

operations between the United Kingdom and the United States as early as May 1, 2006, providing scheduled combination service between Glasgow, Scotland and Orlando (Sanford), FL.

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## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

#### Notice of Order Soliciting Community Proposals

**AGENCY:** Department of Transportation

**ACTION:** Notice of Order Soliciting Community Proposals (Order 2006-1-13) Docket OST-2006-23671.

**SUMMARY:** The Department of Transportation is soliciting proposals from communities or consortia of communities interested in receiving a grant under the Small Community Air Service Development Program. The full text of the Department's order is attached to this document. This year, there are two mandatory requirements for filing of applications, both of which must be completed for a community's application to be deemed timely and considered by the Department. The first requirement is the submission of the community's proposal to Dockets, as described below, the second requirement is the filing of SF424 through <http://www.grants.gov>.

**DATES:** Grant Proposals as well as the SF424 should be submitted no later than April 7, 2006.

**ADDRESSES:** Interested parties should submit an original and two copies of their proposals bearing the title "Proposal under the Small Community Air Service Development Program, Docket OST-2006-23671, as well as the name of the applicant community or consortium of communities, the legal sponsor, and the applicant's DUNS number to Dockets Operations and Media Management, M-30, Room PL-401, Department of Transportation, 400 7th Street, SW., Washington, DC 20590. The SF424 is submitted electronically through <http://www.grants.gov>.

**FOR FURTHER INFORMATION CONTACT:** Aloha Ley, Office of Aviation Analysis, 400 7th Street, SW., Washington, DC 20590, (202) 366-2347.

Dated: January 20, 2005.

**Michael W. Reynolds,**

*Acting Assistant Secretary for Aviation and International Affairs.*

Issued by the Department of Transportation on the 20th day of January, 2006.

**In the Matter of Grant Applications: Small Community Air Service Development Program; Under 49 U.S.C. 41743 et seq.**

*Order Soliciting Community Grant Proposals*

#### Overview

By this order, the Department invites proposals from communities and/or consortia of communities interested in obtaining a federal grant under the Small Community Air Service Development Program (Small Community Program) to address air service and airfare problems in their communities. Proposals should be submitted in the above-referenced docket no later than April 7, 2006. Communities should be aware of a new application procedure which requires that applicants also submit form SF424, a standard federal government application form, in Grants.gov. An application will not be deemed complete until and unless all required documents are filed. (See Appendix C for additional information on filing form SF424.)

#### Funding Opportunity

The Small Community Program was established under the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR-21), Public Law 106-181, as a three-year "pilot" program and was designed to provide financial assistance to small communities to help them enhance their air service. The Department provides this assistance in the form of financial grants. The program was not funded in its first year, fiscal year 2001, but was funded and implemented in each of fiscal years 2002 and 2003. The Vision 100-Century of Aviation Reauthorization Act, Public Law 108-176 (Vision 100), reauthorized the program for an additional five years, through fiscal year 2008, and eliminated the "pilot" status of the program. The program has been funded for FY 2004, FY 2005 and FY 2006.

Under the statute, the Secretary may award a maximum of 40 grants each year that the program is funded, although no more than four grants each year may be to communities in the same state.<sup>1</sup> The grants may be made to single

<sup>1</sup> See 49 U.S.C. 41743. A copy of the statute is provided in Appendix A.

communities or to consortia of communities.<sup>2</sup>

Communities that are eligible to participate in the grant program are those communities that are served by an airport that was not larger than a small hub airport for calendar year 1997 and had insufficient air service or unreasonably high airfares.<sup>3</sup> Communities that do not currently have commercial air service are also eligible, but where they seek grant funds to secure air service under the grant program they must have met or be able to meet in a reasonable period all necessary requirements of the Federal Aviation Administration for the type of service involved in their grant proposals.

In selecting communities to participate in the program, the statute directs the Secretary to give priority to those communities where: (a) Average air fares are higher than the air fares for all communities; (b) a portion of the cost of the activity proposed by the community is provided from local, *non-airport*-revenue resources; (c) a public-private partnership has been or will be established to facilitate air carrier service to the public; (d) improved service will bring the material benefits of scheduled air transportation to a broad section of the traveling public, including businesses, educational institutions, and other enterprises whose access to the National air transportation system is limited; and (e) the assistance will be used in a timely fashion.

The Small Community Program provides considerable flexibility in how funds can be used to implement a community's grant proposal. (See 49 U.S.C. 41743(d).) For example, grant funds can be used to cover the expenses of any new advertising or promotional activities related to improving the air service to the community. Funds may also be used for new studies designed to measure air service deficiencies, or to measure traffic loss or diversion to other communities. Another example would be using the funds for the employment or use of new, dedicated air service development staff on a long-term basis, advertising or public relations agencies, universities, and consulting firms. In addition, grant funds may also be used for financial incentives, including subsidy or revenue guarantees, to air carriers in conjunction with their

<sup>2</sup> The statute specifies a consortium of communities should be considered as a single entity; therefore, throughout this order we use "community" to include consortia.

<sup>3</sup> A small hub is defined as an airport that has at least 0.05%, but less than 0.25%, of the annual passenger boardings in the United States.

provision of air service or the fare levels charged, or to ground service providers in providing access to air transportation services.<sup>4</sup> The use of grant funds for air carrier subsidy is limited to a maximum period of three years.

While the statute does not preclude communities from including capital expenditures, such as terminal/runway improvements or airport equipment in their grant requests, communities are encouraged not to do so. Because the Department generally receives many more applications than it can accommodate under the limitations of the statute and there are other government programs more suited and specifically designed for capital expenditures, the Department will treat such requests with lower priority. Applicants may pursue capital improvement projects separately in conjunction with their grant proposals under the Small Community Program.<sup>5</sup>

The statute also provides that the Department will designate one of the grant recipients as an Air Service Development Zone. Communities seeking to attract business to the area surrounding the airport and/or to develop land use options for the area as set forth in the statute are invited to compete for the designation. The Department will assist the designated community in establishing contacts with and obtaining advice and assistance from appropriate government agencies, including the Department of Commerce as well as other offices within the Department of Transportation, and in identifying other pertinent resources which may aid the community in its efforts to attract businesses and to formulate land use options for the airport vicinity. However, upon receiving the designation, it will be the responsibility of the community to develop, implement and manage activities related to the air service development zone initiative. There are no additional funds associated with this designation.

Furthermore, communities seeking this designation will receive no special benefit or preference in receiving a grant under the Small Community Program.

Applicant communities interested in this designation should clearly indicate that interest in their applications and

should provide detailed information in support of their selection for their designation in a *separate* section of their grant proposals. (See Application and Submission Section below, for more details on the application requirements for this designation.) Supporting information will include property and facilities available for the air service development zone, demographic information regarding the community and its environs, and the community's goals and preliminary plans for its air service/economic development initiatives.

