



1 is amended by striking the word “and” following para-  
2 graph (13), by substituting “; and” for the period at the  
3 end of paragraph (14), and by adding a new paragraph  
4 (15) to read as follows:

5           “(15) It is in the national interest to encourage  
6 projects that employ innovative technology, concepts,  
7 and approaches that will promote safety, capacity,  
8 and efficiency improvements in the air transpor-  
9 tation system, and it is therefore an objective of this  
10 Act that the Secretary encourage and solicit innova-  
11 tive technology proposals and activities in the ex-  
12 penditure of funding pursuant to this Act.”

13 **SEC. 103. DEFINITIONS.**

14 Section 503(a) of the Airport and Airway Improve-  
15 ment Act of 1982, as amended (49 U.S.C. App. 2202(a)),  
16 is amended—

17           (1) by inserting in clause (2)(B)(ii) the phrase  
18 “(including explosives detection devices and univer-  
19 sal access systems)” after the phrase “or security  
20 equipment”; and

21           (2) by deleting the phrase “and if funded by a  
22 grant under this title,” in subparagraph (F).

23 **SEC. 104. AIRPORT IMPROVEMENT PROGRAM.**

24           (a) Section 505(a) of the Airport and Airway Im-  
25 provement Act of 1982, as amended (49 U.S.C. App.

1 2204(a)), is amended by striking the word “and” which  
2 appears immediately before “\$15,966,700,000” and in-  
3 serting the following immediately after the phrase “Octo-  
4 ber 1, 1993”: “, \$17,656,700,000 for fiscal years ending  
5 before October 1, 1994, \$19,346,700,000 for fiscal years  
6 ending before October 1, 1995, \$21,136,700,000 for fiscal  
7 years ending before October 1, 1996, and  
8 \$23,026,700,000 for fiscal years ending before October 1,  
9 1997”.

10 (b) Section 505(b)(1) of the Airport and Airway Im-  
11 provement Act of 1982, as amended (49 U.S.C. App.  
12 2204(b)(1)), is amended by striking “1993” and by insert-  
13 ing in lieu thereof “1997”.

14 **SEC. 105. AIRWAY IMPROVEMENT PROGRAM.**

15 Section 506(a) of the Airport and Airway Improve-  
16 ment Act of 1982, as amended (49 U.S.C. App. 2205(a)),  
17 is amended by striking the word “and” immediately before  
18 “\$14,000,000,000” in paragraph (1), and inserting imme-  
19 diately after “October 1, 1995” the following: “,  
20 \$16,500,000,000 for fiscal years ending before October 1,  
21 1996, and \$19,000,000,000 for fiscal years ending before  
22 October 1, 1997”.

1 **SEC. 106. RESEARCH, ENGINEERING AND DEVELOPMENT,**  
2 **AND DEMONSTRATIONS.**

3 Section 506(b) of the Airport and Airway Improve-  
4 ment Act of 1982, as amended (49 U.S.C. 2205(b)), is  
5 amended—

6 (1) by striking everything following the phrase  
7 “Trust Fund” through and including the letter  
8 “(B)” and by inserting the following immediately  
9 after “\$297,000,000”: “, for fiscal year 1995  
10 \$267,000,000; for fiscal year 1996 \$296,000,000;  
11 and for fiscal year 1997 \$316,000,000”; and

12 (2) by striking paragraphs (3) and (4) and re-  
13 numbering paragraph (5) as paragraph (3).

14 **SEC. 107. OTHER EXPENSES.**

15 Section 506 of the Airport and Airway Improvement  
16 Act of 1982, as amended (49 U.S.C. App. 2205), is  
17 amended by striking subsection (c) and inserting in lieu  
18 thereof a new subsection (c) to read as follows:

19 “(c) OTHER EXPENSES.—The balance of the moneys  
20 available in the Trust Fund may be appropriated for costs  
21 incurred by the Federal Aviation Administration in oper-  
22 ating and maintaining the aviation system in a safe and  
23 efficient manner. The total of amounts made available and  
24 appropriated from the Trust Fund for purposes specified  
25 in sections 505 and 506 of this Act in each fiscal year  
26 shall equal 75 percent of the total amount made available

1 and appropriated to the Federal Aviation Administration  
2 for all purposes in that fiscal year, without regard to the  
3 repayment of indebtedness to the Secretary of the Treas-  
4 ury incurred in connection with aircraft loan guarantees.”.

