By Michael Secchiaroli

On April 27, 2018, the House overwhelmingly approved a bipartisan five-year reauthorization of the Federal Aviation Administration, or FAA. The bill, which passed by a margin of 393-13, seeks to establish policy priorities and provide long-term stability for the FAA. This legislation covers a range of policy areas from airline passenger rights to the development of aviation technology.

The FAA Reauthorization Act of 2018 includes language regarding the expansion of commercial and recreational drone operations, several reforms aimed at air traffic control modernization, more funding for investment in airport capital improvements and construction, as well as expanded airline passenger rights and facility services. The bill fails, however, to raise limit on the Passenger Facility Charge.

The package provides roughly $97 billion in funding through the Fiscal Year 2023 for the above efforts and looks to move away from the short-term, stopgap funding bills that have inhibited the FAA’s functionality in the past.

Although House Transportation and Infrastructure Committee Chairman Bill Shuster of Pennsylvania has long sought to privatize air traffic control, spinning this responsibility off into a government non-profit, this proposal does not appear in this legislation. Air traffic control will remain the responsibility of the FAA.

The FAA also gained authority to approve commercial drone services on a case-by-case basis. The legislation is a big win for drone industry proponents, as the bill provides language that promotes the start of limited package-delivery operations beyond the sight of ground operators.

House Speaker Paul Ryan stated that the bill is one of several items GOP leaders planned to boost the nation’s infrastructure.

“For families, this will make air traffic and air travel safer and easier. For workers, it’s going to make the airline industry more competitive, which means more jobs.”

The legislation ensures long-term investment in large, medium, and rural airports, and requires services such as private rooms for nursing mothers at large and medium-size airports. Many state leaders look to the Airport Improvement Program, which provides federal grants for airport development and planning, to fund capital projects without the burden of using debt financing.

Other passenger rights and services include all flight crews will be required to have specific training to deal with sexual misconduct by travelers and to identify suspected human trafficking involving passengers.

Additionally, carriers would be prohibited from ordering ticketed passengers to give up their seats once they had properly boarded. More passenger-rights amendments died in committee, but the final version of the legislation mandates individual airlines to inform ticket holders what services they can expect in the event of widespread computer-system problems.

The House’s version of the bill would authorize $1 billion that would create a report on the FAA’s Next Generation Air Transportation System to develop new ways to safely integrate commercial drones into the nation’s airways. The bill calls for accelerated development of low-altitude traffic-control to manage commercial drones.
What the legislation fails to address is the passenger facility charge price ceiling. The ceiling is currently set at a $3 each paying passenger of an air carrier or foreign air carrier boarding an aircraft at an airport the agency controls to finance an eligible airport-related project.

The last adjustment of the passenger facility charge ceiling was in 2000. Since then, inflation has eroded the PFC’s purchasing power to roughly 45¢ less than it was in 2000. The lack of adjustment the passenger facility charge ceiling may pose issues in the allocation of funds for airport improvements. While it is important to keep the ceiling at an affordable rate for consumers, it is also important for airports to be able to allocate the appropriate funds to efficiently implement airport improvements.

There are hopes to have the legislation on the Senate floor sometime in early summer 2018, with a goal of a long-term reauthorization of the FAA by late August 2018. State leaders should continue to carefully monitor developments.