In each of the years that the program has been funded, the Department received many more applications than could be accommodated under the limitations of the statute. In fiscal year 2002, the Department received 180 proposals and made 40 grant awards; in fiscal year 2003, the Department received 170 applications and made 36 grant awards; in fiscal year 2004, the Department received 108 applications and made 40 grant awards; and in fiscal year 2005, the Department received 84 applications and made 35 grant awards.<sup>6</sup>

#### Award Information

The Department of Transportation's budget appropriation for 2006 as set forth in the Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act of 2006, Public Law 109-115, November 30, 2005, provides funding of up to \$10 million for the program in fiscal year 2006.<sup>7</sup>

The financial assistance under this program is in the form of financial grants. As mentioned above, the statute limits the Department to a maximum of 40 grant awards (with a maximum of four grants per state) in each year that the program is funded. It does not prescribe any limits on the amounts of individual awards. The grant amounts

awarded will vary depending upon the features and merits of the proposals selected. Over the past four years, the Department's individual grants have ranged from \$20,000 to nearly \$1.6 million.

The grant funds awarded do not need to be expended in the fiscal year that they are awarded. Nor do they need to be used within a one-year period. Authorized grant projects may include activities that extend over a multi-year period under a single grant award to the extent reasonable and practicable. Generally speaking, grant awards have not exceeded a three-to-four-year period.

Grant funds to the selected communities are available on a reimbursable basis under which the community expends funds related to implementation of the approved grant project, and then seeks reimbursement from the Department at regular intervals (usually monthly) for project expenditures under the terms set forth in the Grant Agreement between the Department and the selected community.

#### Eligibility Information

##### Applicant Eligibility

Communities that are eligible to participate in the grant program are those communities that are served by an airport that was not larger than a small hub airport for calendar year 1997 and had insufficient air service or unreasonably high airfares.<sup>8</sup> Communities that do not currently have commercial air service are also eligible, but where they seek grant funds to secure air service under the grant program, they must have met or be able to meet in a reasonable period all necessary requirements of the Federal Aviation Administration for the type of service involved in their grant proposals. Communities served by medium and large hubs are not eligible to apply under this program.

The law does not exclude small communities that currently receive subsidized air service under the Essential Air Service (EAS) program from seeking funds under the Small Community Program. A number of EAS-subsidized communities applied in past years and the Department has made grant awards to some of those applicants. When analyzing grant proposals, the Department will consider the fact that subsidized EAS communities are already receiving federal funding to support their air

<sup>4</sup> Qualified expenses are set forth in the Department's regulations, 14 CFR 18.22 and Office of Management and Budget Circular A-87. See [www.whitehouse.gov/omb/circulars/a0087/a0087.html](http://www.whitehouse.gov/omb/circulars/a0087/a0087.html).

<sup>5</sup> Each applicant is responsible for assuring that no part of its proposal would, if accepted, violate any of the assurances associated with other federal grants, including, but not limited to, all Airport Improvement Program assurances regarding use of airport revenues.

<sup>6</sup> See Orders 2002-6-14 (June 26, 2002), 2002-12-16 (December 20, 2002) (both in Docket OST-2002-11590); Orders 2003-9-14 (September 17, 2003), 2003-9-25 (September 30, 2003) (both in Docket OST-2003-15065); Order 2004-8-30 (August 30, 2004) in Docket OST-2004-17343; and Order 2005-8-19 (August 25, 2005) in Docket OST-2005-20127 for a complete description of the Department's grant awards over the past four years.

<sup>7</sup> This funding is subject to a 1% across-the-board rescission. Furthermore, the program's funding for this year may be affected by a provision in Public Law 109-115 that provides the Secretary with authority to transfer funds from any program within or administered by the Office of the Secretary to the Essential Air Service (EAS) program if the EAS program does not have sufficient funds to meet its statutory obligations. In all previous years, the program has been funded at a level of \$20 million per year. In some cases, that funding was also subject to a slight across-the-board rescission.

<sup>8</sup> The hub classifications are based on the Federal Aviation Administration's CY 1997 enplanement data.

services under the EAS program, and that Vision 100 made several substantive changes to the EAS program, including provision for an "alternate" EAS program that provides EAS-subsidized communities many of the same options for addressing their air service issues as those generally available under this program.<sup>9</sup> Furthermore, EAS-subsidized communities should be aware that we will not award grants to communities whose proposals are inconsistent with long-standing EAS policies, including proposals that contemplate air service to a second hub where such service is not now authorized under the community's EAS determination.

Communities that were awarded grants in previous years that want to apply for a grant this year should be aware that they are precluded from seeking funds for projects that have already received an award under the Small Community Program. However, previous grant recipients may submit grant proposals and seek funds for new projects in a different category. For example, if a community had received a grant for a market study, it could not apply for a new grant for another market study; however, the community could apply for funding for a revenue guarantee for new air service. That said, the funds for this program are very limited and the interest in the program has far exceeded both the funds available and the number of communities that can participate under the statute in any one year. The fact that a community has already received one or more grants will be a consideration when comparing its new proposal with those of other applicant communities.

Communities that propose to use the grant funds to support service in a city-pair market that is already served on a non-subsidized basis should be prepared to explain in detail why the existing service is insufficient or unsatisfactory, or provide other compelling information to support their proposal. This information is necessary for the Department to consider the competitive implications of subsidizing one carrier's service over service that is not subsidized. The Department is concerned that, while bringing new competition may benefit the community in the short term, a market may prove insufficient to support two carriers and

service may deteriorate to the point that the community's service in the market is less beneficial than before. Thus, the Department may look skeptically at proposals that do not fully address these concerns.

The statute permits individual communities and consortia of communities to apply for grant awards under this program. In some instances in the past, several communities in a state have filed a single application as a "consortium" while in effect the application is a collection of individual community requests that involve different projects. We do not view this as a consortium. Rather, an application representing a consortium would be one that facilitates efforts of communities working together toward a joint grant project. For example, several communities surrounding an airport may apply together to improve air services at that airport.

The Department expects that communities will file only one application for a grant. In the past, some communities have filed both individual applications and requests as part of a consortium. In many cases these applications have involved the same project at the same or different funding levels. We will not consider the stand-alone application if a community is also submitting a largely identical request as part of a consortium. To the extent that a community files separately and as part of a consortium for complementary projects—for example, one request for funding a revenue guarantee and one for marketing—we will consider such proposals. Communities should be aware, however, that such multiple applications will not necessarily improve their chances for receiving a grant, and the Department cannot make multiple awards involving the same community in any one fiscal year.

#### *Cost Sharing/Local Contributions*

The statute does not require communities to contribute toward a grant project, although those that do contribute from local sources other than airport revenues are accorded priority consideration. One core objective of the Small Community Program is to promote community involvement in addressing air service/air fare issues through public/private partnerships. As a financial stakeholder in the process, the community gains greater control over the type, quality, and success of the air service initiatives that will best meet its needs, and demonstrates a greater commitment towards achieving the stated goals. The Department has historically received many more applications than can be accommodated

and nearly all of those applications have proposed a community financial contribution to the project. Thus, proposals that do not propose a community financial contribution will be at a competitive disadvantage.

For those communities that propose to contribute to the grant project, that contribution can be in the following forms:

*Cash from non-airport revenues:* This cash contribution can include funds from the State, the County or the local government, and/or from local businesses, or other private organizations in the community. The "value" of donated advertising will not be considered a "cash" contribution.

*Cash from airport revenues:* This includes contributions from funds generated by airport operations. Such contributions do not accord priority consideration for selection and FAA policies preclude the use of airport revenues for revenue guarantees to airlines.