5 **SEC. 108. OPERATIONS ACCOUNT.**

6 Section 106(k) of title 49, United States Code, is  
7 amended by striking the remainder of the sentence after  
8 the word “Administration” and inserting “such sums as  
9 may be necessary.” in lieu thereof.

10 **SEC. 109. PRESERVATION OF FUNDS AND PRIORITY FOR**  
11 **AIRPORT AND AIRWAY PROGRAMS.**

12 Section 506(e)(5) of the Airport and Airway Improve-  
13 ment Act of 1982, as amended (49 U.S.C. App.  
14 2205(e)(5)), is amended by striking “September 30,  
15 1995,” and inserting in lieu thereof “September 30,  
16 1997,”.

17 **SEC. 110. APPORTIONMENT OF FUNDS.**

18 Section 507(b)(3)(A) of the Airport and Airway Im-  
19 provement Act of 1982, as amended (49 U.S.C. App.  
20 2206(b)(3)(A)), is amended—

21 (1) by striking the phrase “or reducing the  
22 amount authorized or” and inserting in lieu thereof  
23 the phrase “the amount”; and

1           (2) by inserting the phrase “to less than  
2           \$1,900,000,000” after the phrase “to be obligated”,  
3           and by deleting the phrase “limited or reduced”.

4 **SEC. 111. USE OF APPORTIONED AND DISCRETIONARY**  
5 **FUNDS.**

6           Section 508(d) of the Airport and Airway Improve-  
7           ment Act of 1982, as amended (49 U.S.C. App. 2207(d)),  
8           is amended—

9           (1) by striking the number “10” in paragraph  
10          (1) and inserting in lieu thereof the number “5”;

11          (2) by inserting the phrase “and for the pur-  
12          poses of section 535 of this title” in paragraph (2)  
13          after the phrase “104(c) of such Act”;

14          (3) by striking the number “2.5” in paragraph  
15          (3) wherever it appears and inserting in lieu thereof  
16          the number “1.5”; and

17          (4) by striking the words “each of” immediately  
18          before the phrase “fiscal years 1994” in paragraph  
19          (5) and by striking the year “1995” in paragraph  
20          (5) and inserting in lieu thereof the word “there-  
21          after”.

22 **SEC. 112. MILITARY AIRPORT PROGRAM.**

23           Section 508(f) of the Airport and Airway Improve-  
24           ment Act of 1982, as amended (49 U.S.C. App. 2207(f)),  
25           is amended—

1           (1) by striking the caption “DESIGNATION OF  
2           CURRENT OR FORMER MILITARY AIRPORTS” and  
3           inserting in lieu thereof “MILITARY AIRPORT PRO-  
4           GRAM”;

5           (2) by striking paragraph (1) and inserting the  
6           following in lieu thereof:

7           “(1) DESIGNATION.—The Secretary may des-  
8           ignate one or more military airports to receive funds  
9           distributed under subsection (d)(5) of this section.  
10          Airports designated under this subsection prior to  
11          the enactment of the Aviation Investment Act of  
12          1994, shall remain eligible to receive grants under  
13          section 508(d)(5), as amended by the Aviation In-  
14          vestment Act of 1994, subject to 508(f)(3) as in ef-  
15          fect prior to the enactment of the Aviation Invest-  
16          ment Act of 1994.”;

17          (3) by deleting paragraph (2);

18          (4) by deleting in paragraph (3) the phrase  
19          “and in conducting the survey under paragraph (2)”  
20          and by deleting everything after the phrase “con-  
21          sider only those” and inserting the following in lieu  
22          thereof: “military airports listed in the reports is-  
23          sued by the Defense Base Closure and Realignment  
24          Commission whose conversion, in whole or in part,

1 would enhance civil airport and air traffic control  
2 system capacity.”;

3 (5) by striking the second sentence in para-  
4 graph (4);

5 (6) by striking “for fiscal years 1993, 1994,  
6 and 1995” in paragraph (6); and

7 (7) by renumbering paragraphs (3) through (6)  
8 as paragraphs (2) through (5), respectively, and by  
9 adding a new paragraph (6) to read as follows:

10 “(6) SHORT-TERM FUNDING FOR OPERATIONS  
11 AND MANAGEMENT.—The Secretary may designate  
12 military airport program participants to obtain  
13 grants to operate, maintain, and repair airport fa-  
14 cilities during the transition to civil operations, sub-  
15 ject to such assurances as the Secretary may con-  
16 sider necessary. No participant may receive more  
17 than \$250,000 under this paragraph.”

