

SMALL AIRPLANE REVITALIZATION ACT OF 2013

JULY 16, 2013.—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

R E P O R T

[To accompany H.R. 1848]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 1848) to ensure that the Federal Aviation Administration advances the safety of small airplanes, and the continued development of the general aviation industry, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Small Airplane Revitalization Act of 2013”.

SEC. 2. FINDINGS.

Congress finds the following:

- (1) A healthy small aircraft industry is integral to economic growth and to maintaining an effective transportation infrastructure for communities and nations around the world.
- (2) Small aircraft comprise nearly 90 percent of FAA type certified general aviation aircraft.
- (3) General aviation provides for the cultivation of a workforce of engineers, manufacturing and maintenance professionals, and pilots, who secure the Nation’s economic success and defense.
- (4) General aviation contributes to well-paying manufacturing and technology jobs in the United States, and these products are exported in great numbers, providing a positive trade balance.
- (5) Technology developed and proven in general aviation aids in the success and safety of all sectors of aviation and scientific competence.
- (6) The average small airplane in the United States is now 40 years old and the regulatory barriers to bringing new designs to market are resulting in a lack of innovation and investment in small airplane design;
- (7) Over the past decade, the United States has typically lost 10,000 active private pilots per year, partially due to a lack of cost-effective, new small airplanes.
- (8) General aviation safety can be improved by modernizing and revamping the regulations for this sector to clear the path for technology adoption and cost-effective means to retrofit the existing fleet with new safety technologies.

SEC. 3. FAA SAFETY AND REGULATORY IMPROVEMENTS FOR GENERAL AVIATION.

(a) **ESTABLISHMENT OF FAA SAFETY AND REGULATORY IMPROVEMENTS FOR GENERAL AVIATION.**—The Administrator shall advance the safety and continued development of small airplanes by reorganizing the certification requirements applicable to small airplanes to streamline the approval of safety advancements.

(b) **REGULATIONS.**—The Administrator shall issue a final rule based on the FAA’s Part 23 Reorganization Aviation Rulemaking Committee (established in August 2011) by December 31, 2015. The final rule shall meet the following objectives of the Part 23 Committee:

- (1) Create a regulatory regime for small airplanes that will improve safety and decrease certification costs.
- (2) Set broad, outcome-driven safety objectives that will spur innovation and technology adoption.
- (3) Replace current, prescriptive requirements contained in FAA rules with performance-based regulations.
- (4) Use FAA-accepted consensus standards to clarify how the part 23 safety objectives may be met by specific designs and technologies.

(c) **CONSENSUS-BASED STANDARDS.**—The Administrator shall use acceptable consensus-based standards whenever possible in the spirit of the National Technology Transfer and Advancement Act of 1996 (15 U.S.C. 3701 note), while continuing traditional methods for meeting part 23.

(d) **SAFETY COOPERATION.**—The Administrator shall lead the effort to improve general aviation safety by working with leading aviation regulators to assist them in adopting a complementary regulatory approach for small airplanes.

SEC. 4. DEFINITIONS.

In this Act, the following definitions apply:

- (1) **ADMINISTRATOR.**—The term “Administrator” means the Administrator of the Federal Aviation Administration.
- (2) **CONSENSUS STANDARDS.**—The term “consensus standards” means standards developed by voluntary organizations which plan, develop, establish, or coordinate voluntary standards using agreed-upon procedures, both domestic and international. These standards include provisions requiring that owners of relevant intellectual property agree to make that intellectual property available on a nondiscriminatory, royalty-free or reasonable-royalty basis to all interested parties. These bodies have the attributes of openness, balance of interest, due process, an appeals process, and consensus.
- (3) **FAA.**—The term “FAA” means the Federal Aviation Administration.

(4) GENERAL AVIATION.—The term “general aviation” means all aviation activities other than scheduled commercial airline operations and military aviation.

(5) PART 23.—The term “part 23” means part 23 of title 14, Code of Federal Regulations.

(6) SMALL AIRPLANE.—The term “small airplane” means FAA type certificated airplanes that meet the parameters of part 23 of title 14, Code of Federal Regulations.

PURPOSE OF LEGISLATION

H.R. 1848 advances the safety and continued development of small airplanes by directing the Administrator of the Federal Aviation Administration (FAA) to reorganize certification requirements to streamline the approval of safety advancements.

BACKGROUND AND NEED FOR LEGISLATION

The U.S. general aviation industry includes nearly 600,000 pilots, employs roughly 1.3 million people, and contributes approximately \$150 billion annually to the economy. The general aviation industry is one of the few remaining U.S. manufacturing industries that provide a trade surplus for the United States. However, over the last few decades the general aviation industry has experienced unique challenges, including a steady decline in new pilots, flight activity, and the sale of new aircraft. In part, these challenges are due to overly prescriptive and outdated FAA certification processes that greatly increase the cost to bring new products to market and ultimately increase the cost for consumers.

H.R. 1848 directs the Administrator to issue a final rule by December 31, 2015, based on the recommendations of the FAA’s Part 23 Reorganization Rulemaking Committee. The final rule must (1) create a regulatory regime for small airplanes that will improve safety and decrease certification costs; (2) set broad, outcome-driven safety objectives that will spur innovation and technology adoption; (3) replace current, prescriptive requirements contained in FAA rules with performance-based regulations; and (4) use FAA-accepted consensus standards to clarify how the Part 23 safety objectives may be met by specific designs and technologies.

HEARINGS

No hearings were specifically held on H.R. 1848; however, the legislation was discussed at the Subcommittee on Aviation’s May 16, 2013 hearing entitled, “Review of Progress Implementing FAA Reform Act”.