*In-Kind Contributions from the airport:* This can include such items as waivers of landing fees, terminal rents, fuel fees, and/or parking fees.

*In-Kind Contributions from the community:* This can include such items as donated advertising from media outlets, catering services for inaugural events, or in-kind trading, such as advertising in exchange for free air travel. Travel banks and travel commitments/pledges are regarded as an in-kind contribution. Similarly, reduced fares by airlines will be considered an in-kind contribution.

Only cash contributions will be eligible for reimbursement. "In-kind" contributions involve services or benefits that do not include a cash transaction between the parties. Because grant funding under the Small Community Program is provided on a *reimbursable basis*, the Department cannot reimburse the grant sponsor for "in-kind" or non-cash contributions. Therefore, in-kind contributions are not considered as part of the community's *cash* financial contribution to the project. Of course, communities are free to include in-kind contributions in their proposals. In fact, communities are encouraged to offer in-kind inducements as an *extra* incentive to facilitate air service/fare improvements. While these contributions will not be considered as part of the community's cash contribution toward the project on which reimbursements are made, they will be considered as illustrative of the community's overall commitment to the proposed grant project. If there is any question about whether a proposed contribution would be considered as

<sup>9</sup>Public Law 108-176, Sec. 405 amending 49 U.S.C. Section 41745. Pursuant to Vision 100, on July 27, 2004, the Department announced the "Establishment of Alternate Essential Air Service Pilot Program" and provided procedures for communities interested in participating in this component of the EAS program. See order in Docket OST-2004-18715.

“in-kind” or cash, the applicant should contact the Department before submitting its proposal.

Contributions should represent a new financial commitment or new financial resources devoted to attracting new or improved service, or addressing specific high-fare or other service issues, such as improving patronage of existing service at the airport. Contributions from already-existing programs or projects (e.g., designating a portion of an airport’s existing annual marketing budget to the project) are considered less favorably than contributions for new and innovative programs or projects.

Applicant communities should also note that, as part of the grant agreement between the Department and the community, the community must fulfill its proposed financial contribution to the project. Community participation with respect to all aspects of the proposal, including the financial aspects, is critical to the success of the authorized project initiative. As with the grant awards in past years, receipt of the full federal contribution awarded will thus be linked to the community’s fulfillment of its financial contribution. Furthermore, communities cannot propose a certain level of cash contribution from non-airport sources, and subsequent to being awarded a grant, seek to substitute or replace that contribution with either “in-kind” contributions or contributions from airport revenues, or both. Given the statute’s priority for contributions from *non-airport* sources and the competitive nature of the selection process, a community’s grant award could be reduced or terminated altogether if it is unable to replace the committed funds from non-airport revenue sources.

### Application and Submission Information

#### *Types of Projects and Application Content*

The statute is very general about the types of projects that can be authorized in order to provide communities as much flexibility as possible to address air service and airfare issues. Moreover, as each community’s circumstances may be different, applicants will have some latitude in identifying their own objectives and developing strategies for accomplishing them. However, the purpose of this program is to provide additional financial support to improve air service at small communities. It is not intended to shift existing expenditures for this purpose from the local or state level to the federal level.

A core objective of the Small Community Program is to help communities secure enhancements that will be responsive to their air transportation/air fare needs on a long-term basis after the financial support of the grant has discontinued. There are many ways that a community might enhance its current air service or attract new service, such as: by promoting awareness among residents of locally available service; by attracting a new carrier through revenue guarantees or operating cost offsets; by offering an incumbent carrier financial incentives to lower its fares, increase its frequencies, add new routes, or deploy more suitable aircraft, including upgrading its equipment from turboprops to regional jets; by combining traffic support from surrounding communities with regionalized service through one airport; or by providing local ground transportation service to improve access to air service to the community and the surrounding area. These serve merely as illustrative examples and are not meant to comprise a list of the types of projects that are considered most favorably.

Consequently, communities are encouraged to be innovative and to consider a wide range of initiatives in developing their proposals. At the same time, general, vague, or unsupported proposals will be to be entertained. The more highly defined and focused the proposal, the more likely it will receive favorable consideration, particularly given the statute’s focus on a timely use of the federal grant funding. (48 U.S.C. 41743(c)(5)(E)).

At a minimum, proposals must provide the following information:

- *A description of the community’s existing air service*, including the carrier(s) providing service, service frequency, direct and connection destination offered, available fares, and equipment types.
- *A synopsis of the community’s historical service*, including destination, traffic levels, service providers, and any extenuating factors that might have affected traffic in the past or that can be expected to influence service needs in the near to intermediate terms.
- *A description of the community’s air service needs or deficiencies*, including any major origin/destination markets not now served or not served adequately. In addition, communities are free to submit any information about their fare situation that they deem relevant to consideration of their grant request.
- *A strategic plan for meeting those needs under the Small Community Program*, including the community’s

specific project goal(s) and detailed plan for attaining the goal(s). Proposals should clearly identify the target audience of each component of the proposed transportation initiative, including all advertising and promotional efforts. Proposals should also provide a realistic timetable for implementation of the grant project. In this regard, the statute including timely use of the grant funds as a priority consideration. Consequently, communities must have a well-developed project plan and detailed timetable for implementing that plan. In establishing the timetable, however, communities should be realistic about their ability to meet their project deadlines.<sup>10</sup> Furthermore, proposals involving new or improved service should include self-sufficiency of the service as an integral part of the community’s goal since, under the statute, they cannot seek grant funding in subsequent year in support of the same project. Therefore, it is important that communities seriously consider the scale of their proposed projects in developing their proposals and the timetable for achieving them. To the extent that a proposed project is dependent upon or relevant to completion of other federally funded capital improvement projects, the community should provide a description of, and the construction time-line for, those projects keeping in mind the new statutory requirement to use Small Community Program funding in a timely manner.

Further, when drafting a proposal, applicants should fully and clearly outline the goals and objectives sought to be achieved, e.g., “to broaden the awareness by residents in the Tri-County area of the operations provided by passenger carriers at the Tri-County airport,” or “to obtain new and affordable service to a hub airport in a direct where there is no such service.” When an application is selected, these goals and objectives will be incorporated into the grant agreement and shape its basic scope. Once an agreement is signed, if circumstances change and an amendment is sought to allow for different activities or a different approach, the Department will

<sup>10</sup> The projected timetable will be an integral part of the grant agreements between the selected communities and the Department. Therefore, there is *no* advantage to a community in proposing an aggressive timetable that cannot be met, and there may be disadvantages if the community find that it cannot meet its timetable. Communities should carefully consider all factors affecting implementation of their projects and develop realistic timeframes for achieving those objectives, keeping in mind that authorized projects generally have not exceeded three to four years.

look to whether the change being sought is consistent with those fundamental project goals and objectives. Proposed changes that would alter those fundamental project goals and objectives cannot be authorized, because doing so would undermine the competitive nature of the selection process.