18 **SEC. 113. SUBMISSION AND APPROVAL OF PROJECT GRANT**

19 **APPLICATIONS.**

20 Section 509(a)(3) of the Airport and Airway Im-  
21 provement Act of 1982, as amended (49 U.S.C. App.  
22 2208(a)(3)), is amended by striking the number “2”  
23 wherever it appears and inserting “1” in lieu thereof, and  
24 by striking the word “similar”.

1 **SEC. 114. REIMBURSEMENT FOR CERTAIN PAST EXPENDI-**  
2 **TURES.**

3 Section 513(a)(2) of the Airport and Airway Im-  
4 provement Act of 1982, as amended (49 U.S.C. App.  
5 2212(a)(2)), is amended—

6 (1) by striking the word “or” at the end of sub-  
7 paragraph (A) and by adding the word “or” imme-  
8 diately after the semicolon in subparagraph (B); and

9 (2) by adding a new subparagraph (C) to read  
10 as follows:

11 “(C)(i) it was incurred—

12 “(aa) not more than 2 years before the  
13 grant agreement for such project was executed;

14 “(bb) after September 30, 1993;

15 “(cc) in accordance with an airport layout  
16 plan approved by the Secretary and in accord-  
17 ance with all applicable statutory and adminis-  
18 trative requirements that would have been ap-  
19 plicable to such work if the project had been  
20 carried out after the grant agreement had been  
21 executed; and

22 “(dd) in the case of projects initiated on or  
23 after 90 days following the enactment of this  
24 provision, after receiving the Secretary’s ap-  
25 proval of the project.

1           “(ii) allowable costs under subparagraph (C)(i)  
2 may include—

3           “(aa) interest payable on, and the retire-  
4 ment of, the principal of bonds or other evi-  
5 dence of indebtedness incurred to initiate the  
6 project involved and before the grant agreement  
7 for such project was executed; and

8           “(bb) interest payable on, and the retire-  
9 ment of, the principal of bonds or other evi-  
10 dences of indebtedness the proceeds of which  
11 were used to finance the development work for  
12 which reimbursement is provided under this  
13 subparagraph.

14           “(iii) only the sums apportioned under sub-  
15 sections 507(a)(1) and 507(a)(2) of this title may be  
16 obligated for project costs allowable under paragraph  
17 (C)(i).”

18 **SEC. 115. TERMINAL DEVELOPMENT.**

19           Section 513(b) of the Airport and Airway Improve-  
20 ment Act of 1982, as amended (49 U.S.C. App. 2212(b)),  
21 is amended—

22           (1) by inserting after the phrase “may be used”  
23 in paragraph (2) the phrase “subject to the approval  
24 of the Secretary”;

1           (2) by adding a new sentence at the end of  
2 paragraph (2) to read as follows: “All or any portion  
3 of the sums to be distributed at the discretion of the  
4 Secretary under sections 507(c) and 507(d) for any  
5 fiscal year may be distributed for use by commercial  
6 service airports each of which annually has .05 per-  
7 cent or less of the total enplanements in the United  
8 States for project costs allowable under paragraph  
9 (1) of this subsection.”; and

10           (3) by striking paragraph (5) and renumbering  
11 paragraph (6) as paragraph (5).

12 **SEC. 116. LETTERS OF INTENT.**

13           Section 513(d)(1) of the Airport and Airway Im-  
14 provement Act of 1982, as amended (49 U.S.C. App.  
15 2212(d)(1)), is amended by adding a new subparagraph  
16 (H) to read as follows:

17                   “(H) LIMITATION OF STATUTORY CON-  
18                   STRUCTION.—Nothing in this section shall be  
19                   construed to prohibit the obligation of amounts  
20                   pursuant to a letter of intent under this para-  
21                   graph in the same fiscal year as the letter of in-  
22                   tent is issued.”

