

TEMPORARY EXTENSION OF FEDERAL AVIATION
ADMINISTRATION PROGRAMS

FEBRUARY 2, 1999.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. SHUSTER, from the Committee on Transportation and
Infrastructure, submitted the following

REPORT

[To accompany H.R. 99]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 99) to amend title 49, United States Code, to extend Federal Aviation Administration programs through September 30, 1999, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment (stated in terms of the page and line number of the introduced bill) is as follows:

Page 2, line 1, strike “\$2,347,000,000” and insert “\$2,410,000,000”.

Last year, the Committee approved legislation (H.R. 4057, H. Rept. 105-639) that would have reauthorized the Federal Aviation Administration’s (FAA) Airport Improvement Program (AIP), the Facilities and Equipment (F&E) account, and the Operations and Maintenance (O&M) account for 1 year and made numerous substantive changes in the aviation laws. This legislation passed the House on August 4, 1998. However, it was not enacted because it could not be reconciled with similar Senate legislation (S. 2279).

To ensure that the AIP program did not lapse, a short-term extension was included in the Omnibus Consolidated and Emergency Supplemental Appropriations Act for Fiscal Year 1999 (P.L. 105-277, See H. Rept. 105-825, at 608). This legislation provided contract authority for the AIP program for only 6 months, conditioned obligation beyond \$975 million on additional contract authority and did not reauthorized O&M or F&E at all. Those programs were ap-

propriated money and therefore continued without an authorization.

The 6-month AIP reauthorization means that FAA will not be able to issue airport grants after March 31, 1999. But, more importantly, it also cuts in half the funds that would otherwise be able for such grants.

The practical effect of the Omnibus bill is to limit AIP spending to \$975 million. This is a dramatic reduction from the \$1.7 billion available in 1998 for AIP grants and the \$1.95 billion that would be available in 1999 if the program were authorized for a full year. This comes at a time when air travel is increasing significantly and airport needs are estimated to be about \$10 billion per year. However, there is sufficient funds available in the Airport and Airway Trust Fund to meet those needs, but they cannot be released without this authorization.

The Committee plans to approve legislation (H.R. 111) that will "unlock" the Trust Fund and ensure that the revenue collected will actually be spent on airport and airway improvements. It is the Committee's goal to pass this legislation by the end of March 1999 to ensure that there is no lapse in the AIP program.

However, recognizing the vagaries of the legislative process, the Committee wants to make sure that there will be no lapse should H.R. 111, or similar legislation, not be enacted by the end of March, 1999. Therefore, the reported bill (H.R. 99) would reauthorize and provide contract authority for the FAA's 1999 AIP program for the remainder of the fiscal year and authorize the O&M and F&E accounts for fiscal year 1999. Enactment of this legislation will allow FAA to make grants for airport improvements after March 31, 1999 and provide the full \$1.95 billion for important safety and security, capacity enhancing, and noise reduction improvements.

The reported bill also eliminates the cap and floor on the discretionary fund in 49 U.S.C. 47115(g), which were imposed at a time when AIP funding was lower than it's current level. The floor was intended to ensure that FAA would have enough discretionary money to pay for high priority airport improvement projects when funding was low. The cap was designed to ensure that programs that seemed to be shortchanged at the lower funding levels, namely noise abatement, military airports, and general aviation airports, would receive additional AIP money if funding levels increased slightly.

However, with the recent higher funding levels, and with even higher levels anticipated as a result of H.R. 111, there is no longer a need for a floor on the discretionary fund. Moreover, noise abatement, military, and general aviation airport programs received, and will probably continue to receive, increases in fund consistent with last year's reauthorization bill. The Committee may also consider even higher entitlements and set-asides for general aviation airports and noise abatement during the upcoming multi-year AIP reauthorization. Further, this cap has prevented FAA from using discretionary money to fund more high priority safety and capacity projects. Therefore, it makes sense to eliminate both the floor and the cap at this time.

SECTION-BY-SECTION SUMMARY

Section 1. Airport Improvement Program

Subsection (a) authorizes contract authority for the FAA Airport Improvement Program at \$2,410,000,000.

Subsection (b) reauthorizes the contract authority for the AIP through September 30, 1999, the current fiscal year.

Section 2. Airway Facilities Improvement Program

This section authorizes appropriations for the FAA air traffic control facilities & equipment program at \$2,131,000,000 for the fiscal year 1999.