- *A description of any public-private partnership that will participate in the project.* Full community involvement is a key aspect of the Small Community Program. The statute gives a priority to those communities that already have established, or will establish, a public-private partnership to facilitate air service to the public. The proposal should give a full description of the public-private partnership that will participate in the community's proposal and how the partnership will actively participate in implementing the proposed project. In addition, applicants should identify each member of the partnership, the role that each will play, and its specific responsibilities in implementation of the project. If the application does not include specific information on the partnership participation in the project, the Department cannot evaluate how well a community has met this consideration, and the applicant will *not* be deemed as having met this priority consideration in the Department's evaluation of the community's proposal.

- *A detailed description of the funding necessary for implementation of the community's project, including the federal and non-federal contributions.* Proposal should clearly identify the level of federal funding sought. They should also clearly identify the other cash contributions toward the proposed project, "in-kind" contributions from the airport, and "in-kind" contributions from the community. Cash contributions from airport revenues should be identified separately from cash contributions from other community sources. Similarly, cash contributions from the state and/or local government should be separately identified and described.

In this regard, instances have arisen in the past where communities have relied extensively on what they characterize as travel banks for a significant portion of their local contribution. A travel "bank" involves an actual deposit of funds from the participating entities into a bank for the purpose of purchasing committed air travel on the selected airline and defined procedures for use of those funds under an agreement with the airline. Most often, however, what communities refer to as a travel "bank"

in reality involves travel "pledges" from businesses in the community without any collection of funds or formal procedures for use of the funds. Despite having awarded several proposals contemplating "travel banks," there are a few that have been implemented. Two communities that have established true travel banks are Redmond, Oregon, and Dubuque, Iowa. In the majority of cases, however, community discussions with air carriers have revealed that many carriers are not interested in travel banks or travel pledges/commitments, preferring other forms of financial incentives for risk abatement in the initial stages of their airline service. Therefore, if communities include travel banks in their proposals, they must also provide written confirmation that the potential transportation provider(s) involved in the project is interested in such a financial incentive. If such confirmation cannot be secured, the community should provide alternative funding proposals to address the carrier/financial incentive packages that may be needed. Further, if official travel banks are proposed, the Department will require documentation during the term of the grant that the travel banks are funded.

Applicant communities should be aware that, if awarded a grant, the Department will not reimburse the community for pre-award expenses such as the cost of preparing the grant application or for any expenses incurred prior to the community executing a grant agreement with the Department for implementation of the grant. In addition, 10 percent of the grant funds will be withheld until the Department receives the final report of the grant project. See Award Administration Information, below.

- *An explanation of how the community will ensure that its own funding contribution is spent in the manner proposed.*

- *Descriptions of how the community will monitor the progress of the grant project and identify critical milestones during the life of the grant, including the need to modify or discontinue funding if identified milestones cannot be met.* This is an important component of the community's proposal and serves to demonstrate the thoroughness of the community's planning of the proposed grant project. Applicant communities are on notice that any modifications must first be approved by the Department. Moreover, modifications to the project will be considered only to the extent that the changes do not deviate from the original goal and scope of the authorized grant project. As noted above, the Department will not permit

fundamental changes to a community's proposal in order to preserve a grant award.

- *A description of how the community plans to continue with the project if it is not self-sustaining after the grant award expires.* A particular goal of the Small Community Program is to provide long-term, self-sustaining improvements to air service at small communities. Under the Vision 100 amendments to the statute, the community cannot seek further grant funding in support of the same project. It is possible that a new or improved service at a community will be well on its way to becoming self-sustaining, but will not have reached that goal when the grant has expired. Similarly, it is possible that extensive marketing and promotional efforts may be in process, but not completed, at the end of the grant period and will require continued support. Therefore, in developing its proposal, the community should carefully consider and describe its plans for continued financial support for the project after the grant funding is no longer available. This aspect of the application reflects on the community's commitment to the grant project and is an important component to the Department's consideration of the community's proposal for selection for a grant award.

- *A description of the community's air service development efforts over the past five years and the results of those efforts.* Many communities have been active on an on-going basis for many years in air service development efforts, while others are just beginning. To the extent that a community has previously engaged in other air service initiatives, including through public/private partnerships, it should describe those efforts and their results in its grant proposal. This should include marketing and promotional efforts of airport services as well as efforts to recruit additional or improved air service and airfare initiatives.

- *Designation of a legal sponsor responsible for administering the program.* The legal sponsor *must* be a government entity. If the applicant is a public-private partnership, a public government member of the organization must be identified as the community's sponsor to accept program reimbursements. In this regard, communities can designate only a single government entity as the legal sponsor, even if a consortium, for example, consists of two or more local government entities. Private organizations cannot be designated as

the legal sponsor of a grant under the Small Community Program.<sup>11</sup>

- *Air Service Development Zone Designation.* As noted earlier, the Department will designate one of the selected grant recipients as an Air Service Development Zone. The purpose of the designation is to provide communities interested in attracting business to the area surrounding the airport and/or developing land use options for the area to work with the Department on means to achieve those goals. Only communities that are interested in these objectives and have a plan to accomplishing them should compete for the available designation. Applying for this designation will provide no special benefit or preference to a community in receiving a grant award.

Against this background, grant applications interested in selection for the Air Service Development Zone designation, must include in their applications a separate section, titled, *Support for Air Service Development Zone Designation.* That section should include detailed information regarding the property and facilities available for development such as an existing airport or land for such an airport; the other modes of transportation that would be available to support additional economic development, such as rail, road, and/or water access; information concerning historic, existing, and any future business activity in the area that would support further development; demographic information concerning the community and its environs relevant to the developmental efforts, including population, employment, and per capita income data; and any other information that the community believes is relevant to its plans to enhance air service development. In this regard, the community should provide as detailed a plan as possible, including what goals it expects to achieve from the air service development zone designation and the types of activities on which it would like to work with the Department in achieving those goals. The community should also indicate whether further local government approvals are required in order to implement the proposed activities.

The Department will work with the selected grant recipient by reviewing its proposed goals and plans and will meet with the community to help direct the community's efforts to appropriate government agencies, including the

Department of Commerce as well as other U.S. DOT offices that could provide further support and guidance for achieving the community's goals. The community and its leaders are in the best position to determine what activities will benefit its goals for greater air service development. The Department will serve as a liaison in helping the selected community connect directly with others that have the expertise and ability, including funding where the community meets the necessary requirements, to support the community's developmental activities.

There is no set format that applicants should use in submitting their applications, other than the guidance above concerning issues that must be addressed in community applications. The law provides considerable latitude to communities in developing their proposals and a strict format could serve to stifle innovation. However, given the historical high volume of applications received, applicants are required to submit a Summary Information Sheet (attached as Appendix B to this order) at the beginning of their applications and to complete the SF424 standard federal grant applications form (see Appendix C to this order) to assist our review of each proposal.

#### *Filing Date/Confidential Material*

Proposals are due April 7, 2006.<sup>12</sup> They may be submitted by hand, mail, or express delivery. Proposals postmarked after the due date will not be accepted. This year, there are two mandatory requirements for filing of applications, both of which must be completed for a community's application to be deemed timely and considered by the Department.

First, the applicant must submit a proposal that includes all of the information required by the Application and Submission section, above, including the Summary Sheet in Appendix B. The applications will be maintained in a public docket accessible by the general public and other applicants. Interested communities should submit an original and two copies of their proposals, including the Summary Information Sheet, if submitting their proposals by mail, hand, or express delivery.<sup>13</sup>

<sup>12</sup> The original application should be submitted on 8.5" x 11" paper, in dark ink (not green) and without tabs to facilitate inclusion in the Department's docket management system. The remaining copies may be tabbed and include use of any color ink.