23 **SEC. 117. STATE BLOCK GRANT PROGRAM.**

24           (a) Section 534(a) of the Airport and Airway im-  
25 provement Act of 1982, as amended (49 U.S.C. App.

1 2227(a)), is amended by striking “September 30, 1996”  
2 and inserting in lieu thereof “September 30, 1997”.

3 (b) Section 534(b) of the Airport and Airway Im-  
4 provement Act of 1982, as amended, (49 U.S.C. App.  
5 2227(b)) is amended by striking the remaining portion of  
6 the first sentence after the phrase “under this title,” and  
7 inserting in lieu thereof the following: “for such airports,  
8 other than primary airports, that the Secretary may ap-  
9 prove annually. Such funding may include funding for in-  
10 tegrated airport system planning. For purposes of this sec-  
11 tion, an integrated airport system plan must include at  
12 least one primary airport enplaning 0.25 percent or more  
13 of the total number of passengers enplaned annually at  
14 all commercial service airports.”.

15 **SEC. 118. COMPATIBLE LAND USE.**

16 The Airport and Airway Improvement Act of 1982,  
17 as amended, (49 U.S.C. App. 2201 et seq.) is amended  
18 by adding a new section 535 to read as follows:

19 **“SEC. 535. COMPATIBLE LAND USE.**

20 “(a) Subject to the conditions in subsection (c), the  
21 Secretary is authorized to make grants to States and units  
22 of local government for any land use compatibility plan-  
23 ning or project as defined in this section for the purposes  
24 of making the use of land areas around airports compat-  
25 ible with aircraft operations.

1 “(b) DEFINITIONS.—

2 “(1) ‘Compatible land use’ means land use that  
3 is normally compatible with—

4 (A) the noise levels associated with an air-  
5 port, as established under the Aviation Safety  
6 and Noise Abatement Act of 1979;

7 (B) airport design standards as issued by  
8 the Secretary; and

9 (C) regulations promulgated under the au-  
10 thority of section 1101 of the Federal Aviation  
11 Act of 1958, as amended.

12 “(2) ‘Land use compatibility plan’ means the  
13 product of a process to determine the extent, type,  
14 nature, location, and timing of measures to improve  
15 the compatibility of land use with the existing and  
16 forecast level of aviation activity at an airport.

17 “(3) ‘Land use compatibility project’ means a  
18 project that is contained in a land use compatibility  
19 plan and determined by the Secretary to enhance  
20 land use compatibility.

21 “(c) CONDITIONS.—

22 “(1) The sponsor must be a public agency that  
23 is not the owner or operator of the airport with  
24 which the land use compatibility planning project is  
25 associated.

1           “(2) The sponsor of the land use compatibility  
2 plan must have authority to plan and adopt land use  
3 control measures, including zoning, in the planning  
4 area.

5           “(3) A land use compatibility plan may not du-  
6 plicate or be inconsistent with an airport noise com-  
7 patibility program prepared by an airport operator  
8 under the Aviation Safety and Noise Abatement Act  
9 of 1979 or with other planning carried out by the  
10 airport. The public agency which is the sponsor of  
11 a land use compatibility plan shall consult with the  
12 owner or operator of the airport with which the plan  
13 is associated regarding any recommended land use  
14 compatibility measures identified in the plan and  
15 any aviation data on which such recommendations  
16 are made.

17           “(4) The Secretary shall make project grants  
18 under this section contingent upon a verification by  
19 the associated airport owner or operator that the  
20 land use compatibility plan, including the use of any  
21 noise exposure contours on which land use planning  
22 or projects are based, has been coordinated with the  
23 airport and is consistent with airport operation and  
24 planning.

1           “(5) The Secretary may establish guidelines to  
2           administer this section in accordance with the pur-  
3           poses and conditions described herein.

4           “(d) SPONSORSHIP.—As a condition precedent to ap-  
5           proval of a proposal by a public agency to undertake prep-  
6           aration of a land use compatibility plan or implementation  
7           of a land use compatibility project under this section, the  
8           Secretary shall receive such assurances, in writing, from  
9           the sponsor of the plan or project as the Secretary may  
10          determine to be necessary to achieve the purposes of this  
11          section.”.

