

FAA Reauthorization Update

Bills Include a Number of Key AGC Priorities

The House and Senate moved forward with their respective reauthorizations of the Federal Aviation Administration (FAA). AGC weighed in with the House Transportation & Infrastructure (T&I) and Senate Commerce, Science and Transportation Committees on construction contractors' priorities for the legislation. The current FAA Authorization expires on September 30.

The House T&I Committee passed the 21st Century Aviation, Innovation, Reform and Reauthorization (AIRR) Act by a vote of **32-25**. The largely party-line vote was due to language moving FAA's Air Traffic Control operations to a new non-profit corporation, while leaving the FAA in charge of safety regulation and airport grants. The Senate bill, the Federal Aviation Administration Reauthorization Act of 2017, passed out of committee by voice vote and, unlike the House bill, does not include the Air Traffic Control proposal.

During House committee debate, an AGC-supported amendment by Representatives Lou Barletta (R-Pa.) and Sam Graves (R-Mo.) to increase funding for the Airport Improvement Program (AIP) was included. The amendment authorizes AIP funding at \$3.597 billion in fiscal year 2018 and increases funding to \$3.998 billion in fiscal year FY 2023 – an increase of \$173.6 million per year over what was originally included on the AIRR Act. The Senate bill provides an increase for the AIP in the last two years of the authorization—up to \$3.75 billion in fiscal years 2019 and 2020. In terms of the Passenger Facility Charge (PFC), neither bill included the AGC-supported increase in the \$4.50 cap that airports can charge to help finance airport infrastructure projects.

Other issues of note, the Senate bill includes language that increases the Disadvantaged Business Enterprise (DBE) size standard for the AIP program, while also ensuring that there is one size standard for all businesses participating in the AIP DBE program. In the House, two Buy America-related amendments that AGC opposes were included, one that requires the Department of Transportation to establish a public notice and comment period for Buy America waivers, the second requires the Secretary of Transportation to provide annual reports to Congress on the amounts of foreign-manufactured equipment purchased by the FAA.

Next the respective bills will be considered by the full House and Senate – which could happen prior to Congress leaving for the August recess. AGC will continue to work to ensure that the final FAA bill includes the higher House bill AIP funding levels, lifts the PFC cap, retains the Senate DBE size standard provision and does not expand Buy America requirements, either in scope or application.