LEGISLATIVE HISTORY AND CONSIDERATION

On May 7, 2013, Representative Mike Pompeo introduced H.R. 1848, along with original co-sponsors Representatives Dan Lipinski, Sam Graves, Richard Nolan, and Todd Rokita.

On July 10, 2013, the Committee on Transportation and Infrastructure met in open session and ordered the bill reported favorably to the House by voice vote with a quorum present. A manager’s amendment was offered in Committee by Mr. LoBiondo. The manager’s amendment was a technical amendment to a provision in the bill that requires the FAA to use consensus-based standards when possible for Part 23 compliance and clarified that traditional methods for Part 23 compliance will remain acceptable. The man-

ager's amendment was adopted by voice vote with a quorum present.

COMMITTEE 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 record votes taken in connection with consideration of H.R. 1848 or ordering the measure reported. A motion to order H.R. 1848 reported favorably to the House was agreed to by voice vote with a quorum 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.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

Clause 3(c)(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.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

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 enclosed cost estimate for H.R. 1848 from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 15, 2013.

Hon. BILL 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. 1848, the Small Airplane Revitalization Act of 2013.

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

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

H.R. 1848—Small Airplane Revitalization Act of 2013

The Federal Aviation Administration (FAA) is responsible for regulating and overseeing civil air transportation. H.R. 1848 would require the agency to issue a final rule related to certification and safety requirements of small airplanes by December 31, 2015. Ac-

ording to the agency, the rule required under the bill would build on efforts already underway to develop a regulatory regime for small airplanes, and CBO does not expect that meeting the deadline specified under H.R. 1848 would significantly affect the agency's costs to complete those proceedings. As a result, CBO estimates that implementing H.R. 1848 would have no significant impact on the federal budget. The legislation would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 1848 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Megan Carroll. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goal and objective of this legislation is to advance the safety and continued development of small airplanes by reorganizing certification requirements to streamline the approval of safety advancements.

ADVISORY OF EARMARKS

Pursuant to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee is required to include a list of congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives. No provision in the bill includes an earmark, limited tax benefit, or limited tariff benefit under clause 9(e), 9(f), or 9(g) of rule XXI.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to section 3(j) of H. Res. 5, 113th Cong. (2013), the Committee finds that no provision of H.R. 1848 establishes or reauthorizes a program of the federal government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULE MAKINGS

Pursuant to section 3(k) of H. Res. 5, 113th Cong. (2013), the Committee estimates that enacting H.R. 1848 directs the Administrator of the Federal Aviation Administration to complete one specific rule making within the meaning of section 551 of title 5, United States Code.

FEDERAL MANDATE STATEMENT

The Committee adopts as its own the estimate of federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104-4).

PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee states that H.R. 1848 does not preempt any state, local, or tribal law.

ADVISORY COMMITTEE STATEMENT

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

APPLICABILITY OF 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).

SECTION-BY-SECTION ANALYSIS OF LEGISLATION

Section 1. Short title; Small Airplane Revitalization Act of 2013

This section provides that the short title of the bill is the “Small Airplane Revitalization Act of 2013.”

Section 2. Findings

In this section, Congress finds that:

- (1) A healthy small aircraft industry is integral to economic growth and to maintaining an effective transportation infrastructure for communities and nations around the world;
- (2) Small aircraft comprise nearly 90 percent of Federal Aviation Administration (FAA)-type certified general aviation aircraft;
- (3) General aviation provides for the cultivation of a workforce of engineers, manufacturing and maintenance professionals, and pilots, who secure the Nation’s economic success and defense;
- (4) General aviation contributes to well-paying manufacturing and technology jobs in the United States, and these products are exported in great numbers, providing a positive trade balance;
- (5) Technology developed and proven in general aviation aids in the success and safety of all sectors of aviation and scientific competence;
- (6) The average small airplane in the United States is now 40 years old and the regulatory barriers to bringing new designs to market are resulting in a lack of innovation and investment in small airplane design;
- (7) Over the past decade, the United States has typically lost 10,000 active private pilots per year, partially due to a lack of cost-effective, new small airplanes; and,
- (8) General aviation safety can be improved by modernizing and revamping the regulations for this sector to clear the path for technology adoption and cost-effective means to retrofit the existing fleet with new safety technologies.

Section 3. FAA safety and regulatory improvements for general aviation

Subsection (a) directs the Administrator to advance the safety and continued development of small airplanes by reorganizing certification requirements applicable to small airplanes to streamline the approval of safety advancements.

Subsection (b) requires the Administrator of the FAA to issue a final rule based on the FAA's Part 23 Reorganization Aviation Rulemaking Committee (established in August 2011) by December 31, 2015. The final rule is required to meet the following objectives of the Part 23 Committee:

- (1) Create a regulatory regime for small airplanes that will improve safety and decrease certification costs;
- (2) Set broad, outcome-driven safety objectives that will spur innovation and technology adoption;
- (3) Replace current, prescriptive requirements contained in FAA rules with performance-based regulations; and
- (4) Use FAA-accepted consensus standards to clarify how the Part 23 safety objectives may be met by specific designs and technologies.

Subsection (c) requires the Administrator of the FAA to use acceptable consensus based standards (in the spirit of the National Technology Transfer and Advancement Act of 1996) whenever possible in meeting the objectives of Part 23, while continuing traditional methods for meeting Part 23.

Subsection (d) directs the Administrator to lead the effort to improve general aviation safety by working with leading aviation regulators to assist them in adopting a complementary regulatory approach for small airplanes.

Section 4. Definitions

This section defines the terms “administrator”, “consensus standards”, “FAA”, “general aviation”, “Part 23”, and “small airplane”.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

H.R. 1848 makes no changes in existing law.