12          **SEC. 119. AIRPORT SAFETY DATA COLLECTION.**

13          The Airport and Airway Improvement Act of 1982,  
14          as amended (49 U.S.C. App. 2201 et seq.), is amended  
15          by adding a new section 536 to read as follows:

16          **“SEC. 536. AIRPORT SAFETY DATA COLLECTION.**

17          “Notwithstanding any other provision of law, the Ad-  
18          ministrators of the Federal Aviation Administration may  
19          contract with the Center for Aviation Research and Edu-  
20          cation of the National Association of State Aviation Offi-  
21          cials for the collection of airport safety data, to be funded  
22          from amounts made available under section 508(d)(4) for  
23          integrated airport system planning.”.

1 **SEC. 120. INTERMODAL SYSTEM PLANNING.**

2 (a) Section 503(a) of the Airport and Airway Im-  
3 provement Act of 1982, as amended (49 U.S.C. App.  
4 2202(a)) is amended by inserting in the second sentence  
5 of paragraph (7) the phrase “the role which airports play  
6 in the transportation system in a specific area,” after the  
7 phrase “identification of system needs,”.

8 (b) Section 508(d)(4) of the Airport and Airway Im-  
9 provement Act of 1982, as amended (49 U.S.C. App.  
10 2207(d)(4)) is amended—

11 (1) by striking the phrase “ $\frac{1}{2}$  of” in paragraph  
12 (4);

13 (2) by inserting in paragraph (4) the letter  
14 “(A)” before the phrase “Not less than” and insert-  
15 ing “; and” in lieu of the period; and

16 (3) by inserting in paragraph (4) a new sub-  
17 paragraph (B) to read as follows:

18 “(B) Prior to the Secretary’s approval of a  
19 grant to a planning agency for integrated airport  
20 system planning, the planning agency shall, insofar  
21 as its powers permit, certify that the sponsor of any  
22 airport enplaning 0.25 percent or more of the total  
23 number of passengers enplaned annually at all com-  
24 mercial service airports is considered to be an opera-  
25 tor of a major mode of transportation pursuant to  
26 the provisions of section 1024(a) of the Intermodal

1 Surface Transportation Efficiency Act of 1990 (23  
2 U.S.C. App. 134(b)(2)), and that any such sponsor  
3 is a member, or will be appointed a member as soon  
4 as practicable, of such planning agency.”

5 **SEC. 121. INNOVATIVE FINANCING.**

6 Section 505 of the Airport and Airway Improvement  
7 Act of 1982, as amended (49 U.S.C. 2204), is amended  
8 by adding a new subsection (e) to read as follows:

9 “(e) INNOVATIVE FINANCING OF AIRPORT DEVELOP-  
10 MENT PROJECTS.—

11 “(1) IN GENERAL.—In order to fulfill the objec-  
12 tives of this section in a manner that advances the  
13 overall infrastructure needs of the aviation sector of  
14 the nation’s economy as effectively and flexibly as  
15 possible, the Secretary is authorized, on such terms  
16 and conditions as the Secretary deems appropriate,  
17 to enter into agreements or other arrangements for  
18 airport development that produce a greater amount  
19 of investment in airport development per dollar of  
20 Federal expenditure than generally prevails in the  
21 Federal program pursuant to subsection (a) of this  
22 section. Among the innovative financing mechanisms  
23 available to the Secretary pursuant to this sub-  
24 section are agreements entered into with non-Fed-  
25 eral entities, including airport sponsors, for the loan

1 of Federal funds, the guarantee of loan repayment,  
2 or the purchase of insurance or other forms of en-  
3 hancement for borrower debt. In selecting projects  
4 under this subsection, the Secretary shall give prior-  
5 ity consideration to projects that demonstrate inno-  
6 vative use of Federal funds and leverage a signifi-  
7 cant amount of non-Federal funds and to projects  
8 with the greatest transportation benefits when com-  
9 pared to other available proposals for airport devel-  
10 opment. When approving projects under this sub-  
11 section, the Secretary may agree in the early phases  
12 of a project to a Federal share, up to 100 percent,  
13 provided that the Federal share of the total cost of  
14 the project does not exceed that otherwise permitted.  
15 Any combination of these financing mechanisms may  
16 be combined with grant assistance under this title  
17 for any project eligible for grant assistance under  
18 this title.