Section 3. FAA operations

Subsection (a) authorizes appropriations for FAA operations and maintenance at \$5,632,000,000 for fiscal year 1999.

Subsection (b) reauthorizes through fiscal year 2000, the formula that calculates the amount of the general fund payment and the amount that the Aviation Trust Fund may contribute to the FAA's Operations account.

Subsection (c) continues the limitation on obligating funds from the Aviation Trust Fund to those cases where 49 U.S.C. 48104 (the formula that calculates the amount of trust fund money that may be contributed to FAA operations) is expressly amended.

Section 4. AIP discretionary fund

This language removes the cap and floor on AIP discretionary funds.

HEARINGS AND LEGISLATIVE HISTORY

H.R. 99 was introduced on January 6, 1999. The Committee has not held hearings on the reported legislation.

COMMITTEE CONSIDERATION

On January 7, 1999, the Committee met in open session, discharged the Aviation Subcommittee and ordered the bill reported, with an amendment, by voice vote with a quorum present. There were no recorded votes taken during Committee consideration of H.R. 99.

RECORD VOTES

Clause 3(b) of Rule XIII of the Rules of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against. There were no recorded votes taken in connection with ordering H.R. 99 reported. A motion by Mr. Duncan to order H.R. 99 favorably reported to the House, with amendment, was agreed to by voice vote, a quorum being present.

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of Rule XIII of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in this report.

COST OF THE LEGISLATION

Clause 3(d)(2) of Rule XIII of the Rules of the House of Representatives does not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and is included in the report. Such a cost estimate is included in this report.

COMPLIANCE WITH HOUSE RULE XIII

1. With respect to the requirement of clause 3(c)(2) of Rule XIII of the Rules of the House of Representatives, and section 308(a) of the Congressional Budget Act of 1974, the Committee references the report of the Congressional Budget Office included below.

2. With respect to the requirement of clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives, the Committee has received no report of oversight findings and recommendations from the Committee on Government Reform on the subject of H.R. 99.

3. With respect to the requirement of clause 3(c)(3) of Rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 99 from the Director of the Congressional Budget Office.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, January 28, 1999.

Hon. BUD SHUSTER,
Chairman, Committee on Transportation and Infrastructure, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 99, a bill to amend Title 49, United States Code, to extend Federal Aviation Administration programs through September 30, 1999, and for other purposes.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Victoria V. Heid.

Sincerely,

JAMES L. BLUM
(For June E. O'Neill, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

H.R. 99—A bill to amend Title 49, United States Code, to extend Federal Aviation Administration programs through September 30, 1999, and for other purposes

Summary: H.R. 99 would authorize funding for certain programs conducted by the Federal Aviation Administration (FAA) through September 30, 1999. This bill would authorize the appropriation of

\$7,763 million in 1999 for FAA operations, facilities, and equipment. To date, \$7,563 million has been appropriated this year for those programs. CBO estimates that if the additional \$200 million is appropriated, outlays for FAA operations, facilities, and equipment would increase by \$82 million in 1999 and by \$200 million over the 1999–2002 period.

H.R. 99 also would provide an additional \$1,205 million of contract authority to the airport improvement program (AIP); therefore, pay-as-you-go procedures would apply to the bill. However, providing this contract authority would have no impact on outlays from direct spending because the baseline assumes such funding and because AIP outlays are subject to appropriation action.

H.R. 99 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated Cost to the Federal Government: The estimated budgetary impact of H.R. 99 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By fiscal years, in millions of dollars—					
	1999	2000	2001	2002	2003	2004
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law:						
Budget Authority ¹	7,563	0	0	0	0	0
Estimated Outlays	5,535	1,448	400	180	0	0
Proposed Changes:						
Authorization Level	200	0	0	0	0	0
Estimated Outlays	82	66	32	20	0	0
Total Spending Under H.R. 99:						
Authorization Level	7,763	0	0	0	0	0
Estimated Outlays	5,617	1,514	432	200	0	0
DIRECT SPENDING						
Baseline Spending Under Current Law:						
Estimated Budget Authority ²	2,410	2,410	2,410	2,410	2,410	2,410
Proposed Changes:						
Estimated Budget Authority	0	0	0	0	0	0
Total Spending Under H.R. 99:						
Estimated Budget Authority	2,410	2,410	2,410	2,410	2,410	2,410

¹ The 1999 level is the amount appropriated for that year.