<sup>13</sup> Communities may submit their proposals electronically by following the instructions at the following Web site <http://dms.dot.gov>. If they do so, however, they should not also submit a hard copy of the application to the Dockets Operations and

The cover page for all applications regardless of the method of submission should bear the title "Proposal Under the Small Community Air Service Development Program," and should include the docket number as shown on the first page of this order, the name of the community or consortium of communities applying, the legal sponsor, and the community's Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number. The application should be sent/delivered to Dockets Operations and Media Management, M-30, Room PL-401, Department of Transportation, 400 7th Street, SW., Washington, DC 20590. Questions regarding the program or the filing of proposals should be directed to the Office of Aviation Analysis, at (202) 366-1053 or [terri.bingham@dot.gov](mailto:terri.bingham@dot.gov).<sup>14</sup>

Applicants will be able to provide certain information relevant to their proposals on a confidential basis. Under the Department's regulations, such information is limited to commercial or financial information that, if disclosed, would either significantly harm the competitive position of a business or enterprise or make it more difficult for the Federal Government to obtain similar information in the future. Applicants seeking confidential treatment of a portion of their applications must segregate the confidential material in a sealed envelope marked "Confidential Submission of X (the applicant) in Docket OST-2006-23671" and include with that material a request in the form of a motion seeking confidential treatment of the material under 14 CFR 302.12 (Rule 12) of the Department's regulations. The applicant should submit an original and two copies of its motion and an original and two copies of the confidential material in the sealed envelope. The confidential material

Media Management Office. However, communities using this option are required to submit one hard copy of their application to the Department's Office of Aviation Analysis, X-50, Room 6401, 400 7th Street, SW., Washington, DC 20590. Moreover, any additional materials such as DVDs and videos cannot be included in the docket management system. To the extent that communities want to include such information in their proposals, they should provide that information to the Department's Office of Aviation Analysis, X-50, Room 6401. Questions about electronic filing procedures should be addressed to Renee Wright, Dockets Operations and Media Management, at (202) 366-9826.

<sup>14</sup> To the extent that applicants are interested in reviewing proposals that were submitted in prior years, those applications are publicly available in Docket OST-2002-11590, Docket OST-2003-15065, Docket OST-2004-17343, and Docket OST-2005-20127 for FY 2002, 2003, 2004, and 2005 grants, respectively, through the Department's docket management system at the following Web address: <http://dms.dot.gov/>.

<sup>11</sup> The community has the responsibility to ensure that the recipient of any funding has the legal authority under State and local laws to carry out all aspects of the grant.

should *not* be included in the original or in any of the copies of the applicant's proposal that are submitted to the Department. Those submissions, however, should indicate clearly where the confidential material would have been inserted. If applicants invoke Rule 12, the confidential portion of the filing will be treated as confidential pending a final determination. All confidential material must also be received by April 7, 2006.

Second, in order to comply with this year's Grants.gov initiative, a mandate of the President's Management Agenda, all applicants must also submit form SF424, Application for Federal Domestic Assistance, found on <http://www.grants.gov>. In this regard, applicants should be aware that they must complete a one-time registration process in order to submit the SF424 application, and the registration process can take approximately three to five days to complete.

Therefore, communities intending to file applications should complete the registration process sooner rather than later to ensure that they can meet the application deadline. Appendix C provides additional information with respect to the registering process in Grants.gov as well as instructions on submitting SF424 once the registration process has been completed. As noted above, an application will not be deemed complete unless the proposal has been submitted to the Department's Docket Operations and Media Management office referencing the appropriate docket, and the SF424 application has been submitted through Grants.gov by the April 7 deadline.

#### **Application Review Information**

The Department will carefully review each proposal and the staff may contact applicants if clarification is needed. Communities may amend their proposals at any time prior to the Department's selection of grant recipients and those amendments will be considered to the extent the review process permits. The grant awards will be made as quickly as possible so that communities awarded grants can complete the grant agreement process and proceed to implement their plans. Pending unforeseen circumstances, this process should be completed before September 16, 2006.

The Small Community Program provides a valuable opportunity for communities to gain assistance in securing long-term, self-sustaining improvements in their air service. It is not intended to address short-term anomalies affecting a community's air service. Nor is it intended as a

continuing financial support program for small community service.<sup>15</sup> It does represent an important opportunity for the community as a whole to take a creative approach to addressing its service and fare issues and to partner with the federal government to make meaningful and lasting improvements in its air service.

The statute directs the Department to give priority consideration to those communities or consortia where air fares are higher than the average air fares for all communities, the community or consortium will provide a portion of the cost of the activity from local sources other than airport revenues; the community or consortium has established or will establish a public-private partnership to facilitate air carrier service to the public; the assistance will provide material benefits to a broad segment of the traveling public whose access to the national air transportation system is limited; and the assistance will be used in a timely fashion.

Applications will be evaluated against these priority considerations. Given previous experience, it is likely that more applications will be received than can be funded under the limitations of the Small Community Program. With this in mind, consistent with the criteria stated above, the selection process will take into consideration such factors as the relative size of each applicant community; the geographic location of each applicant, including the community's proximity to larger centers of air service and low-fare service alternatives; the community's existing level of air service and whether that service has been increasing or decreasing, the number of passengers expected to benefit from the proposed transportation initiative, taking into consideration the historic and current demographic indicators for the community, including population growth, business activity, and per capita income data; the community's demonstrated commitment to and participation in the proposed grant project; the grant amount requested compared with total funds available for all communities; the proposed federal grant amount requested compared with the local share offered; whether the community has demonstrated a reasonable plan to use the funds in a timely manner; the uniqueness of applicants' claimed program(s); the

uniqueness of the applicant's proposed solution(s) to solving the problem(s); whether the proposed project addresses the stated problem; and whether the community's proximity to an existing grant recipient could impact its proposal. Finally, we will consider whether the applicant community has previously received a grant award under this program.

Full community participation is a key goal of this program as demonstrated by the statute's focus on local contributions and active participation in the project. Therefore, applications that demonstrate broad community support will be given additional favorable consideration. For example, communities providing higher levels of cash contributions from other than airport revenues will also be accorded additional favorable consideration. Communities that provide multiple levels of contributions—cash and in-kind contributions—can also receive additional consideration. Similarly, communities that demonstrate historic and/or active participation in the proposed air service project will be accorded additional consideration.

Favorable consideration will also be given to those proposals that offer innovative solutions to the transportation issues facing the community. Small communities have faced many problems retaining and enhancing their air services and in dealing with their airfare issues. Therefore, proposals that offer new, creative approaches to addressing these problems, to the extent that they are reasonable, will be given additional favorable consideration. Proposals that provide a well-defined plan, a reasonable timetable for use of the grant funds, and a plan for continuation and/or monitoring of the project after the grant expires will also receive greater consideration.