19 “(2) TRUST FUND COMMITMENTS.—In order to  
20 participate in innovative financing of airport devel-  
21 opment pursuant to this subsection, there are au-  
22 thorized to be appropriated from the Trust Fund  
23 such sums as may be necessary during the fiscal  
24 years 1995 through 1997 for the cost of loans, loan  
25 guarantees and other participation, which sums shall

1 be in addition to amounts made available under sub-  
2 section (a) of this section. New Federal loans and  
3 guarantees may be incurred only to the extent that  
4 appropriation of budget authority to cover their  
5 costs, as defined in Section 502 of the Congressional  
6 Budget Act of 1974, is made in advance.”.

7 **TITLE II—FEDERAL AVIATION ACT OF 1958**  
8 **AMENDMENTS**

9 **SEC. 201. COOPERATIVE AGREEMENTS FOR RESEARCH, EN-**  
10 **GINEERING, AND DEVELOPMENT.**

11 Section 312 of the Federal Aviation Act of 1958, as  
12 amended (49 U.S.C. App. 1353), is amended—

13 (1) by adding at the end a new subsection (j)  
14 to read as follows:

15 “(j) COOPERATIVE AGREEMENTS.—The Adminis-  
16 trator may enter into cooperative agreements on a cost-  
17 shared basis with Federal and non-Federal entities that  
18 the Administrator may select in order to conduct, encour-  
19 age, and promote aviation research, engineering, and de-  
20 velopment, including the development of prototypes and  
21 demonstration models.”

22 (2) CONFORMING AMENDMENT.—The table of  
23 contents of the Federal Aviation Act of 1958 is  
24 amended by adding at the end of the item relating  
25 to section 312 the following:

“(j) Cooperative agreements.”.

1 **SEC. 202. ASSISTANCE TO FOREIGN AVIATION AUTHORI-**  
2 **TIES.**

3 Section 313 of the Federal Aviation Act of 1958, as  
4 amended (49 U.S.C. App. 1354), is amended—

5 (1) by adding at the end a new subsection (g)  
6 to read as follows:

7 “(g) ASSISTANCE TO FOREIGN AVIATION AUTHORI-  
8 TIES.—(1) The Administrator may provide safety-related  
9 training and operational services for foreign aviation au-  
10 thorities with or without reimbursement, if the Adminis-  
11 trator determines that providing such services promotes  
12 aviation safety or United States aviation interests. To the  
13 extent practicable, air travel reimbursed under this sub-  
14 section shall be conducted on United States air carriers.

15 “(2) Funds received by the Administrator pursuant  
16 to this section shall be credited to the appropriation from  
17 which the expenses were incurred in providing such  
18 services.”.

19 (2) CONFORMING AMENDMENT.—The table of  
20 contents of the Federal Aviation Act of 1958 is  
21 amended by adding at the end of the item relating  
22 to section 313 the following:

“(g) Assistance to foreign aviation authorities.”

23 **SEC. 203. FOREIGN FEE COLLECTION.**

24 Section 313(f) of the Federal Aviation Act of 1958,  
25 as amended (49 U.S.C. App. 1354(f)), is amended—

1 (1) by redesignating paragraphs (3) and (4) as  
2 paragraphs (4) and (5), respectively; and

3 (2) by inserting immediately after paragraph  
4 (2) a new paragraph (3) to read as follows:

5 “(3) RECOVERY OF COST OF FOREIGN AVIA-  
6 TION SERVICES.—

7 “(A) ESTABLISHMENT OF FEES.—Not-  
8 withstanding the limitation of paragraph (4),  
9 the Administrator may establish and collect fees  
10 for providing or carrying out the following avia-  
11 tion services outside the United States: any  
12 test, authorization, certificate, permit, rating,  
13 evaluation, approval, inspection, or review. Such  
14 fees shall be established as necessary to recover  
15 the additional cost of providing or carrying out  
16 such services outside the United States, as com-  
17 pared to the cost of providing or carrying out  
18 such services within the United States, except  
19 that in the case of foreign repair stations, and  
20 for such other aviation services as the Adminis-  
21 trator may determine appropriate, recovery  
22 shall be for the full cost of providing such  
23 services.