² Budget authority for AIP is provided as contract authority, a mandatory form of budget authority, however, outlays from AIP contract authority are subject to obligation limitations contained in appropriations acts and are therefore discretionary. CBO's December 1998 baseline assumes a full year of budget authority will be provided for AIP for fiscal year 1999 and for subsequent years. The full-year total is double the half-year amount of \$1,205 million provided thus far for 1999.

Basis of estimate: For purposes of this estimate, CBO assumes that H.R. 99 will be enacted by March 31, 1999, and that the full amounts authorized for FAA operations, facilities, and equipment will be appropriated by June 1, 1999.

Spending subject to appropriation

H.R. 99 would authorize the appropriation of \$5,632 million for FAA operations in fiscal year 1999. The Omnibus Consolidated and Emergency Supplemental Appropriations Act for fiscal year 1999 (Public Law 105–277) provided \$5,563 million in budget authority for FAA operations. Thus, this bill would authorize the appropriation of an additional \$69 million for operations in fiscal year 1999.

H.R. 99 also would authorize appropriations of \$2,131 million for air navigation facilities and equipment in fiscal year 1999. Public

Law 105–277 provided \$2,000 million in budget authority for FAA facilities and equipment. Thus, this bill would authorize an additional \$131 million for fiscal year 1999 for facilities and equipment.

CBO’s estimate of outlays assumes that the additional funding for operations would be disbursed at the normal rate for the account (88 percent in 1999), but that the funds for facilities and equipment would be spent mostly in 2000 and 2001.

Direct spending

H.R. 99 would provide \$1,205 million in contract authority (a mandatory form of budget authority) for the airport improvement program for the second half of fiscal year 1999; it also would extend the authority of the Secretary of Transportation to incur obligations to make grants under that program.

Under current law, \$1,205 million in AIP contract authority is available for obligation until March 31, 1999. H.R. 99 would provide an additional \$1,205 million in contract authority, which could be obligated during the second half of the fiscal year (until September 30, 1999). Pursuant to the Budget Enforcement Act, baseline projections assume that a full year of contract authority will be provided for AIP in fiscal year 1999 and subsequent years. Therefore, enacting H.R. 99 would have no net impact on AIP contract authority relative to the baseline. Expenditures from AIP contract authority are governed by obligation limitations contained in appropriation acts, and thus, they are categorized as discretionary outlays. Enacting H.R. 99 would not affect obligation limitations and thus would have no direct effect on AIP outlays.

Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. H.R. 99 would provide an additional \$1,205 million in contract authority for AIP in fiscal year 1999. Since contract authority is a mandatory form of budget authority, it is a form of direct spending and pay-as-you-go procedures apply to the bill. Only changes in outlays from direct spending and changes in receipts have pay-as-you-go effects, and this bill would not affect either of those.

Intergovernmental and private-sector impact: H.R. 99 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Estimate prepared by: Victoria V. Heid.

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of the Federal mandates prepared by the Director of the Congressional Budget Of-

ence pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104–4).

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of Rule XIII of the Rules of the House of Representatives, committee reports on a bill or joint resolution of a public character shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the measure. The Committee on Transportation and Infrastructure finds that Congress has the authority to enact this measure pursuant to its powers granted under article I, section 8 of the Constitution.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 49, UNITED STATES CODE

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SUBTITLE I—DEPARTMENT OF TRANSPORTATION

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CHAPTER 1—ORGANIZATION

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§ 106. Federal Aviation Administration

(a) * * *

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(k) AUTHORIZATION OF APPROPRIATIONS FOR OPERATIONS.—There is authorized to be appropriated to the Secretary of Transportation for operations of the Administration **[\$5,158,000,000 for fiscal year 1997 and \$5,344,000,000 for fiscal year 1998.]** *\$5,632,000,000 for fiscal year 1999.*

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SUBTITLE VII—AVIATION PROGRAMS

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PART B—AIRPORT DEVELOPMENT AND NOISE

CHAPTER 471—AIRPORT DEVELOPMENT

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SUBCHAPTER I—AIRPORT IMPROVEMENT

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§ 47104. Project grant authority

(a) * * *

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(c) EXPIRATION OF AUTHORITY.—After **March 31, 1999** *September 30, 1999*, the Secretary may not incur obligations under subsection (b) of this section, except for obligations of amounts—

(1) remaining available after that date under section 47117(b) of this title; or

(2) recovered by the United States Government from grants made under this chapter if the amounts are obligated only for increases under section 47108(b)(2) and (3) of this title in the maximum amount of obligations of the Government for any other grant made under this title.

