide aviation weather observer training to interested candidates to improve access to the program, thereby ensuring aircraft operation safety at rural airports.*** Aviation weather observers detect and track weather conditions to back up the ASOS system. Having aviation weather observers available to support weather observations when an ASOS experiences an outage due to repair/replacement or unexpected downtime is critically important to ensuring aircraft operations continue at airports. To become an aviation weather observer, interested candidates must pass a background check and the FAA Weather Observation

¹ ASOS reports basic weather elements such as sky conditions, visibility, present weather conditions, visual obstructions, barometric pressure, ambient temperature, wind speed and direction, and precipitation. With more than 900 ASOS sites in the United States, these automated systems are critical to providing weather information at airports.

Certification Test. The NWS previously managed the program and provided aviation weather observation training to assist those interested in obtaining an aviation weather observer certification and prepare them to pass the certification test. However, obtaining this certification has become much more difficult under FAA as the agency places the burden on the candidate to find the necessary observer certification training.

Enhance the State Block Grant Program

- ***Authorize the FAA to provide funding to participating Block Grant States to be used to administer the State Block Grant Program (SBGP) to bring the administrative costs borne by the States more in line with other modal programs of the U.S. Department of Transportation. NASAO recommends an amount that is equal to an amount that the FAA would have spent to perform the delegated responsibility or three percent of the total funds administered by the Block Grant States, whichever is higher.***
- ***NASAO also recommends that the FAA should provide SBGP states with program administration training sufficient to carry out the obligations of the SBGP at no cost to the SBGP states.***

Improve the Timeliness of FAA Issuance AIP Grants

- ***Direct the U.S. Government Accountability Office (GAO) to review FAA's process for releasing/issuing grants and provide recommendations on how FAA can improve its process to ensure timely grant issuance.*** The FAA has had a history of issuing grants late in the federal fiscal year due to a variety of factors. This poses a problem, especially for the northern states, as the construction period is very short. For instance, when bids open in June and FAA then issues the grant in September, those construction projects may not start until the following Spring, thus driving up construction costs even further. Delays in FAA issuing grants has caused airport sponsors to have to request that contractors provide a written extension to further hold/lock in the bid prices past the usual 60 or 90 days. In today's construction environment, bid holds exceeding 120 days are no longer being granted by contractors, and airport sponsors are having to re-bid projects or sign a local contract with the contractor at risk without the grant from FAA to lock in bids. Contractors have stated that they are including contingency in their bid prices if an airport sponsor requests 120 days for a bid hold since materials costs fluctuate almost daily.