24 “(B) CREDITING OF PREESTABLISHED  
25 FEES.—Fees described in subparagraph (A)

1 that were not established before the date of en-  
2 actment of this Act may be credited in accord-  
3 ance with paragraph (5).”.

4 **SEC. 204. PASSENGER FACILITY CHARGES.**

5 Section 1113(e)(2) of the Federal Aviation Act of  
6 1958, as amended, (49 U.S.C. App. 1513(e)(2)) is amend-  
7 ed—

8 (1) by striking the period at the end of sub-  
9 paragraph (B)(iii) and inserting “; and”; and

10 (2) by adding a new subparagraph (C) to read  
11 as follows:

12 “(C) that the application includes adequate  
13 justification for each of the specific projects.”.

14 **TITLE III—AVIATION SAFETY AND NOISE**  
15 **ABATEMENT ACT OF 1979 AMENDMENTS**

16 **SEC. 301. UNIFORM GOVERNMENT SHARE.**

17 Section 104(c)(1) of the Aviation Safety and Noise  
18 Abatement Act of 1979, as amended (49 U.S.C. App.  
19 2104(c)(1)), is amended—

20 (1) by deleting the fourth sentence and insert-  
21 ing in lieu thereof the following: “The United States  
22 share of the allowable cost of a project for which a  
23 grant is made to an airport or to a public agency  
24 under this subsection shall be the United States  
25 share of the allowable cost of an eligible project as

1 set forth in section 510 of the Airport and Airway  
2 Improvement Act of 1982, as amended.”; and

3 (2) by striking the phrase “(except section 510  
4 of that Act relating to United States share of project  
5 costs)” in the fifth sentence.

6 **SEC. 302. SOUNDPROOFING RESIDENTIAL BUILDINGS.**

7 (a) Section 104(c)(2) of the Aviation Safety and  
8 Noise Abatement Act of 1979, as amended (49 U.S.C.  
9 App. 2104(c)(2)), is amended—

10 (1) by inserting “(A)” before “to operators of  
11 airports”; and

12 (2) by striking the period at the end and insert-  
13 ing “; and (B) for projects to soundproof residential  
14 buildings—

15 “(i) if the operator of the airport involved  
16 received approval for a grant for a project to  
17 soundproof residential buildings pursuant to  
18 section 301(d)(4)(B) of the Airport and Airway  
19 Safety and Capacity Expansion Act of 1987;

20 “(ii) if the operator of the airport involved  
21 submits updated noise exposure contours, as re-  
22 quired by the Secretary; and

23 “(iii) if the Secretary determines that the  
24 proposed projects are compatible with the pur-  
25 poses of the Act.”.

1 (b) Section 104(c) of the Aviation Safety and Noise  
2 Abatement Act of 1979, as amended (49 U.S.C. App.  
3 2104(c)), is amended—

4 (1) by adding a new paragraph (4) to read as  
5 follows:

6 “(4) SOUNDPROOFING AND ACQUISITION OF  
7 CERTAIN RESIDENTIAL PROPERTIES.—The Secretary  
8 is authorized under this section to make grants to  
9 operators of airports and to units of local govern-  
10 ment referred to in paragraph (1) for projects to  
11 soundproof residential buildings located on residen-  
12 tial properties, and for projects to acquire residential  
13 properties, at which noise levels are not compatible  
14 with normal operations of an airport—

15 “(A) if the operator of the airport involved  
16 amended an existing local aircraft noise regula-  
17 tion during calendar year 1993 to increase the  
18 maximum permitted noise levels for scheduled  
19 air carrier aircraft as a direct result of imple-  
20 mentation of revised aircraft noise departure  
21 procedures mandated for aircraft safety pur-  
22 poses by the Administrator of the Federal Avia-  
23 tion Administration for standardized application  
24 at airports served by scheduled air carriers;

1           “(B) if the operator of the airport involved  
2           submits updated noise exposure contours, as re-  
3           quired by the Secretary; and

4           “(C) if the Secretary determines that the  
5           proposed projects are compatible with the pur-  
6           poses of this Act.”