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§ 47115. Discretionary fund

(a) * * *

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[(g) MINIMUM AMOUNT TO BE CREDITED.—

[(1) GENERAL RULE.—In a fiscal year, there shall be credited to the fund, out of amounts made available under section 48103 of this title, an amount that is at least equal to the sum of—

[(A) \$148,000,000; plus

[(B) the total amount required from the fund to carry out in the fiscal year letters of intent issued before January 1, 1996, under section 47110(e) of this title or the Airport and Airway Improvement Act of 1982.

The amount credited is exclusive of amounts that have been apportioned in a prior fiscal year under section 47114 of this title and that remain available for obligation.

[(2) REDUCTION OF APPORTIONMENTS.—In a fiscal year in which the amount credited under subsection (a) is less than the minimum amount to be credited under paragraph (1), the total amount calculated under paragraph (3) shall be reduced by an amount that, when credited to the fund, together with the amount credited under subsection (a), equals such minimum amount.

[(3) AMOUNT OF REDUCTION.—For a fiscal year, the total amount available to make a reduction to carry out paragraph (2) is the total of the amounts determined under sections 47114(c)(1)(A), 47114(c)(2), 47114(d), and 47117(e) of this title.

Each amount shall be reduced by an equal percentage to achieve the reduction.

[(4) SPECIAL RULE.—For a fiscal year in which the amount credited to the fund under this subsection exceeds \$300,000,000, the Secretary shall allocate the amount of such excess as follows:

[(A) 1/3 shall be made available to airports for which apportionments are made under section 47114(d) of this title.

[(B) 1/3 shall be made available for airport noise compatibility planning under section 47505(a)(2) of this title and for carrying out noise compatibility programs under section 47504(c)(1) of this title.

[(C) 1/3 shall be made available to current or former military airports for which grants may be made under section 47117(e)(1)(B) of this title.]

[(h)] (g) PRIORITY FOR LETTERS OF INTENT.—In making grants in a fiscal year with funds made available under this section, the Secretary shall fulfill intentions to obligate under section 47110(e).

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PART C—FINANCING

CHAPTER 481—AIRPORT AND AIRWAY TRUST FUND AUTHORIZATIONS

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§ 48101. Air navigation facilities and equipment

(a) GENERAL AUTHORIZATION OF APPROPRIATIONS.—Not more than a total of the following amounts may be appropriated to the Secretary of Transportation out of the Airport and Airway Trust Fund established under section 9502 of the Internal Revenue Code of 1986 (26 U.S.C. 9502) to acquire, establish, and improve air navigation facilities under section 44502(a)(1)(A) of this title:

- (1) \$2,068,000,000 for fiscal year 1997.
- (2) \$2,129,000,000 for fiscal year 1998.
- (3) \$2,131,000,000 for fiscal year 1999.

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§ 48103. Airport planning and development and noise compatibility planning and programs

The total amounts which shall be available after September 30, 1998, to the Secretary of Transportation out of the Airport and Airway Trust Fund established under section 9502 of the Internal Revenue Code of 1986 (26 U.S.C. 9502) to make grants for airport planning and airport development under section 47104 of this title, airport noise compatibility planning under section 47505(a)(2) of this title, and carrying out noise compatibility programs under section 47504(c) of this title shall be [\$1,205,000,000 for the six-month period beginning October 1, 1998.] \$2,410,000,000 for fiscal years ending before October 1, 1999.

§ 48104. Operations and maintenance

(a) * * *

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(c) LIMITATION FOR **[FISCAL YEARS 1994–1998]** *FISCAL YEARS 1994–2000*.—The amount appropriated from the Trust Fund for the purposes of paragraphs (1) and (2) of subsection (a) for each of fiscal years 1994 through **[1998]** *2000* may not exceed the lesser of—

(1) * * *

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§ 48108. Availability and uses of amounts

(a) * * *

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(c) LIMITATION ON OBLIGATING OR EXPENDING AMOUNTS.—In a fiscal year beginning after September 30, **[1998]** *2000*, the Secretary of Transportation may obligate or expend an amount appropriated out of the Fund under section 48104 of this title only if a law expressly amends section 48104.

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