Less favorable consideration will be accorded proposals that rely primarily on contributions from already-existing programs or projects (*e.g.*, designating a portion of an airport's existing annual marketing budget to the project), and proposals that would merely shift the costs of an ongoing or existing activity from the state or local level to the federal level. Contributions should represent a new financial commitment or new financial resources devoted to attracting new or improved service, or addressing specific high-fare or other service issues, such as improving patronage of existing services at the airport.

As a general matter, given prior experience, proposals that include travel banks, particularly if they serve as

<sup>15</sup> See 40 U.S.C. 41743(d)(1) which limits the use of grant funds to no longer than three years to support an air carrier's operations, and section 41743(c)(4) which precludes communities from seeking additional financial assistance for the same project.

the community's primary financial contribution to the project will be considered with greater scrutiny. As noted earlier, there is concern that such arrangements do not come to fruition and ultimately are not supported by the carriers. Often travel banks have involved "pledges" from the community to use the air service, rather than cash available for implementation of the project. Therefore, any proposals that include travel banks should also provide evidence of their acceptance by the selected or potential air or ground service providers. Moreover, the community should provide an alternative financial plan for the project in the event that the travel bank ultimately is not viable.

An important objective of the Small Community Program is to formulate and implement solutions to transportation problems of small communities which could serve as models for other small communities to improve and retain their access to air service and to the nation's air transportation system. We recognize that communities in different parts of the country do not necessarily face the same challenges with respect to their air services and airfares. Therefore, subject to the quality of the proposals submitted in meeting the evaluation criteria and the funding and overall community participation constraints of the program, to the extent possible, our goals will be to select proposals that will (a) benefit communities in all areas of the United States and its territories; (b) benefit small communities of all sizes, ranging from very small to those that qualify as small hubs and are eligible for participation in the program under the statute;<sup>16</sup> (c) promote regional solutions to air service issues, where appropriate; (d) include a variety of different types of projects; and (e) address different air service and/or airfare issues.

Given the competitive nature of the grant process, the Department does not intend to meet with grant applicants with respect to their grant proposals. The Department's selection of communities for grant awards will be based on the community's written submissions to the Department.

#### Award Administration Information

The Department will announce its grant selections by Order, which will be

<sup>16</sup> In this regard, we recognize that communities served by small hub airports generally have significant levels of service by a number of airlines, and thus, would not meet the "insufficient service" criteria of the statute. Therefore, absent evidence to the contrary, we would give more favorable consideration to proposals involving small hub airports where the community has demonstrated that its proposal meets the "higher than average airfares" requirement of the statute.

served on each grant recipient, all other applicants, and all parties served with this order. It will also be published in the **Federal Register** and posted on the Department's webpage.

Communities awarded grants will be expected to execute a grant agreement with the Department before they begin to spend funds under the grant award. Grant funds will be provided on a reimbursable basis only and only for expenses incurred and billed during the period that the grant agreement is in effect. Applicants therefore should not assume they have received a grant, nor obligate or spend local funds prior to receiving and fully executing a grant agreement with the Department under this program. Expenditures made prior to the execution of a grant agreement, including costs associated with preparation of the grant applicant, will not be reimbursed. Moreover, there are numerous assurances that are required to be made and honored when federal funds are awarded. All communities receiving a grant under the Small Community Program will be required to accept the responsibilities of these assurances, and to execute the assurances when they execute their grant agreements. Copies of the applicable assurances are available for review on the Department's webpage at [http://ostpxweb.dot.gov/aviation/X-50%20Role\\_files/smallcommunity.htm](http://ostpxweb.dot.gov/aviation/X-50%20Role_files/smallcommunity.htm).<sup>17</sup>

The grant agreements between the Department and selected communities will require quarterly reports on the progress of implementation of the grant project, as well as the submission on a quarterly or other time-specific basis of additional material relevant to the grant project, such as copies of advertising and promotional material, and copies of contracts with consultants and service providers. In addition, communities will be required to submit a final report to the Department with respect to their grant projects and 10 percent of the

<sup>17</sup> The applicable regulations include, among others: (1) 49 CFR Parts 21 and 27 and 14 CFR Parts 271 and 382—Nondiscrimination in federally-assisted programs of the Department of Transportation—Effectuation of title VI of the Civil Rights Act of 1964; 49 CFR Part 27—Nondiscrimination on the basis of disability in programs and activities receiving or benefiting from Federal financial assistance; and 14 CFR Part 382—Nondiscrimination on the basis of disability in air travel; (2) 49 CFR Part 29—Government-wide debarment and suspension (non-procurement) and government-wide requirements for drug-free workplace (grants); and (3) 49 CFR Part 20—New restrictions on lobbying. The complete list of the applicable assurances is on the cited webpage. The assurances noted are for reference purposes only and should not be included in the community's application. The assurances are part of the grant agreement that will be sent to each grant recipient and should be completed at that time.

grant funds available will not be reimbursed to the community until the final report has been received. Communities will be permitted to seek reimbursement of project implementation costs on a regular basis. The frequency of such requests will be established in the grant agreement, which will be tailored to the specific features of the community's grant project. In most cases, reimbursements will be made on a monthly basis. In this regard, the Department will provide the grant recipient communities with details and procedures for securing reimbursements electronically.

This order is issued under authority delegated in 49 CFR 1.56a(f).

Accordingly,

1. Community proposals for funding under the Small Community Air Service Development Program should be submitted in Docket OST 2006–23671 no later than April 7, 2006;<sup>18</sup> and

2. This order will be published in the **Federal Register** and also will be served on the Conference of Mayors, the National League of Cities, the National Governors Association, the National Association of State Aviation Officials (NASAO), the Association of County Executives, the American Association of Airport Executives (AAAE), and the Airports Council International-North America (ACI), and posted on <http://www.grants.gov>.

By:

Michael W. Reynolds,

Acting Assistant Secretary for Aviation and International Affairs.

An electronic version of this document is available on the World Wide Web at <http://www.dms.dot.gov>.

#### Appendix A

##### Section 41743 Airports not Receiving Sufficient Service

(a) *Small community air service development program.* The Secretary of Transportation shall establish a program that meets the requirements of this section for improving air carrier service to airports not receiving sufficient air carrier service.

(b) *Application required.* In order to participate in the program established under subsection (a), a community or consortium of communities shall submit an application to the Secretary in such form, at such time, and containing such information as the Secretary may require, including—

(1) An assessment of the need of the community or consortium for access, or

<sup>18</sup> Proposals must be postmarked no later than April 7, 2006. The original application should be submitted on 8.5" x 11" paper, in dark ink (not green) and without tabs to facilitate inclusion in the Department's docket management system. The remaining copies may be tabbed and include use of any color ink.

improved access, to the national air transportation system; and

(2) An analysis of the application of the criteria in subsection (c) to that community or consortium.

(c) *Criteria for participation.* In selecting communities, or consortia of communities, for participation in the program established under subsection (a), the Secretary shall apply the following criteria:

(1) *Size.* For calendar year 1997, the airport serving the community or consortium was not larger than a small hub airport, and—

(A) Had insufficient air carrier service; or

(B) Had unreasonably high air fares.

(2) *Characteristics.* The airport presents characteristics, such as geographic diversity or unique circumstances, that will demonstrate the need for, and feasibility of, the program established under subsection (a).

(3) *State Limit.* Not more than 4 communities or consortia of communities, or a combination thereof, from the same State may be selected to participate in the program in any fiscal year.