7   **SEC. 303. REPEAL OF ANNUAL REPORT REQUIREMENT.**

8           Section 401 of the Aviation Safety and Noise Abate-  
9           ment Act of 1979, as amended (Public Law 96–193; 94  
10          Stat. 57), is repealed.

11          **TITLE IV—GENERAL PROVISIONS**

12   **SEC. 401. RELOCATION OF AIRWAY FACILITIES.**

13          Compensation received by the United States for  
14          transfer of the San Jacinto Disposal Area by the United  
15          States to the city of Galveston, Texas, shall include com-  
16          pensation to be provided to the Federal Aviation Adminis-  
17          tration for all costs of establishing airway facilities to re-  
18          place existing airway facilities on the San Jacinto Disposal  
19          Area. Such compensation shall include but is not limited  
20          to the replacement of the land, clear zones, buildings and  
21          equipment, and demolition and disposal of the existing fa-  
22          cilities on the San Jacinto Disposal Area.

1 **SEC. 402. WAIVER AUTHORITY FOR FOREIGN AIR CAR-**  
2 **RIERS.**

3 Section 9308(b)(1) of the Aviation Noise and Capac-  
4 ity Act of 1990 is amended by inserting the phrase “or  
5 a foreign air carrier” immediately after the phrase “air  
6 carrier” wherever it appears in section 9308(b)(1).

7 **SEC. 403. REPEAL.**

8 Section 31 of the Airport and Airway Development  
9 Act of 1970, as amended (49 U.S.C. App. 1731) is hereby  
10 repealed.

11 **TITLE V—AMENDMENTS TO THE**  
12 **INTERNAL REVENUE CODE OF 1986**

13 **SEC. 501. EXTENSION OF AVIATION-RELATED TAXES AND**  
14 **TRUST FUND SPENDING AUTHORITY.**

15 (a) Sections 4091(b)(3)(A), 4261(g) and 4271(d) of  
16 the Internal Revenue Code of 1986 and sections 9502(b)  
17 (1), (2), and (3) of the Trust Fund Code of 1981 (26  
18 U.S.C. 4091(b)(3)(A), 4261(g), 4271(d), and 9502(b) (1),  
19 (2), and (3)) are amended by striking “January 1, 1996”  
20 each place it appears and inserting in lieu thereof “Janu-  
21 ary 1, 1998”.

22 (b) Section 4041(c)(5) of the Internal Revenue Code  
23 of 1986 (26 U.S.C. 4041(c)(5)) is amended by striking  
24 “December 31, 1995” and inserting in lieu thereof “De-  
25 cember 31, 1997”.

1 (c) Section 9502(b) of the Trust Fund Code of 1981  
2 (26 U.S.C. 9502(b)) is amended—

3 (1) by inserting the phrase “and before” after  
4 “August 31, 1982,” in paragraph (2) and by insert-  
5 ing the word “and” after the semicolon at the end  
6 of paragraph (2);

7 (2) by striking “; and” at the end of paragraph  
8 (3) and substituting a period in lieu thereof; and

9 (3) by deleting paragraph (4).

10 (d) Section 9502(d)(1) of the Trust Fund Code of  
11 1981 (26 U.S.C. 9502(d)(1)) is amended by striking the  
12 phrase “October 1, 1995” and inserting in lieu thereof  
13 “October 1, 1999”.

14 (e) Section 9502(d)(1)(A) of the Trust Fund Code  
15 of 1981 (26 U.S.C. 9502(d)(1)(A)) is amended by striking  
16 the phrase “(as such Acts were in effect on the date of  
17 enactment of the Airport and Airway Safety Capacity,  
18 Noise Improvement, and Intermodal Transportation Act  
19 of 1992);” and inserting in lieu thereof the phrase “or  
20 the Airport and Airway Safety Capacity, Noise Improve-  
21 ment, and Intermodal Transportation Act of 1992 or the  
22 Aviation Investment Act of 1994 (as such Acts were in  
23 effect on the date of the enactment of the Aviation Invest-  
24 ment Act of 1994);”.

1 (f) Section 9502(f)(3) of the Trust Fund Code of  
2 1981 (26 U.S.C. 9502(f)(3)) is amended by striking “De-  
3 cember 31, 1995” and inserting in lieu thereof “December  
4 31, 1999”.

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