(4) *Overall limit.* No more than 40 communities or consortia of communities, or a combination thereof, may be selected to participate in the program in each year for which funds are appropriated for the program.

No community, consortia of communities, no combination thereof may participate in the program in support of the same project more than once, but any community, consortia of communities, or combination thereof may apply, subsequent to such participation, to participate in the program in support of a different project.

(5) *Priorities.* The Secretary shall give priority to communities or consortia of communities where—

(A) Air fares are higher than the average air fares for all communities;

(B) The community or consortium will provide a portion of the cost of the activity to be assisted under the program from local sources other than airport revenues;

(C) The community or consortium has established, or will establish, a public-private partnership to facilitate air carrier service to the public;

(D) The assistance will provide material benefits to a broad segment of the traveling public, including business, educational institutions, and other enterprises, whose access to the national air transportation system is limited; and

(E) The assistance will be used in a timely fashion.

(d) *Types of assistance.* The Secretary may use amounts made available under this section—

(1) To provide assistance to an air carrier to subsidize service to and from an underserved airport for a period not to exceed 3 years;

(2) To provide assistance to an underserved airport to obtain service to and from the underserved airport; and

(3) To provide assistance to an underserved airport to implement such other measures as the Secretary, in consultation with such airport, considers appropriate to improve air service both in terms of the cost of such service to consumers and the availability of such service, including improving air service through marketing and promotion of air service and enhanced utilization of airport facilities.

(e) *Authority to make agreements.* (1) *In general.* The Secretary may make agreements to provide assistance under this section.

(2) *Authorization of appropriations.* There is authorized to be appropriated to the Secretary \$20,000,000 for fiscal year 2001, \$27,500,000 for each of fiscal years 2002 and 2003, and \$35,000,000 for each of fiscal years

2004 through 2008 to carry out this section. Such sums shall remain available until expended.

(f) *Additional action.* Under the program established under subsection (a), the Secretary shall work with air carriers providing service to participating communities and major air carriers (as defined in section 41716(a)(2)) serving large hub airports to facilitate joint-fare arrangements consistent with normal industry practice.

(g) *Designation of responsible official.* The Secretary shall designate an employee of the Department of Transportation—

(1) To function as a facilitator between small communities and air carriers;

(2) To carry out this section;

(3) To ensure that the Bureau of Transportation Statistics collects data on passenger information to assess the service needs of small communities;

(4) To work with the coordinate efforts with other Federal, State, and local agencies to increase the viability of service to small communities and the creation of aviation development zones; and

(5) To provide policy recommendations to the Secretary and Congress that will ensure that small communities have access to quality, affordable air transportation services.

(h) *Air Service Development Zone.* The Secretary shall designate an airport in the program as an Air Service Development Zone and work with the community or consortium on means to attract business to the area surrounding the airport, to develop land use options for the area, and provide data, working with the Department of Commerce and other agencies.

**BILLING CODE 4910-62-M**

**SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM  
DOCKET OST-2006-23671**

**SUMMARY INFORMATION**

All applicants must submit this information along with their proposal. In addition, applicants must also fill out form SF424 on <http://www.grants.gov>. (See Appendix C for the SF424 filing process)

**A. APPLICANT INFORMATION: (CHECK ALL THAT APPLY)**

- Not a Consortium       Interstate Consortium       Intrastate Consortium  
 Community now receives EAS subsidy

**B. PUBLIC/PRIVATE PARTNERSHIPS: (LIST ORGANIZATION NAMES)**

<u>Public</u>	<u>Private</u>
1. _____	1. _____
2. _____	2. _____
3. _____	3. _____
4. _____	4. _____
5. _____	5. _____

**C. PROJECT PROPOSAL: (CHECK ALL THAT APPLY)**

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Marketing              | <input type="checkbox"/> Upgrade Aircraft          | <input type="checkbox"/> New Route        |
| <input type="checkbox"/> Personnel              | <input type="checkbox"/> Increase Frequency        | <input type="checkbox"/> Low Fare Service |
| <input type="checkbox"/> Travel Bank            | <input type="checkbox"/> Service Restoration       | <input type="checkbox"/> Subsidy          |
| <input type="checkbox"/> Surface Transportation | <input type="checkbox"/> Regional Service          | <input type="checkbox"/> Other (specify)  |
| <input type="checkbox"/> Revenue Guarantee      | <input type="checkbox"/> Launch New Carrier        | _____                                     |
| <input type="checkbox"/> Start Up Cost Offset   | <input type="checkbox"/> First Service             | _____                                     |
| <input type="checkbox"/> Study                  | <input type="checkbox"/> Secure Additional Carrier | _____                                     |

**D. EXISTING LANDING AIDS AT LOCAL AIRPORT:**

- Full ILS       Outer/Middle Marker       Published Instrument Approach  
 Localizer       Other (specify)

**E. PROJECT COST:**

Federal amount requested: \_\_\_\_\_  
 Total local cash financial contribution: \_\_\_\_\_  
 Airport funds: \_\_\_\_\_  
 Non-Airport funds: \_\_\_\_\_  
 State cash financial contribution: \_\_\_\_\_  
 Existing funds: \_\_\_\_\_  
 New funds: \_\_\_\_\_  
 Airport In-kind contribution: \_\_\_\_\_  
 (amount & description) \_\_\_\_\_  
 Other In-Kind contribution: \_\_\_\_\_  
 (amount & description) \_\_\_\_\_  
 Total cost of project: \_\_\_\_\_

**F. ENPLANEMENTS:**

2000 \_\_\_\_\_ 2003 \_\_\_\_\_  
 2001 \_\_\_\_\_ 2004 \_\_\_\_\_  
 2002 \_\_\_\_\_ 2005 \_\_\_\_\_

**G. IS THIS APPLICATION SUBJECT TO REVIEW BY STATE UNDER EXECUTIVE ORDER 12372 PROCESS?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on (date) \_\_\_\_\_.
- b. Program is subject to E.O. 12372, but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

**H. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? (IF "YES", PROVIDE EXPLANATION)**

No  Yes (explain) \_\_\_\_\_

BILLING CODE 4910-62-C

**Appendix C—Filing Form SF424—Application for Federal Domestic Assistance**

Grants.gov, originally called the E-Grants Initiative, a mandate of the President's Management Agenda, states, Agencies will allow applicants for Federal Grants to apply for and ultimately manage grant funds online through a common web site, simplifying grants management and eliminating redundancies.

Public Law 106-107, the legislation that mandates streamlining and improved accountability for Federal grants, and related references in the President's Management Agenda, requires that Federal grant management activities be standardized. As a result, the Office of Management and Budget recently issued a policy directive requiring

that all Federal agencies post grant opportunities online as of November 7, 2006.

Therefore, this year, to comply with the Grants.gov initiative, the Department will begin accepting grant applications via <http://www.grants.gov>. In order for an application to be considered in the Small Community Air Service Development Program, the community must submit its application of form SF424—Application for Federal Domestic Assistance—via <http://www.grants.gov>. Below are instructions on:

- How to FIND the SCASDP application online at <http://www.grants.gov>;
- How to register to submit applications; and
- How to APPLY or complete and submit the application form SF424.

*Finding the SCASDP Grant Opportunity on Grants.Gov*

Start your search for the Small Community Air Service Development Program grant opportunity by entering <http://www.grants.gov> and clicking the *Finding Grant Opportunities* tab at the top of the page. In the search box titled "Search for Catalog for Federal Domestic Assistance (CFDA) number" enter 20.930. You will see a summary of the SCASDP requirements.

*Register To Submit Applications*

Prior to applying, you must register to create a Grants.gov account and receive approval from your organization to submit applications. Detailed instructions on how to complete the registration is available at <http://www.grants.gov>.

1. *Register your Organization*

- Obtain a Data Universal Number System (DUNS) number
  - Register the organization with a Central Contractor Registry (CCR)
2. *Register yourself as an Authorized Organization Representative (AOR)*
- Obtain a username and password
  - Register with Grants.gov
3. *Get Authorized as an AOR by your Organization*
- Obtain E-Business Point of Contact authorization

#### Applying for the Grant

Once you have located the Small Community Air Service Development Program grant opportunity, you will need to enter the Funding Opportunity and/or the Catalog of Federal Domestic Application (CFDA) number 20.930 to access the application package and instructions online. However, you must complete the registration process before applying (see B above). In order to view the application package and instructions, you will also need to download and install the *PureEdge Viewer*.

1. *Download PureEdge Viewer* [Required]
2. *Download an Application Package*
3. *Complete an Application Package*
4. *Submit an Application Package*

Enter the SCASDP CFDA number (20.930) to download the application form SF424 and begin the process to apply for the grant through <http://www.grants.gov>. It is a 4-step process:

Apply Step 1: Download the Grant Application Form SF424 and Application Instructions

You will need to enter the Funding Opportunity and/or CFDA number to access the application package and instructions. Download and install the *PureEdge Viewer* (available on <http://www.grants.gov>). This small, free program will allow you to access, complete, and submit applications electronically and securely.

Apply Step 2: Complete the Selected Grant Application Package

You can complete the application offline—giving you the flexibility to complete grant applications when and where you want. It also enables you to easily route it through your organization for review, or completion of various components, just like any other email attachment.

Apply Step 3: Submit a Completed Grant Application Package

You will submit the application online. When you are ready to submit the completed application form SF424, you must have already completed the *Get Started* Steps. You will then need to log into <http://www.grants.gov> using the username and password you entered when you registered with a *Credential Provider* to submit the application.

**Note:** To submit electronic grant applications, you must be fully authorized by your organization, i.e., been given status as an *Authorized Organization Representative (AOR)*. You can easily check your status by logging into <http://www.grants.gov> by accessing the *Applicant* link at the top of the screen. If you have registered your user name

and password with Grants.gov, you will be able to log in. After logging in, access the 'Manage Profile' link. Your status, located below your title, will state: "AOR—request sent" or "AOR—Approved". If your status is 'AOR—request sent', you cannot yet submit grant applications. You may correct this by contacting your *E-Business Point of Contact (POC)*. He or she will need to login by accessing the *Ebiz* link at the top of the screen. They will need your organization's DUNs number and MPIN, to approve you as an AOR.

Apply Step 4: Track the Status of a Completed Grant Application Package

Once you have submitted an application, you can check the status of your application submission. You can identify your application by CFDA Number, Funding Opportunity Number, Competition ID, and/or Grants.gov Tracking Number.

[FR Doc. 06-983 Filed 2-1-06; 8:45 am]

**BILLING CODE 4910-62-M**

## DEPARTMENT OF TRANSPORTATION

### Federal Highway Administration

#### Notice of Final Federal Agency Actions on Proposed Highway in Utah

**AGENCY:** Federal Highway Administration (FHWA), DOT; Army Corps of Engineers, DOD.

**ACTION:** Notice of Limitation on Claims for Judicial Review of Actions by FHWA, United States Army Corps of Engineers (USACE), DOD, and Other Federal Agencies.

**SUMMARY:** This notice announces actions taken by the FHWA, USACE, and other Federal agencies that are final within the meaning of 23 U.S.C. 139(l)(1). The actions relate to a proposed highway project, Legacy Parkway Project from Interstate 215 (I-215) in Salt Lake City north to U.S. Highway 89 (US-89) in Farmington, in the Counties of Salt Lake and Davis, State of Utah. Those actions grant licenses, permits, and approvals for this project.

**DATES:** By this notice, the FHWA is advising the public of final agency actions subject to 23 U.S.C. 139(l)(1). A claim seeking judicial review of the Federal agency actions on the highway project will be barred unless the claim is filed on or before August 1, 2006. If the Federal law that authorizes judicial review of a claim provides a time period of less than 180 days for filing such claim, then that shorter period still applies.

**FOR FURTHER INFORMATION CONTACT:** Gregory S. Punske, P.E., Environmental Program Manager, Federal Highway Administration, 2520 West 4700 South, Suite 9A, Salt Lake City, Utah 84118,

Telephone: (801) 963-0182. The FHWA Utah Division Office's normal business hours are 7 a.m. to 4:30 p.m. (mountain time). You may also contact Mr. Shawn Zinszer, Chief Intermountain Regulatory Office, U.S. Army Corps of Engineers, 533 West 2600 South, Suite 150, Bountiful, Utah 84010 Telephone: (801) 295-8380 or, Mr. John Thomas, Director, Legacy Parkway Project, Utah Department of Transportation, 4001 South 700 East, Suite 450, Salt Lake City, UT 84107, Telephone, (801) 924-2070.

**SUPPLEMENTARY INFORMATION:** Notice is hereby given that the FHWA and other Federal agencies have taken final agency actions by issuing licenses, permits, and approvals for the following highway project in the State of Utah: The Legacy Parkway Project, a four-lane, limited-access, divided highway extending 14 miles from Interstate 215 (I-215) in Salt Lake City north to I-15 and U.S. Highway 89 (US-89) in Farmington; FHWA Reference Number: SP-0067(1)0. The primary purpose of the Legacy Parkway project is to help meet existing and projected travel demand through 2020 in the North Corridor by providing additional north-south transportation capacity. The North Corridor, located in Salt Lake and Davis Counties, Utah, is an area constrained by the Great Salt Lake to the west and the Wasatch Mountains to the east, and bounded by 400 South in Salt Lake City to the south and 200 North in Kaysville to the north. The actions by the Federal agencies, and the laws under which such actions were taken, are described in the Final Supplemental Environmental Impact Statement (FSEIS) for the project, approved on October 19, 2005, in the FHWA Record of Decision (ROD) issued on January 10, 2006, in the USACE of Engineers ROD issued on January 18, 2006, and in the Department of Army Permit Number 2003350493 effective on January 20, 2006, and in other documents in the FHWA and USACE administrative record. The FSEIS, RODs, and other documents in the FHWA and USACE administrative record are available upon written request from the FHWA or the Utah Department of Transportation at the addresses provided above. The FSEIS, the FHWA ROD, the USACE ROD and the Department of the Army Permit can be viewed and downloaded from the Utah Department of Transportation project Web site at: <http://udot.utah.gov/index.php/m=c/tid=181>. The FSEIS can also be viewed at public libraries in the project area. Copies of the FHWA ROD and the USACE permit are available upon written request from